



**CITY OF NOVATO**  
CALIFORNIA

May 9, 2024

State Department of Housing and Community Development  
c/o Land Use and Planning Unit  
2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833

RE: Adopted City of Novato 6<sup>th</sup> Cycle Housing Element

The City of Novato is pleased to provide the City's Adopted 6<sup>th</sup> Cycle Housing Element in response to HCD's April 2, 2024, letter of substantial compliance. Due to its size, the Adopted Housing Element will be delivered by mail in paper form and on a USB flash drive.

Although adopted Housing Elements are not subject to AB 215, the Revised Draft 6<sup>th</sup> Cycle Housing Element, in Clean and Red-Lined form, was posted on the City's Housing Element Update website (<https://www.novato.org/housing-element-update>) prior to the Planning Commission hearing on April 22, 2024, and City Council hearing on May 7, 2024.

If you have any questions or need additional information, please do not hesitate to contact me. My direct telephone number is 415-408-8515 and email address is [Chartman@novato.org](mailto:Chartman@novato.org).

Sincerely,

Clare Hartman  
Community Development Director

/vp

Cc: Amy Cunningham, Interim City Manager  
Steve Marshall, Deputy Director Community Development  
David Bergman and Ethan Stan, Lisa Wise Consulting

Enclosure: Novato Adopted 6<sup>th</sup> Cycle Housing Element w/all appendices (flash drive)



**CITY OF NOVATO**  
CALIFORNIA

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# City of Novato 6<sup>th</sup> Cycle Housing Element Update

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**Revised Public Hearing Draft**

April 2024



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# 6<sup>th</sup> Cycle Housing Element Update

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Appendix F: Affirmatively Furthering Fair Housing Assessment

Appendix G: Housing Resources



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## Section I Introduction

### I.A Community Context

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Novato was originally home and hunting grounds of the Coast Miwok and was later settled in 1839 by the Mexican government. During the late 19<sup>th</sup> and early 20<sup>th</sup> centuries, Novato served as a business and distribution downtown area for the surrounding agricultural areas. After the Great Depression halted economic activity, the Hamilton Army Airfield was developed and used by the U.S. Air Force during World War II. Novato was incorporated by the State of California in 1960; most of the City's residential growth occurred between 1960 and 1980. The area provides an abundance of environmental features, residential neighborhoods, a diversified economy, and a robust health and life sciences industry. Just 28 miles north of the heart of San Francisco, Novato is home to nearly 53,000 people served by retail and office areas, primarily in the Downtown area, in pockets along Highway 101, and across various small clusters and convenience centers in the community. The 28 square mile community is developed with various businesses, schools, libraries, and open spaces.

### I.B Housing Element Purpose

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The State of California has stated that the availability of decent and suitable housing for every California family is “a priority of the highest order” (Government Code [Section 54220](#)). This objective has become increasingly urgent in recent years as communities across the State, including Novato, struggle to meet the housing needs of all their residents. State Housing Element Law, established in 1969, recognizes the vital role local governments play in the supply and affordability of housing and requires all cities and counties in California establish a long-range plan to meet their fair share of regional housing needs. Cities are charged with planning for the welfare of their citizens, including ensuring that the existing and projected demands for housing are adequately met.

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*High housing costs — and related housing instability issues — **increase health care costs** (for individuals and the State), **decrease educational outcomes** (affecting individuals, as well as the State's productivity), **and make it difficult for California businesses to attract and retain employees.***

*— State of California 2025 Statewide Housing Assessment*

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The Housing Element is the primary tool used by the State to ensure local governments are appropriately planning for and accommodating enough housing across all income levels. This Housing Element covers the planning period 2023-2031. The Housing Element is a mandatory

part of a jurisdiction's General Plan, but it differs from other General Plan elements in two key aspects. The Housing Element must be updated every eight years for jurisdictions within a metropolitan planning organization (MPO) on a four-year regional transportation plan (RTP) cycle, such as the Association of Bay Area Governments (ABAG). The Housing Element must also be reviewed and approved (i.e., certified) by the California Department of Housing and Community Development (HCD) to ensure compliance with statutory requirements. Certification also ensures that the City remains eligible for various State and federal funding programs.

In practical terms, the Housing Element provides the City with an opportunity to assess its housing needs and to develop policies and actions that effectively respond to those needs. Amongst other groups, the Housing Element affects teachers in our schools, employees in our local businesses, older residents on fixed incomes, parents and their adult children who want to remain in or return to Novato, and young persons wishing to live in the community. Ultimately, the supply and cost of housing affect the entire Bay Area economy as well as people's quality of life in the region.

At the time of publication, the COVID-19 crisis has impacted the Bay Area in significant ways. The pandemic has made the issue of housing security even more acute as residents face job loss, housing cost pressures, and disparate health impacts from the pandemic. This Housing Element has had to respond to these conditions by transitioning the public outreach process to reflect the limitations brought on by COVID-19. These actions are detailed in this report.

## I.C Organization of the Housing Element

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Pursuant to California Government Code [Sections 65580-65589](#), a Housing Element must consist of the following components:

- **Existing Programs Review:** An evaluation of the results of the goals, policies, and programs adopted in the previous Housing Element that compares projected outcomes with actual achieved results.
- **Housing Needs Assessment:** An analysis of the existing and projected housing needs of the community. It provides a profile of socio-demographic information, such as population characteristics, household information, housing stock, tenure, and housing affordability. The assessment also considers local special housing needs, such as seniors, farmworkers, homeless, large households, and female-headed households.
- **Sites inventory and Methodology:** An inventory listing adequate sites that are suitably zoned and available within the planning period to meet the City's fair share of regional housing needs across all income levels.



- **Housing Resources:** An identification of resources to support the development, preservation, and rehabilitation of housing.



- **Housing Constraints:** An assessment of impediments to housing production across all income levels covering both governmental (e.g., zoning, fees, etc.) and nongovernmental (e.g., market, environmental, etc.).



- **Affirmatively Furthering Fair Housing Assessment (AFFH):** AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. The goal of AB 686 is to achieve better economic and health outcomes for all Californians through equitable housing policies. The assessment of affirmatively furthering fair housing documents compliance with AB 686.



- **Goals, Policies, and Programs:** This Section provides a statement of the community's goals, quantified objectives, and policies to maintain, preserve, improve, and develop housing, as well as a schedule of implementable actions to be taken during the planning period to achieve the goals, objectives, and policies. Quantified objectives for new construction, rehabilitation, and conserved units by income category (i.e., very low, low, moderate, and above moderate) are included to make sure that both the existing and the projected housing needs are met, consistent with the City's share of the Regional Housing Needs Allocation (RHNA).



Section II provides a summary of the projected housing need. Section III contains goals, policies, and actions related to housing in Novato. The comprehensive research and analysis supporting the development of Section III are compiled in appendices to this Housing Element. These appendices contain the full set of information used to inform the City's goals, policies, and programs:

- Appendix A: Demographics and Housing Needs Assessment
- Appendix B: Housing Capacity Analysis and Methodology
- Appendix C: Housing Constraints
- Appendix D: Evaluation of the 2015-2023 Housing Element

- Appendix E: Public Participation Summaries
- Appendix F: Affirmatively Furthering Fair Housing Assessment
- Appendix G: Housing Resources

## **I.D Data Sources and Methods**

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This Housing Element was updated in accordance with HCD guidelines for the 6<sup>th</sup> Housing Element Cycle, incorporating additional considerations required under new State housing-related legislation. Specific documents are referenced throughout the Housing Element, including but not limited to Novato General Plan 2035 and the Novato Municipal Code Chapter 19 (Zoning). The analyses and findings in this document relied on data compiled from various sources, including:

- U.S. Census Bureau (American Community Survey, Longitudinal Employer-Household Dynamics)
- California Department of Housing and Community Development (HCD)
- California Department of Finance (DOF)
- US Department of Housing and Urban Development (HUD)
- Consumer Financial Protection Bureau (CFPB)
- Association of Bay Area Governments (ABAG) pre-certified data

This document was also informed by information provided by residents, business groups, local institutions, City staff, and elected officials.

## **I.E Summary of Public Participation**

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### **Outreach Strategy**

Novato's Housing Element Update strategy was grounded in the understanding of the community as the "expert" – that the people who live in, work in, and are stakeholders in the City have the best understanding of the needs, preferences, problems, and solutions that will facilitate the production of high quality and affordable housing. The outreach strategy approached all community engagement participation as voluntary and confidential, with feedback reported in an aggregate format (without personally identifiable information) to assure that comments could not be equated with any individual. This approach assures more accurate responses, helps build trust with the community, and protects participants from real or perceived harm. Due to the COVID-19 pandemic, community engagement for the Housing Element Update was conducted virtually and in-person to allow the public to attend meetings and workshops remotely or on site.

Starting May 2022, the City conducted outreach through a variety of methods to proactively engage key stakeholders and the broader community in the Housing Element Update. To solicit



public feedback at important project milestones, the City held Community Workshops and Focus Groups, as well as Study Sessions and Public Hearings at regular meetings of the Planning Commission and City Council. Throughout the process, the City posted links to recorded presentations and supplemental information on the project webpage, directly contacted representatives from all economic segments of the community, and provided broad notifications through various communication outlets (e.g., email, social media, newsletter, etc.). The City offered translation and interpretation services and reasonable accommodation during all outreach events. Outreach activities are summarized below.

For detailed public outreach summaries, including presentations from the community meetings, please see Appendix E.

## **Website**

The City developed a dedicated [Housing Element Update webpage](#) which provided a timeline, resource for Housing Element information (e.g., meeting presentations, notices, and summaries; additional resources, etc.), and City contact information. The webpage also enabled the City to gather feedback on housing needs, opportunities, constraints, and priorities as well as the current housing crisis, goals, policies, and programs through a [“Connect With Us” option](#). Through this option, the community could also sign up for alerts on opportunities to participate.

The City Housing Element Update webpage was available in English and Spanish. The webpage is shown in Figure A-1 (English) and A-2 (Spanish). The project website was updated throughout the Housing Element Update with current information on key milestones, findings, presentation materials, among other Housing Element-related items. Furthermore, the City’s website is designed based on accessibility guidelines including easily legible font, clear navigation, text alternatives for non-text content, and other website accessibility standards.

Figure A-1: Housing Element Update Webpage (English)

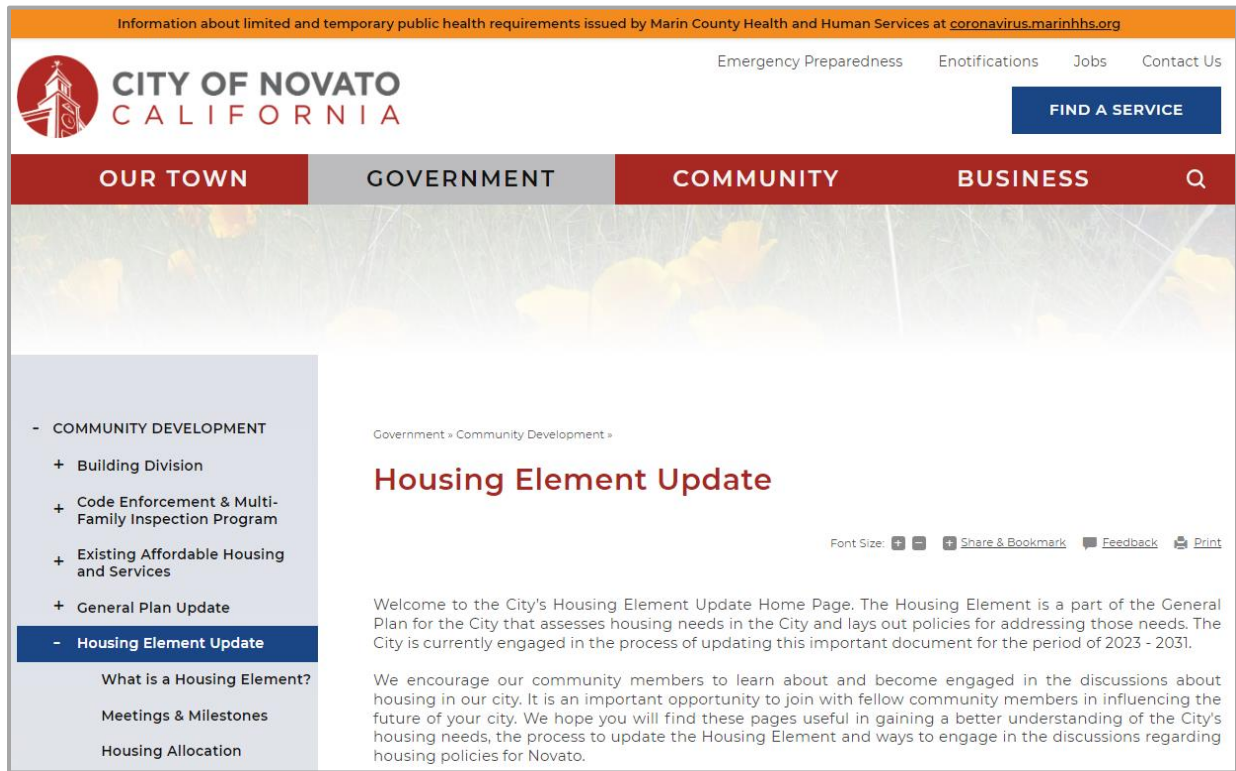


Figure A-2: Housing Element Update Webpage (Spanish)



## Public Outreach and Events

The timeframe of each outreach event is listed below:

- **Community Workshop #1:** May 16, 2022
- **Focus Group #1:** June 8, 2022
- **Focus Group #2:** June 13, 2022
- **Planning Commission Study Session #1:** June 27, 2022
- **Community Workshop #2:** July 11, 2022
- **Planning Commission Study Session #2:** July 25, 2022
- **City Council Study Session #1:** August 23, 2022
- **Planning Commission Study Session #3:** November 28, 2022
- **City Council Study Session #2:** December 6, 2022
- **Planning Commission Public Hearing:** January 9, 2023
- **City Council Public Hearing:** January 24, 2023

Novato held two hour-long Focus Group interviews in June 2022 to gain greater insight into the highest priority housing considerations from the perspective of various interest groups. This enabled the City to better understand local challenges and opportunities that may not be effectively gathered in a larger group setting. The first focus group was held with local social service providers from North Marin Community Services and Legal Aid of Marin, and the second with for-profit and non-profit housing developers active in the region. Focus group discussions were guided by open-ended questions about fair housing issues, market characteristics, development constraints, and housing needs. Since not all invitees were able to attend the scheduled focus group meetings, questions discussed at these meetings were provided via email to all invitees to provide input at their convenience. The discussions centered largely on special needs groups, fair housing, challenges to housing development, housing type demand, and recommended housing policies and strategies in the City.

Novato hosted two Community Workshops, in June 2022 and July 2022. The goal of the first Workshop was to introduce the community to the Housing Element Update process, share preliminary findings about the City's demographics and housing needs, and offer an opportunity to provide input at an early stage in the process. The second Workshop focused on providing a more comprehensive summary of initial findings from the technical analysis, as well as a detailed overview of the City's RHNA and the existing projects in the housing development pipeline. The Community Workshops also featured interactive live polling to gather further public input and stimulate discussion.

Novato held Study Sessions with the Planning Commission and City Council before and after the second Community Workshop to facilitate the Commissioners' understanding of key aspects of

the Housing Element Update. The first Study Session featured a high-level overview of the findings from the technical analysis, the importance of affirmatively furthering fair housing (AFFH) requirements, and a preliminary summary of public feedback as of June 2022. One month later, Novato held a second Study Session which presented results from live polling in the second Community Workshop and offered Commissioners and the public a first look at the City's preliminary sites inventory, including a potential rezoning program. In August 2022, a second City Council Study Session was held to review the same material covered in the preceding Planning Commission Study Session.

A Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU was released in November 2022, having incorporated feedback received during the preceding months' Study Sessions and from perspectives shared by the community during that time. In late November and early December, two additional Study Sessions were held with the Planning Commission and City Council, respectively, to review changes made in the PRD – especially the finalized housing development pipeline, the capacity of identified rezone sites, and the programs proposed in the City's Housing Plan. During the December Study Session with the City Council, several changes to the PRD were discussed and subsequently implemented before submission to HCD.

## **Notifications**

The City made email notifications for community meetings via the City's news release email notification system, which reaches approximately 6,500 subscribers. Email notifications were also shared through the City's eNewsletter, which reaches approximately 13,800 subscribers. Furthermore, the City promoted the Housing Element Update meetings and survey through social media platforms, including the City's Facebook (approximately 6,300 followers), Twitter (2,500 followers), Instagram (2,200 followers), and Nextdoor (reaches approximately 32,600 users) accounts. The meetings and surveys were also sent directly to two neighborhood forum groups: "Novato in the Know" Facebook group and the Hamilton Forum email group. The notifications also provided a link to the project website and City contact information. Screenshots are provided in Appendix E, Section E.3.1.

## **Survey**

The City created and distributed an online Housing Element Update Survey to provide an additional opportunity for community participation in the Housing Element Update and gather feedback to help inform and plan for the future of housing in Novato. The Survey was available on the webpage and a link to the Survey was included in notifications, flyers, and presentation material. The Survey was open for 14 days and targeted feedback on housing preferences, needs, tenure, housing disparities and segregation, types of housing most needed, and program and policy recommendations. The Survey was available in English and Spanish and garnered 92 responses.



The Survey was completed primarily by Novato homeowners (80.4 percent), while renters accounted for 15.2 percent of respondents. Screenshots from the survey questions and responses are provided in Appendix E, Section E.3.2.

### **Affirmatively Furthering Fair Housing Targeted Outreach**

In addition to be previously described outreach efforts, the City conducted dedicated outreach to solicit input on the AFFH analysis (Appendix F). Working with the Community Development Department, the City developed the following list of contacts representing various non-profit organizations, economic segments, and neighborhoods:

- North Marin Community Services;
- Legal Aid of Marin; and,
- Approximately 1,900 families participating in low-cost children's camps through the City's Parks and Community Services Department.

While some of these groups were also directly notified of the public outreach meetings for the Housing Element Update, this more targeted list was necessary to broaden the public engagement effort and reach all communities and populations within the City. These organizations are located across the City, but many are in the Leafwood area of the City which is disproportionately impacted by fair housing issues (e.g., higher concentrations of lower to moderate income households, not highest resource area, more overcrowding, and more vulnerable to displacement) (see Affirmatively Furthering Fair Housing Analysis, Appendix F).

These groups were directly contacted via email and telephone based on the staff contacts at the non-profit organizations and individual's email addresses on file with the City through camp registrations. Written material (flyers, letters, and emails) included Spanish translations.

### **Summary of Public Comments**

A summary of key themes from public comments is presented below. Please see Appendix E for comprehensive summaries from the community workshops and focus group meetings.

- Concern about the recent Homeless Point-in-Time Count showing an increase in homelessness in Marin County and how this will be incorporated into the Housing Element.
- Request for the City to examine the Affordable Housing Overlay from the previous Housing Element Update to identify available sites.
- Concern about the expansion of the City's Urban Growth Boundary, increased RHNA numbers over time, and impacts on the City's open space.
- Priority policies/programs: adopting objective design standards to streamline the design review process, incentivizing the consolidation of smaller parcels to make multi-

family/mixed-use projects easier to build, and allowing mixed-use developments to be constructed in higher-density residential zoning districts.

- Concern about rezoning the last available office/commercial lot to housing north of the Fireman's Fund area.
- Support for various methods in Novato to accommodate additional housing, including promoting housing in the Downtown core (along Grant Ave.), rezoning to densities that attract low- and moderate-income housing, and building affordable/multi-family housing as in-fill development where amenities are available (and to preserve green space).
- Support for creating co-housing models for intergenerational communities.
- Support for making the addition of larger ADUs (1,500+ square feet) easier.
- Support for tenant protections that support seniors on a fixed-income and tenants who rent single-family homes (including just-cause protections).
- Concern over the lack of public awareness of the reasonable accommodation process.
- Concern about overcrowding and long waitlists are accessible/income-limited units.
- Concern about Census tracts with a high number of vulnerable renters (i.e., highest proportion of BIPOC individuals, greatest number of habitability/overcrowding issues, highest rent increases).
- Support for assistance for new arrivals in the community (e.g., refugees, unaccompanied youth, undocumented people).
- Support for new emergency shelters close to the families and individuals who need them.
- Concern about the influence the Design Review Commission has on non-design portions of projects and how this contributes time and expense to the development process.
- Concern about the City's Hillside and Ridgeline Protections Standards constraining development and being difficult to interpret/enforce.
- Concern about the City not complying with the requirements of the Permit Streamlining Act (SB 35).
- Support for a permanent City staffer to coordinate the work of the City's 3<sup>rd</sup> party permitting/engineering service providers.
- Support for comprehensive legal education for City committees and officials.
- Concern about discretionary review and how it prolongs the entitlement process, sometimes causing developers to risk missing funding deadlines.
- Support for renters with animal companions, or pets, in securing housing in Novato.

## Integration of Comments into the Housing Element

The comments provided have been incorporated and addressed in the updated Housing Element, specifically through the Housing Needs Assessment (Appendix A), the Sites Inventory and Methodology (Appendix B), Affirmatively Furthering Fair Housing (Appendix F), and through programs. Additionally, the City expanded outreach efforts to directly target underrepresented populations and populations disproportionately impacted by fair housing issues. Various programs that address comments include the following:

- Streamline the construction of ADUs through various actions, including standardized ADU building plans (Program 1.B).
- Identify and incentivize the utilization or redevelopment of vacant residential properties (Program 2.F).
- Revise the City's Hillside and Ridgeline Protections Standards (Program 3.B).
- Adopt objective design standards and amend the design review process/requirements (Programs 3.C and 3.D).
- Ensure full compliance with the Permit Streamlining Act (SB 35), including the adoption of local procedures, written policy/approval guidelines, etc. (Program 3.E).
- Incentivize higher-density housing in high-resource neighborhoods by supporting transit-oriented development (Programs 3.G and 3.H).
- Incentivize the development of new emergency shelters by permitting them by-right and without a discretionary permit in the CG Zoning District, subject to objective design standards compliant with State law (Program 4.A).
- Enforce and expand tenant protections (Programs 5.A, 5.B, 5.G, 5.I, and 5.J).
- Assist renters with animal companions or pets, in securing and retaining housing (Program 5.L).
- Support for neighborhoods identified as disproportionately vulnerable due to fair housing concerns (Program 6.D).

## I.F Consistency with Other General Plan Elements

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The Housing Element is one of the seven elements of the City's General Plan, a long-range vision document that provides guidance for future development in Novato. The City Council adopted the 2035 General Plan in 2020. For the General Plan to provide effective guidance on land use issues, the goals, policies, and programs of each element must be internally consistent with other elements. This Housing Element builds upon the existing General Plan and is consistent with its goals and policies. Various Housing Element programs require Zoning Code amendments, and some will require amendments to the General Plan for consistency. As those Housing Element

programs are implemented, the General Plan will be amended concurrently to ensure consistency across planning documents. In the event an element of the General Plan is amended, the City will consider the impact of the amendment on the other elements to maintain consistency across all documents.

## **I.G Other Statutory Requirements**

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### **Water and Sewer Priority**

Government Code [Section 65589.7](#) requires each public agency or private entity providing water or sewer services to grant a priority for the provision of these services to proposed developments that include lower income housing units. In Novato, water service is provided by the North Marin Water District, while sewer services are provided by the Novato Sanitary District which operates the collection system and treatment plant. As both water and sewer services are provided by independent districts, the City has no ability to deny, apply conditions, or reduce the amount of sewer service for a development that includes housing affordable to lower-income households.

Government Code Section 65589.7 also requires adopted Housing Elements to be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential. The City will provide the future adopted housing element to the North Marin Water District and the Novato Sanitary District.



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## Section II                      Projected Housing Need

### II.A                      Introduction/Overview of ABAG Methodology

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State Housing Element law (Government Code [Sections 65580-65589](#)) requires regional councils of governments to identify for each member jurisdiction its "fair share allocation" of the RHNA provided by HCD. In turn, each city and county must demonstrate the capacity to accommodate their local share of regional housing needs in the community's housing element. Each jurisdiction's responsibility for meeting the overall regional housing need is established as a RHNA.

ABAG, the council of governments for the Novato area, adopted its final [6<sup>th</sup> Cycle RHNA allocation methodology](#) in December 2021. ABAG considered several factors in preparing the methodology, which weighed both projected and existing need. Projected need was informed by the target vacancy rate, the rate of overcrowding, and the share of cost-burdened households household growth, future vacancy need, and replacement need, while existing need considered transit accessibility and job accessibility. The distribution of the RHNA across the four income categories factored in a social equity adjustment, which allocated a lower proportion of lower-income RHNA to jurisdictions that already had a high concentration of such households in comparison to the County, as well as the goal to Affirmatively Further Fair Housing (AFFH), which adjusted the distribution of RHNA in jurisdictions considered either very low or very high resource areas. According to Appendix 6 of ABAG's Draft RHNA Plan, Novato had a net zero change in RHNA due to the equity adjustment.

### II.B                      Marin County Income Limits

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The projected housing needs are broken down by income category based on definitions in the California Health and Safety Code [Section 50079.5](#). HCD calculates "extremely low," "very low," "low," "median," "moderate," and "above moderate" income limits and publishes these limits at the county level. To match the year ABAG approved the region's RHNA methodology, Marin County's 2021 income limits for households of one to four persons are shown in Table II-1. See Appendix A, Table A-5, for a table listing income limits for households of up to eight persons.

**Table II-1: Marin County 2021 Income Limits**

Number of Persons in Household	1	2	3	4
<b>Extremely Low (15-30% of AMI)</b>	\$38,400	\$43,850	\$49,350	\$54,800
<b>Very Low (30-50% of AMI)</b>	\$63,950	\$73,100	\$82,250	\$91,350
<b>Low (50-80% of AMI)</b>	\$102,450	\$117,100	\$131,750	\$146,350
<b>Median (100% of AMI)</b>	\$104,700	\$119,700	\$134,650	\$149,600
<b>Moderate (80-120% of AMI)</b>	\$125,650	\$143,600	\$161,550	\$179,500

Source: HCD, 2021

## II.C Regional Housing Needs Allocation

The RHNA for Novato is shown in Table II-2. The City has a total allocation of 2,090 units for the 2023 – 2031 planning period.

**Table II-2: 6th Cycle RHNA**

Income	Novato		Marin County		ABAG	
	Number of Units	Percent	Number of Units	Percent	Number of Units	Percent
<b>Total</b>	<b>2,090</b>	<b>100%</b>	<b>14,405</b>	<b>100%</b>	<b>441,176</b>	<b>100%</b>
<b>Extremely Low and Very Low <sup>1</sup></b>	570	27%	4,171	29%	114,442	26%
<b>Low</b>	328	16%	2,400	17%	65,892	15%
<b>Moderate</b>	332	16%	2,182	15%	72,712	17%
<b>Above Moderate</b>	860	41%	5,652	39%	188,130	42%

<sup>1</sup> "Extremely Low" included in "Very Low" Category, assumed to be 50% of the Very Low allocation.

Source: ABAG

The City is not responsible for the actual construction of these units. The City is, however, responsible for creating a regulatory environment in which the private market could build the unit types reflected in the RHNA. This includes the creation, adoption, and implementation of General Plan policies, zoning standards, and/or economic incentives to encourage the construction of various types of units.

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## Section III                      Housing Plan

### III.A                      Goals, Policies, and Programs

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The Housing Plan of the Housing Element serves as the City's strategy for addressing its housing needs. This Section describes the housing goals, policies, and programs of the Housing Element for the City of Novato.



Goals are aspirational purpose statements that indicate the City's direction on housing-related needs. Each goal encompasses several policies, which are statements that describe the City's preferred course of action among a range of other options. Each goal also includes programs, which provide actionable steps to implement the City's goals and to further the City's progress towards meeting its housing allocation. Some programs contain quantified objectives, which represent measurable outcomes that can be used to benchmark the success of each program.

The 5<sup>th</sup> Cycle Housing Element contained many successful programs which have been renewed or modified to continue implementing impactful policies and are referenced beneath their associated 6<sup>th</sup> Cycle programs below. For a complete list of 5<sup>th</sup> Cycle programs and a comparative review of 5<sup>th</sup> and 6<sup>th</sup> Cycle programs, see Appendix D (Evaluation of the 2015–2023 Housing Element).

This Housing Element contains actions intended to significantly increase the amount and types of housing for all income levels in Novato. These efforts are expected to be initiated throughout the planning period, which is from January 31, 2023, to January 31, 2031. In accordance with State law, the City will also evaluate the progress and effectiveness of Housing Element programs on an annual basis. Together, these actions reflect the City's commitment to increasing affordable housing and improving existing housing conditions.

The following list of goals, policies, and programs includes a combination of strategies, including a continuation of existing successful policies and programs as well as new policies and programs to tackle emerging opportunities and constraints, address changes in State law, and provide innovative approaches to accommodate the larger RHNA.

## Goal 1: New Housing Construction.

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### Policies

#### Policy 1.1: Housing Element Implementation

Coordinate and monitor the implementation of the City's Housing Element.

#### Policy 1.2: Adequate Supply of Housing Sites

Ensure an adequate supply of housing sites to achieve the City's RHNA numbers for the 2023-2031 planning period.

#### Policy 1.3: Variety of Housing Choices and Access

Promote a variety of housing types that meet the different lifestyle and life cycle needs of residents including young adults, young couples and single person households, small and large families, empty-nesters, and seniors.

### Programs

#### Program 1.A: Rezone for RHNA shortfall. **[NEW]**

To accommodate the remaining moderate-income RHNA of 7 units, the City will identify and rezone sufficient vacant land or land with redevelopment potential to provide capacity for this shortfall. Appendix B (Housing Capacity Analysis and Methodology) identifies potential parcels for rezoning to address this shortfall and provide excess capacity throughout the planning period. Separate programs detail specifics of various rezoning actions that would provide additional capacity for all income levels.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Sites rezoned to address shortfall by January 31, 2024. Note: this program has been completed as of January 9, 2024.

**Quantified Objective:** The City will amend the Zoning Map and/or Zoning Ordinance to create the opportunity for at least 7 moderate-income housing units; proposed rezoning would accommodate additional capacity for 42 moderate-income housing units.

**Geographic Targeting:** The rezone sites create additional opportunities for lower-income housing capacity in Racially Concentrated Areas of Affluence (RCAAs) and neighborhoods categorized as High Resource according to TCAC Opportunity maps. In the event that new sites need to be identified during the planning cycle due to the necessity to retain capacity at all income levels, sites within RCCA's will be given priority.



### **Program 1.B: Streamline the construction of Accessory Dwelling Units (ADUs). [NEW]**

The City shall promote and facilitate ADU construction to facilitate an annual production of approximately 15 units per year (118 units during the planning period) by:

- Continuing to implement a public information and proactive outreach campaign via the City's website to support residents to construct ADUs, inform property owners of the standards for ADU development, permitting procedures, and construction resources, as well as the importance of ADUs in providing affordable housing to lower-income households.
- Promoting the construction of ADUs in high-resource areas and areas of concentrated affluence at least annually by supplying informational materials in community gathering places and/or as mailers to residents in high-resource areas.
- Working with small home manufacturers to develop and promote pre-approved, permit-ready building plans to reduce construction costs. Plans will cover a variety of unit sizes, bedroom counts, and architectural styles.
- Promoting the availability of funding for ADUs, including the CalHFA ADU Grant Program that provides up to \$25,000 to reimburse homeowners for predevelopment costs necessary to build and occupy an ADU.
- Collecting and monitoring the production and affordability of ADUs throughout the planning period and the progress made according to the assumptions described in Appendix B.
- Ensuring continued compliance with State ADU law and promptly amending the Zoning Ordinance as needed.
- Participate in the Napa Sonoma ADU Center, which will be expanding their services to cities and towns in Marin County as of Winter 2024, including dedicated staff to answer ADU-related questions, staff to work with property owners on feasibility reports, educational newsletters, webinars, and other shared resources.

**Responsible Body:** Community Development Department, Napa Sonoma/Marin County ADU Center

**Funding Source:** General Fund

**Time Frame:** Ongoing; if ADU targets are not being met by January 2027, the City will review and revise efforts to increase ADU construction (e.g., fee waivers, local financing program for ADUs, etc.) no later than July 2027. The City's action shall be commensurate with the level of shortfall from construction targets (i.e., if shortfall is significant, a rezoning action may be required, if shortfall is slight, additional incentives may be appropriate). The City will work with the Napa Sonoma/Marin County ADU Center to release an RFQ by for permit ready standard ADU plans; by January 2025 the City will have adopted standard ADU design plans in compliance with AB 1332.

**Quantified Objective:** Adopt and provide City Standard Permit-Ready ADU Plans (2024). Construct at least 118 ADUs by the end of the planning period. Maintain compliance with State law through prompt Zoning Ordinance amendments as needed.

**Geographic Targeting:** Aim to achieve 50 percent of quantified ADU objective (i.e., 59 units) in RCAAs and High Resource neighborhoods.

**Program 1.C: Produce annual housing status reports.**

*[Adapted from 5<sup>th</sup> Cycle Program 15.A]*

The City will provide an annual status report to the City Council and HCD on the status of the General Plan housing programs and their implementation as required by State law. This status report will also address no net loss requirements as necessary throughout the planning period.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Annually by April 1 (submitted to HCD)

**Objective:** Submission of compliant Annual Progress Report (APR) to HCD.

**Program 1.D: Participate in State and regional housing planning efforts.**

*[Adapted from 5<sup>th</sup> Cycle Programs 1.B and 1.C]*

The City will actively participate in the ABAG Regional Housing Needs Determination and other regional discussions about meeting housing needs. The City will meet with ABAG staff to provide land use, housing, employment, and other information related to the RHNA formula to ensure that the allocation accurately represents Novato's fair share of the region's housing needs.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Ongoing

**Quantified Objective:** Collaborate with State and regional staff to develop and implement effective housing policy. Participate in at least one ABAG-sponsored housing planning or information program per year.

**Program 1.E: Facilitate and monitor pipeline housing projects. [NEW]**

To ensure completion of the approved/entitled (i.e., pipeline) projects identified in Table B-3 of Appendix B (Housing Capacity Analysis and Methodology) within the planning period, the City will monitor project progress towards completion and will coordinate with applicants to facilitate remaining approvals and permits. If a pipeline project is not approved, the City will ensure

adequate capacity for the remaining RHNA by each income category is maintained at all times consistent with SB 166 (No Net Loss).

Annually, and coinciding with preparation of the Annual Progress Reports (Program 1.C), the City shall evaluate remaining pipeline projects and consider on a project-by-project basis what appropriate actions might be taken to facilitate their completion within the planning period, including but not limited to assignment of additional staff and technical assistance for project applicants. At the midpoint of the Cycle, if the City determines that a pipeline project is not anticipated to be completed in the planning period, the City shall complete rezoning within 18 months to maintain adequate RHNA capacity at all income levels. The City will track each site in its inventory and report annually to the City Council on the adequacy of available sites compared to the progress made towards meeting the RHNA.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Annually track status of identified sites, evaluate actions necessary to incentivize project completion, and report to City Council (by April 1 of each year), mid-cycle review of pipeline projects and (if necessary) rezoning within 18 months

## **Goal 2: Affordable Housing Opportunities.**

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### **Policies**

#### **Policy 2.1: Supply of Affordable Housing**

Promote the development of homes that are affordable to extremely low-, very low-, low-, and moderate-income households in all new residential developments, as well as in existing single-family neighborhoods.

#### **Policy 2.2: Funding for Affordable Housing Development**

Identify and secure funding sources to assist with affordable housing development.

#### **Policy 2.3: Balanced Neighborhoods**

Encourage a balance of household incomes within neighborhoods to ensure a healthy mix of affordable and market rate housing and to de-concentrate poverty.

#### **Policy 2.4: Rent Subsidies for Affordable Housing**

Identify and secure funding to provide rent subsidies that assist lower-income households.

### **Programs**

#### **Program 2.A: Develop and adopt a Transfer of Development Rights (TDR) Ordinance.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.E]*

To increase affordable housing opportunities, the City will develop and adopt a TDR Ordinance, subject to clear applicability criteria and operations standards.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Amend Zoning Ordinance; development of affordable housing Facilitate TDR transactions to produce eight multi-family residential units by the end of the planning period.

### **Program 2.B: Maintain long-term housing affordability controls.**

*[Adapted from 5<sup>th</sup> Cycle Programs 7.F, 9.E, 9.F, 9.H, 10.A]*

The City will continue to apply resale controls and income restrictions to ensure that affordable housing provided through incentives, density bonus, General Plan amendments, re-zonings, and conditional approvals remains affordable over time to the income groups for which it is intended. Continue to fund administration of existing and future affordable housing developments/programs including, as appropriate, through the services of an outside consultant for management of all or some of the affordable housing contracts in Novato in order to ensure on-going affordability, and continued implementation of resale and rental regulations for affordable housing units, including for Special Needs populations, and assure that these units remain at an affordable price level for the longest term possible.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund #210

**Time Frame:** Ongoing

**Quantified Objective:** Continue to perform annual monitoring program of units with covenants and require notification at sale. Continue 100 percent coverage of units covered by management agreements. Conservation of 1,326 income-restricted rental and for sale units.

**Geographic Targeting:** Owned and rented Below Market Rate (BMR) units Citywide.

### **Program 2.C: Maintain and develop local sources of funding for affordable housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 14.A]*

Continue to work toward the maintenance and development of local sources of funding to support affordable housing, including:

- Continue accepting in-lieu fee payments as prescribed under inclusionary requirements for residential development;
- Voluntary donations, grants, and matching funds;
- Land acquisition or donation and land banking; and,
- Work with special districts that serve Novato to provide reductions in connection fees for deed-restricted affordable housing units.
- Identify and pursue funding focused on meeting the housing needs of ELI and Special Needs households.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund #210

**Time Frame:** At least annually and Ongoing

**Quantified Objective:** Obtain a two percent annual average increase in the value of in-lieu funds, or other local funding sources over the planning period. By 2031, contribute local funding towards at least 135 BMR units and units for ELI and Special Needs households.

**Geographic Targeting:** Prioritize all actions that help to achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

**Program 2.D: Seek outside funding for affordable housing that leverages local resources.**

*[Adapted from 5<sup>th</sup> Cycle Program 14.B]*

To promote the development of affordable housing projects, and when requested by a project sponsor, assist in securing funding for lower- and moderate-income housing developments through one or more of the following actions:

- Apply for State and federal funding on behalf of a nonprofit, under a specific program to construct affordable housing including persons with physical disabilities, developmental disabilities, ELI, and other Special Needs populations.
- Provide financial incentives such as waiving City fees for 100 percent affordable housing projects within the City of Novato.
- Provide funding to participate in a multi-jurisdictional housing finance program (such as a Mortgage Revenue Bond or Mortgage Credit Certification Program).
- Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, first time homebuyer, etc.).

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Investigate funding opportunities to secure funding with project sponsors to locate funding on at least an annual and ongoing basis. Obtain one percent of annual average increase of funding sources by June 2026, and obtain an additional one percent by June 2029.

**Quantified Objective:** Obtain a two percent annual average increase in the value of partner funding sources over the planning period. By 2031, contribute partner funding towards at least 135 BMR units and units for Special Needs households.

**Geographic Targeting:** Prioritize all actions that help to achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

#### **Program 2.E: Coordinate with water and sewer service providers. [NEW]**

Pursuant to Chapter 727, Statutes of 2004 (SB 1087), the City, upon completion of an amended or adopted Housing Element, is responsible for immediately distributing a copy of the Housing Element to area water and sewer providers. The legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects. Water and sewer providers must grant priority for service allocations to proposed developments that include housing units affordable to lower-income households. Chapter 727 was enacted to improve the effectiveness of the law in facilitating housing development for lower-income families and workers. Additionally, City staff and elected officials will work with District staff and elected officials to reduce fees for 100 percent lower-income housing projects.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Upon adoption of the 6<sup>th</sup> Cycle Housing Element

**Objective:** Priority for water and sewer service granted to lower-income housing units.

#### **Program 2.F: Develop and adopt a program addressing vacant residential properties. [NEW]**

Currently, the City has an unusually large number of residential units that are noted as being vacant according to U.S. Census data. The City does not keep an inventory of vacant units. These residential units represent a potential resource in addressing unmet housing needs in the community. This program is aimed at identifying and incentivizing property owners to utilize or redevelop vacant residential properties. The primary issues are determining criteria on what constitutes a vacant site and determining a fee or assessment to deter owners from keeping residential properties vacant. The City will contact property owners of vacant residential properties to collect their insights on a new program focused on identifying and inventorying vacant residential units and then find ways to incentivize utilizing and/or redeveloping these residential units.



**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Hold three meetings with property owners of residential vacant properties. Adopt a program based on input from the meetings.

**Program 2.G: Amend and monitor Inclusionary Housing Ordinance. [NEW]**

Continue to implement the City's Inclusionary Housing Ordinance (IHO) and actively pursue strategies to improve its effectiveness in producing affordable housing units in conjunction with new development. The following actions will be undertaken by the City:

1. Study the following amendments to IHO and adopt such amendments provided they are not found to be an undue constraint on the production of housing:
  - Restructuring the City's current IHO to remove different inclusionary rate requirements by project size, and instead apply inclusionary requirements to all projects beyond a certain project size threshold based on the number of units. For example, exclude projects from the inclusionary requirement under 10 units, and require all projects with 10 or more units to comply with the inclusionary requirements. Restructuring the inclusionary ordinance this way may help simplify the policy, which may help project applicants navigate and design projects that comply with the policy. Restructuring the City's current ordinance may also improve the efficiency of testing the feasibility of the policy in the future.
  - Reevaluating the feasibility of the City's inclusionary requirements every three years to ensure that the ordinance is not inhibiting housing production as market conditions change over time. There has been no evidence that the current inclusionary ordinance is preventing housing production.
  - Updating the City's inclusionary requirement on rental residential development projects to be 15 percent with units made affordable to low-income households
  - Updating the City's inclusionary requirement on for-sale residential development projects to be either 15 percent with units made affordable to moderate-income households, or 12 percent inclusionary rate with half of the units made affordable to moderate-income households and half made affordable to low-income households.
2. Monitor the ongoing effectiveness of the IHO in producing new housing units on-site. Monitoring will include a review of the extent to which developers are building on-site affordable units versus using alternative methods of compliance, as allowed by State law (AB 1505). The City will align its inclusionary program with the goal that a majority of required inclusionary units over the course of the next eight years are either

provided on-site or constructed off-site at the same time as projects are constructed if it is demonstrated that alternative methods are being disproportionately accessed. At the mid-point of the Housing Element cycle, if it is determined that the Inclusionary Zoning Ordinance is not meeting this goal, evaluate and modify the Ordinance so that it can better achieve that objective, including consideration of additional incentives to encourage units to be constructed. As part of the IHO review, conduct meetings with developers to identify specific changes that may be considered by the City.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Study the IHO (June 2024); amend the IHO based on study (June 2025); evaluate IHO (and modify, if needed) (June 2027)

**Quantified Objective:** Amend the Inclusionary Zoning Ordinance and achieve higher proportions and/or lower affordability levels of inclusionary units from projects approved consistent with the amended Ordinance. Produce at least 225 BMR units as a result of IHO requirements.

**Geographic Targeting:** Achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

### **Goal 3: Elimination of Housing Constraints.**

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#### **Policies**

##### **Policy 3.1: Promote Housing Through City Regulation.**

Promote housing goals through City codes, ordinances, and policies that enable housing production.

##### **Policy 3.2: Modify Zoning Code to Assist in Meeting Housing Needs.**

Ensure that Zoning Code provisions assist in meeting the housing needs of residents, including those with special needs.

##### **Policy 3.3: Expedite Entitlement Review.**

Continue to expedite processing and reduce review times of housing projects by the City to the maximum extent possible.

##### **Policy 3.4: Ensure Adequate Staffing Levels.**

Evaluate staffing levels and ensure an appropriate number of staff is available.

## Programs

### **Program 3.A: Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law. [NEW]**

Currently, the Zoning Ordinance contains a provision in its Affordable Housing Requirements ordinance that states affordable dwelling units that qualify a housing development for a density bonus are in addition, and do not count toward satisfying the affordable housing requirements. This provision is not in compliance with State Density Bonus law, specifically Government Code Section 65915(o)(6), which requires that the “total units” used for the calculation of a density bonus include units designated to satisfy a city’s inclusionary zoning requirements, which would include units produced as a part of Novato’s affordable housing requirements.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Modify Municipal Code to reference requirements of State law.

### **Program 3.B: Revise Hillside and Ridgeline Protection Regulations. [NEW]**

The City’s Hillside and Ridgeline Protection regulations (Zoning Ordinance Division 19.26) apply special development standards to all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent slope. In addition, certain definitions within the regulations are difficult to apply consistently among parcel characteristics and need to be made more understandable and universally applicable. The City will study and revise the Hillside and Ridgeline Protection regulations to reduce their ambiguity and streamline their application to relevant parcels, considering the difference between gross site area and the area of a site that would be available for development.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Amend Zoning Ordinance Division 19.26 to not require a proposed project that does not intend to build on land that exceeds 10 percent slope to adhere to the City’s Hillside and Ridgeline Protection regulations Reduce average processing time for residential development of hillside parcels.

### **Program 3.C: Adopt objective design standards for multi-family housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 3.A]*

State law (e.g., Housing Accountability Act, SB 330, etc.) requires many local housing approval decisions to be based on objective standards. To comply with State law, local jurisdictions must ensure that their design and development standards do not require interpretation, are verifiable according to external criteria, are knowable in advance, and provide a clear review and approval process. Marin County and several cities and towns in Marin have collaborated on the development of a toolkit for Objective Design and Development Standards (ODDS). Each of the participating jurisdictions may customize the standards for their community and then officially adopt them for local usage.

The City will undergo a study to develop objective design standards for multi-family housing. Projects, with the intent of increasing density and development potential, reducing level of review, and allowing multi-family projects by right, subject to the objective standards. Updates are planned in two phases, first to amend current design guidelines, and second to amend the City Code.

Streamlining the development of multi-family housing, paired with the City's inclusionary housing requirements, will stimulate the development of greater numbers of affordable/below market-rate units, benefitting the Special Needs households identified in the Needs Assessment and heard during the community outreach process.

**Responsible Party:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Adopt standards from Marin County's ODDS toolkit by October 2023. (Note: These standards were adopted by the City Council on September 26, 2023.) Demonstrate reduction of average processing time by December 2025.

**Quantified Objective:** Reduce average processing time (from deemed complete) for both design review and use permit applications by 10 percent from fourth quarter of 2023 to fourth quarter 2025.

**Geographic Targeting:** As objective design standards will apply citywide, targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.D: Design review and use permit process improvements. [NEW]**

The City has adopted objective design standards for housing developments, including community/residential care facilities. Additional Code amendments will follow to establish a single review by the Design Review Commission to determine compliance with the objective standards identified in Program 3.C. Code amendments will also be made to eliminate the Use Permit process for mixed-use developments in commercial zones. Use Permits would apply only to the commercial component that may or may not be a conditional use in the specific zone where a

project is located. Those commercial uses may or may not be known at the time of the development proposal. If specific conditional uses are known, there will be concurrent processing of design and land use approvals. If they are not known at the time, any required Use Permits for the commercial uses may be processed anytime prior to initiation of operation of the use.

Additionally, the City will continue to hold training sessions with the Design Review Commission, Planning Commission, and City staff regarding State law provisions (e.g., Housing Accountability Act, SB 330, etc.) including limited purview, number of public meetings, and timeframes for project reviews. Additional actions include:

- Amend the Zoning Ordinance and modify City procedures to streamline the review of development proposals to require only one hearing to determine compliance with objective design standards; and,
- Remove Use Permit requirements for mixed use developments in commercial zones.

**Responsible Party:** Community Development Department, City Attorney's Office

**Funding Source:** General Fund

**Time Frame:** Fourth quarter of 2023 with subsequent biannual legal training sessions (2025, 2027, 2029, and 2031).

**Quantified Objective:** Reduce average processing time (from deemed complete) for both design review and use permit applications by 10 percent from fourth quarter of 2023 to fourth quarter 2025. Permit at least 450 multi-family units in the form of missing middle townhomes and apartments units by-right during the planning period.

**Geographic Targeting:** As with objective design standards, streamlining of the design review process will apply citywide. Targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.E: SB 35 processing and permit streamlining. [NEW]**

California Senate Bill 35 (SB 35) (Government Code Section 65913.41) became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process.

The City complies with State requirements of SB 35 as part of project review when projects are proposed. However, the City must also adopt local procedures consistent with SB 35, including an application form, checklist, and written policy and/or project approval guidelines to specify the SB 35 streamlining approval process and requirements for eligible projects as set forth in Government Code Section 65913.4 and the HCD Updated Streamlined Ministerial Approval Process Guidelines. The City will make these forms and guidelines available on the City's website.

**Responsible Party:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Develop department application form, handouts, and checklists and provide on City's website within one year of Housing Element adoption

**Quantified Objective:** Hold biannual SB 35 information sessions for developers and interested community members during the planning period.

### **Program 3.F: Evaluate and adjust impact fees. [NEW]**

The City will evaluate applying the residential development tax, park dedication and in-lieu fee, public facilities fees, and traffic impact fees on a per square foot basis rather than per unit to facilitate the development of higher densities and smaller, more affordable housing units. Based on this evaluation, the City will adjust these fees in accordance with the provisions of AB 602. The City will also coordinate with the various special districts which provide essential services (i.e., school and utility districts) to do the same.

**Responsible Party:** Community Development Department, City Council

**Funding Source:** General Fund

**Time Frame:** Complete comprehensive fee evaluation first quarter of 2025; amend fees second quarter of 2025.

**Objective:** To ensure new projects help pay for the cost of maintaining City services and infrastructure and eliminate development constraints for housing.

**Geographic Targeting:** As impact fees are applied to new development citywide, targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.G: Modify multi-family residential parking standards.**

*[Adapted from 5<sup>th</sup> Cycle Program 3.B]*

To further reduce the impacts of parking requirements on the production of housing, the City will assess and update multi-family parking standards citywide to reduce the required number of parking spaces for three-bed units to 2.0 spaces per unit and establish lower rates for studios and one-bed units.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2026



**Objective:** Reduce parking requirements for multi-family units by modifying Code.

**Geographic Targeting:** Citywide, with benefits anticipated in higher-density residential neighborhoods immediately outside Downtown.

**Program 3.H: Adopt a parking reduction incentive program to facilitate transit-oriented development.**

*[Adapted from 5<sup>th</sup> Cycle Program 6.C]*

The City will amend the Zoning Ordinance to provide automatic incentives for transit-oriented development when specific criteria are met. Criteria may include, but are not limited to, the project's distance from transit stops, unit affordability, and the integration of transit-oriented amenities. Incentives may include, but are not limited to, reductions in required parking, off-site parking alternatives, and transit impact fee reductions. Parking reductions should be coupled with programs to prevent overflow parking or other impacts on city mobility and emergency vehicle access, such as centralized structured parking, regulated on-street parking, residential parking permits, transportation demand management, red curb parking restrictions on narrow or marginal streets, or other strategies.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Amend the Zoning Ordinance by June 2025.

**Quantified Objective:** Reduce constraints to transit-oriented housing development and amend the Code to reduce parking for transit-oriented development, achieving the development of at least 250 units within Transit Priority Areas (TPAs) during the planning period.

**Geographic Targeting:** Those parts of Novato within Transit Priority Areas (TPAs) (i.e., within half mile of a High-Quality Transit Stop). This includes areas within this half mile distance of the City's three SMART rail stations.

**Program 3.I: Allow comparable zoning district standards to apply in the Planned (PD) Zoning District. [NEW]**

Zoning Ordinance Division 19.14 (Special Purpose Zoning Districts) currently requires all projects on parcels in the PD Zoning District to prepare a Master Plan and/or Precise Development Plan, subject to an extensive discretionary review process. To allow project applicants an alternative, the City will amend the Zoning Ordinance to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Amend the Zoning Ordinance by September 2025.

**Objective:** Allow projects in the PD Zoning District an alternative to the submission and approval of a Master Plan and/or Precise Development Plan.

## **Goal 4: Special Needs Populations.**

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### **Policies**

#### **Policy 4.1: Variety of Housing Types.**

Provide housing opportunities in residential, mixed-use and infill areas, especially near high frequency transit and other services, for households with special needs such as studio and one-bedroom apartments for the elderly and single-person households, SROs, three-bedroom apartments for large households, specially designed units for persons with disabilities, and units affordable to extremely low-, very low-, and low-income households with single-parent heads of households or those with disabilities (including developmental disabilities).

#### **Policy 4.2: Allow Special Needs Housing Consistent with State Law.**

The City will comply with all State legal requirements pertaining to zoning provisions for emergency shelters, transitional housing, and supportive housing.

#### **Policy 4.3: Support Local Homeless Service Providers.**

Participate in local and regional efforts to combat homelessness in Novato and work with local social service providers to increase their capacity to operate facilities serving the homeless.

#### **Policy 4.4: Support Programs to Address Homelessness.**

Continue to support existing homeless support services in the community, including, but not limited to, those offered by Homeward Bound of Marin, Marin Continuum of Care, and North Marin Community Services.

### **Programs**

#### **Program 4.A: Allow emergency shelters consistent with State law.**

*[Adapted from 5<sup>th</sup> Cycle Program 12.A]*

The Zoning Ordinance allows emergency shelters by-right in the Novato Industrial Park but requires that they go through design review and does not provide provisions for required staff parking. Furthermore, because the Novato Industrial Park does not allow residential uses, it does not qualify as a compliant zoning designation for emergency shelters pursuant to AB 2330

(Emergency Shelters Act of 2023). Additionally, the Ordinance does not clarify the difference between emergency shelters and “residential shelters,” a separate use.

Consistent with SB 2, Government Code Section 65583(a)(4), and AB 2339, the City will amend the Zoning Ordinance to permit emergency shelters by-right and without a discretionary permit in the General Commercial (CG) district, clearly define emergency shelters in relation to “residential shelters,” recognizing that emergency shelters as defined by that Code section include other interim interventions, including, but not limited to, navigation centers, bridge housing, and respite or recuperative care. Further, the amendments will establish objective design standards to eliminate the need for design review, provide for capacities sufficient to meet the need, and ensure locations are in proximity to transit and homeless services, include appropriate development standards in accordance with 65583(a)(4)(B), and require sufficient parking for staff in compliance with AB 139 (Emergency and Transitional Housing Act of 2019). Additionally, the City will establish and maintain an inventory of available sites in the Novato Industrial Park and make it available to homeless service providers to facilitate the establishment of future shelters.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** December 2024

**Objective:** Amend Zoning Ordinance; development of at least 150 additional emergency shelter beds to accommodate the unsheltered homeless population estimated by the 2022 Marin County Homeless Point-in-Time Count.

#### **Program 4.B: Allow Low Barrier Navigation Centers consistent with State law. [NEW]**

The Zoning Ordinance does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code Section 65660). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multifamily uses provided they satisfy the provisions established by AB 101 (see Government Code Section 65662).

The City will amend its Zoning Ordinance to explicitly allow LBNCs as provided by State law. This would allow LBNCs in the CN, CDR, MU, and CF zoning districts. To further facilitate the siting of LBNCs, the General Plan and Zoning Code will be amended to remove the live/work use and consider all projects with a combination of residential and commercial uses to be mixed use. The live/work use category is rarely used because it is not an easy project type to finance or sell. The amendment will simplify the range of uses and provide clarity to applicants.

The City will also amend the Zoning Ordinance to allow supportive housing in compliance with AB 2162. This law requires that supportive housing be allowed without discretionary review in areas zoned for residential use in zones where multifamily and mixed uses are permitted, including in non-residential zones permitting multifamily uses.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance; development of the City's first LBNC to support comprehensive homeless services.

#### **Program 4.C: Allow farmworker/employee housing consistent with State law.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.B]*

The City will amend the Zoning Ordinance to allow farmworker/employee housing consistent with Health and Safety Code Sections 17021.5 and 17021.6.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance.

#### **Program 4.D: Allow Single Room Occupancy (SRO) units to facilitate the provision of affordable housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.C]*

SROs are some of the least expensive forms of non-subsidized rental housing and can especially benefit seniors, persons with disabilities, and extremely low-income (ELI) individuals. The City will amend the Zoning Ordinance to explicitly permit SRO projects by-right in the R10, R20, and MU zoning districts and provide appropriate parking, development, and management standards.

To assist in the development of adequate housing to meet the needs of ELI households, the City will also work with developers and other agencies to proactively grant priority processing, fee waivers or deferrals, and modified development standards (as allowed by the Zoning Code) to reduce constraints to the development of SRO units.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance; development of 24 units of housing for extremely low-income and other special needs households.

**Program 4.E: Allow community/residential care facilities consistent with State law. [NEW]**

To comply with State law, the City will amend the Zoning Ordinance to address the following housing types which serve persons with disabilities and other special needs:

- Permit Group Homes serving six or fewer persons by-right in the C and MU districts;
- Resolve the discrepancy between Congregate Care/Group Facilities and RCFEs;
- Permit RCFEs and Congregate Care/Group Facilities which serve six or fewer persons and seven or more persons by-right in the A, C, RR, RVL, R1, R4, R5, R10, R20, and MU district; and,
- Require only the same development standards for community/residential care facilities as those required for single-family dwellings.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance.

**Program 4.F: Support programs to address the needs of the developmentally disabled.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.C]*

Work with the Golden Gate Regional Center and the Marin Housing Authority to implement an outreach program that informs Novato families of housing and services available for persons with developmental disabilities. Provide information on services on the City's website and distribute brochures provided by the service providers.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Annually contact service providers and update City website with latest information on services available

**Objective:** Support developmentally disabled residents and their families. Provide program specific information on the City's web site.

#### **Program 4.G: Support programs to address homelessness.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.B]*

Continue to dedicate funding and staff resources to support local, subregional, and regional efforts to address homelessness. Ongoing and future programs include:

- Maintain staffing of City's Homeless Services Division which supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency.
- Convene regular meetings of City's Housing and Homelessness Committee (HHC), whose purpose is to provide information and make recommendations to the City Council. The HHC shall report quarterly on the state of homelessness in the City.
- Allocating funding as available, and as opportunities arise, to support innovative programs to provide shelter and services to homeless individuals, such as:
  - The Temporary Encampment at Lee Gerner Park, in partnership with Community Action Marin's Community Alternative Response Engagement (CARE) Team.
  - The Hamilton Marsh Encampment, in partnership with the County of Marin Health and Human Services (HHS).
  - The Downtown Streets Team (DST), which has offered the Marin Mobile Shower Program in Novato and provides basic hygiene at encampments and other places in need.
- Maintain partnership with Homeward Bound of Marin in the management of the 80-bed New Beginnings Center and the development of their 50-unit Workforce and Veteran Housing project.

**Responsible Body:** Central Administration Department, Public Works Department, City Council, County of Marin Health and Human Services, Homeward Bound of Marin, and other governmental/non-profit partners

**Funding Source:** Varies; Department budget, Community Development Block Grants (CDBG), Encampment Resolution Funding (ERF), and other County/State funding as available

**Time Frame:** Provide funding (annually); convene regular meetings of the HHC (with quarterly reports); participate in Point-in-Time (PIT) Count efforts (biannually, in 2024, 2026, 2028, and 2030)

**Quantified Objective:** Consistent reduction in homelessness in the City of Novato as counted in the bi-annual PIT counts.

**Geographic Targeting:** Known locations of homeless encampments (Lee Gerner Park, Hamilton Marsh) and Downtown Novato, with advocacy citywide



## Goal 5: Housing Conservation and Tenant Protections.

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### Policies

#### **Policy 5.1: Preservation of Multi-Family Housing.**

Preserve existing multi-family rental housing, including non-conforming multi-family uses in single-family zones. Require the review of permits that would demolish a housing unit.

#### **Policy 5.2: Code Enforcement.**

Enforce local building codes to ensure that housing is safe and sanitary. Promptly investigate all reports of nuisances and require the abatement of such situations, as needed.

#### **Policy 5.3: Preservation of Existing Affordable Housing.**

The City will encourage the conservation of existing affordable housing, including the present rental stock and mobile home parks, particularly rental housing affordable to low- or moderate-income households.

#### **Policy 5.4: Tenant Protections.**

The City will stay up to date on Statewide tenant protections, educate tenants and landlords on their rights and responsibilities, and ensure tenant protections are enforced locally.

### Programs

#### **Program 5.A: Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.A]*

The City requires multi-family housing developments of three or more units to receive an annual inspection from the Community Development Department. These annual physical inspections ensure that health and safety concerns are identified quickly and a plan for repair/rehabilitation is developed. The City will continue to proactively implement this program, ensuring 20 days advance notice is provided to property owners/tenants by mail and posted in a public area of multi-family developments as required by Chapter 14-5 of the Municipal Code. Additional actions include:

- Provide education and resources on the City's website to assist landlords and tenants in understanding their rights and responsibilities in regard to this program.
- Require landlords to provide tenants with a City-approved description of this program when initiating a new lease, renewing a rental agreement, and when providing notice of a rent increase.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Annually

**Quantified Objective:** Annual implementation of the Multi-Family Housing Inspection Program (i.e., 100% of multi-family units inspected annually) and the conservation/preservation of quality multi-family housing.

**Geographic Targeting:** Citywide, as the City ensures all multi-family units (in a development of three or more units) receive these inspections annually. Education and resources will be targeted in neighborhoods with the highest proportion of renters/multi-family units, such as the Northwest Quadrant neighborhood and residential neighborhoods between S. Novato Blvd. and Highway 101.

**Program 5.B: Link code enforcement with public information campaigns.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.B]*

Continue to implement housing, building, and cooperate with Novato Fire Protection District on fire code enforcement to ensure compliance with basic health and safety building standards and continue to provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Begin June 2024

**Objective:** Maintain information about building and fire code enforcement to ensure compliance with basic health and safety building standards. Produce public handouts on building code and fire code enforcement and procedures for reporting suspected violations. Make this information available on the City's website.

**Geographic Targeting:** Citywide, with a focus on neighborhoods with older housing stock and/or with frequent code enforcement actions such as the Northwest Quadrant neighborhood.

**Program 5.C: Amend the City's condominium conversion ordinance.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.D]*

Adopt amendments to the City's condominium conversion ordinance to include:

- Prohibition of conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than five percent or there are special circumstances related to providing long-term, regulated affordable units;

- Exemptions for limited equity residential cooperatives which provide long term affordability for very low- or low-income households;
- Requirements for relocation assistance when units are converted;
- First right of refusal of purchase of units by occupants;
- Minimum of 20 percent of the units be affordable to low-income households; and,
- Implementation of resale controls.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** August 2024

**Objective:** Amend condominium conversion ordinance.

**Geographic Targeting:** Rental units citywide.

**Program 5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.**

*[Adapted from 5<sup>th</sup> Cycle Programs 5.E and 5.H]*

Continue to maintain an up-to-date inventory of all 1,326 BMR housing units in Novato and conduct periodic surveys of unit vacancies and affordable for-sale costs. Continue to make Rise Housing services available to BMR homeowners as needed to provide comprehensive resale and refinance assistance and mortgage assistance programs.

**Responsible Body:** Community Development Department, Rise Housing

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Maintain up to date BMR housing inventory of all 1,326 units and provide assistance to BMR homeowners as needed.

**Geographic Targeting:** Owned and rented BMR units citywide.

**Program 5.E: Support volunteer efforts.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.I]*

Support community service clubs that provide volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support includes, but is not limited to:

- Designate a portion of annual CDBG, HOME, and PLHA allocations to fund various non-profit/volunteer organizations which provide service in support of lower-income households;

- Provide links on the City’s website to active non-profit service clubs; and,
- Provide City support (letter of recommendation, etc.) as appropriate for said clubs seeking grant funding for supplies and/or services.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Work with local community service clubs to provide volunteer programs to homeowners physically or financially unable to maintain properties on an ongoing basis. Conduct two outreach meetings with local community service clubs to discuss available grant funding sources by November 2024.

**Objective:** Maintenance of existing housing.

### **Program 5.F: Preserve mobile home parks.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.J]*

Manufactured housing communities, also called mobile home parks, are an important source of “naturally occurring” affordable housing. Since 1997, the City owned the 315-unit, 63-acre, age 55+ Marin Valley Mobile Country Club (MVMCC) and is responsible for the Park’s operating and capital budget. The residents are represented by the Park Acquisition Board (PAC) Board of Directors, and according to a recent survey conducted by the PAC, a majority of MVMCC residents qualify as lower income-households. Each year, the PAC puts forward recommendations for Park needs and the City Council approves final annual budgets. All rent revenue not needed for operations is put into a reserve to be used for capital improvement projects which upgrade Park infrastructure, improving the safety and quality of life for residents.

Additionally, the City shall evaluate the scope and effectiveness of City’s current rent control regulations governing all privately and publicly owned mobile home parks within the City. Prior to the amendment of current regulations, the City shall conduct public outreach to mobile home park residents.

**Responsible Body:** City Manager’s Office, City Attorney

**Funding Source:** Marin Valley Mobile Country Club Fund/American Rescue Plan Act, General Fund

**Time Frame:** Sewer pump replacement in Fall 2023; rent regulation evaluation by December 2023

**Quantified Objective:** Replacement of two sewer pump stations and associated electrical service at a cost of \$3,000,000. Conduct discussion with City Council to discuss effectiveness of current regulations in ensuring rents remain affordable. Receive direction from Council of possible amendments. Conservation of all 315 units of “naturally occurring” affordable housing within the Marin Valley Mobile Country Club.

**Geographic Targeting:** Marin Valley Mobile Country Club, Marin Valley Drive; Citywide applicability to all privately and publicly owned mobile home parks.

**Program 5.G: Regulate the displacement of residential units.**

*[Adapted from 5<sup>th</sup> Cycle program 5.K]*

Recognizing the impacts of residential displacement, the State has enacted several new laws to protect existing tenants, including:

- AB 1482: prohibits evictions and non-renewals of leases without “just cause,” and limits rent increases to five percent per year plus CPI or 10 percent (whichever is lower);
- SB 330: bans the approval of development projects on sites that would eliminate existing protected units unless the units are replaced with affordable units;
- AB 1397: requires development on Housing Element sites occupied by lower income households within the last five years to be replaced with affordable units; and,
- Density Bonus Law: requires replacement of units occupied by lower income households within the last five years at an affordable housing cost.

Pursuant to Government Code 65583.2(g)(3), the City will require the replacement of units affordable to the same or lower-income level as a condition of any development on a non-vacant site as required by SB 330 and State law.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Implement State law requirements when applicable during development applications. The City’s objective is that 100 percent of protected units are replaced units in all applicable projects through 2031.

**Geographic Targeting:** Citywide, as required by State law.

**Program 5.H: Promote and support rental assistance programs.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.A]*

Develop and implement measures to make full use of available rental assistance programs. Actions include:

- Maintain descriptions of current programs and contacts to hand out to interested persons;
- Provide funding support, as available and appropriate to non-profit partners such as North Marin Community Services; and,

- Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB 2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Institute annual coordination meeting with identified rental assistance providers beginning in 2024.

**Geographic Targeting:** Citywide, with a focus on lower-income and special needs households, especially in the Northwest Quadrant neighborhood.

**Program 5.I: Expand “just cause” eviction protections to all tenants. [NEW]**

The City shall consider expanding “just cause” eviction protection to all tenants and require a Notice of Termination to be delivered by landlords to their tenants to identify the allowable reasons for which they are evicting the tenant. A copy of the Notice of Termination must be provided to the City within 10 days of being served an eviction notice. This program would expand tenant protections as follows:

- “Just cause” eviction protection shall apply to all rental units in Novato (with AB 1482 exceptions)
- “For cause” terminations will remain grounds for eviction; and,
- “No fault just cause” terminations will remain grounds for eviction.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Undertake public outreach on new standards by September 2024. Prepare ordinance for council consideration by December 2024.

**Quantified Objective:** Maintain inventory of units covered under the program and prepare annual report on the number of units receiving notices of termination. Seek an annual decrease in notices received.

**Geographic Targeting:** Rental units citywide, especially in the Northwest Quadrant neighborhood.

**Program 5.J: Enforce Statewide tenant protections (AB 1482) locally and require participation in non-binding mediation for rent increases greater than five percent. [NEW]**

AB 1482 (the California Tenant Protection Act of 2019), effective January 1, 2020, requires a landlord to have a “just cause” to terminate a tenancy and limits annual rent increases to no more

than five percent plus the local Consumer Price Index (CPI), or 10 percent, whichever is lower. The City shall enforce AB 1482 protections locally through the Multi-Family Housing Inspection Program, ongoing public information campaigns related to code enforcement, and by requiring landlords to provide a Notice of Tenants Rights when initiating a new lease, renewing a rental agreement, and when providing notice of a rent increase. A landlord's failure to furnish a tenant with a Notice of Tenant Rights could invalidate the rent increase or housing service reduction.

Additionally, the City shall require participation in a non-binding mediation program for tenants and landlords who are party to a rent increase greater than five percent. Such a program is offered by the Marin County District Attorney's Consumer Protection Unit, which already partners with the Town of Fairfax and the City of San Rafael to review service requests and conduct the mediations at no cost to the applicants. Tenants must submit their request for mediation within 10 calendar days of receiving notice of the rent increase.

**Responsible Body:** Community Development Department

**Funding Source:** CDBG annual allocation

**Time Frame:** Modify Municipal Code to reflect program, enter into mediation agreement with qualified party by December 2024.

**Quantified Objective:** Track utilization of this program and seek to serve a 1% annual increase in utilization per annum over the planning period.

**Geographic Targeting:** Rental units citywide, especially in the Northwest Quadrant neighborhood.

**Program 5.K: Continue to assist in the rehabilitation and production of housing for Special Needs and lower-income households.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.F]*

In 2022, the City approved the construction of Homeward Bound of Marin's 50-unit, 100 percent affordable housing project serving extremely low- and very low-income occupants, including homeless veterans, with the City contributing \$750,000 in funding. The City will continue to work with Homeward Bound of Marin and other affordable housing developers to connect them to federal, State, and local resources that assist in the rehabilitation and development of housing for low-, very low-, and extremely low-income households. Additionally, the Community Development Department will:

- Continue to provide information and links on the City's website for federal, State, and local funding resources, including, but not limited to, CDBG programs, the HOME program, the Marin County Residential Rehabilitation Loan program, the LIHTC program, assistance from local philanthropic programs, and the City's Affordable Housing Trust Fund; and,
- Apply reduced application processing fees on a sliding scale for residential developments that include 20 percent or more of the proposed units for lower-income households. On a



percentage basis, the “sliding scale” should consider maximum fee reductions for units proposed for ELI households.

- Collaborate directly with non-profit partners such as North Marin Community Services to identify Special Needs households (overcrowded, overpaying, and female-headed) and target rehabilitation support.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Implement reduced application fees by June 2025; other actions ongoing

**Quantified Objective:** Update the City’s website for funding resources annually. By 2031, rehabilitate at least 48 housing units for lower-income households. Reduce application processing fees as needed.

**Geographic Targeting:** Citywide, with a focus on special needs households ((e.g., seniors, female-headed households, large families, persons with disabilities) in lower-income neighborhoods such as the Northwest Quadrant and the S. Novato Blvd. corridor (see Appendix F).

#### **Program 5.L: Assistance for renters with animal companions or pets. [NEW]**

Working with the private sector and animal welfare agencies, the City will coordinate and facilitate dialogue and the establishment of best practices for rental units to allow for renters with animal companions or pets to secure and maintain housing in Novato. Animal companions or pets are understood to mean domestic pets and exclude animal species identified in Section 3-1.24 (*Definition of Wild and or Undomesticated Animal*) of the Novato Municipal Code. Under this program the City will:

- In cooperation with the Marin Humane and Animal Services JPA, conduct an annual survey of rental properties in Novato that allow tenants to keep pets. Make the results of the survey available on the City’s website;
- Working with the Marin Humane and Animal Services JPA establish a model “pet friendly” lease agreement for distribution on the City’s website;
- Develop an information package with model pet friendly lease agreement and information on resources for creating “pet friendly” rental properties to be distributed to residential rental operators on renewal of their annual business license; and,
- Coordinate with the Marin Humane and Animal Services JPA to record annual data on the number of pets surrendered by Novato residents due to rental housing issues. Prepare base line data for 2023.

**Responsible Body:** Community Development Department in coordination with the Marin Humane and Animal Services JPA

**Funding Source:** Departmental budget

**Time Frame:** Establish information package for distribution with business licenses by June 2024. Conduct first annual survey of rental properties by January 2024.

**Quantified Objective:** Maintain inventory of units available for rent that allow pets. Reduce the number of pets surrendered to the Marin Humane and Animal Services JPA by Novato residents due to housing accessibility on an annual basis.

### **Program 5.M: Preservation of at-risk housing units. [NEW]**

There are 1,316 subsidized affordable housing units in Novato. Among these, six units have been identified as being at “moderate risk” of being converted to market-rate housing by 2033 (see Appendix A, Section A.5.4). The remaining 1,310 assisted units have estimated affordability end dates from 2038 to 2070 and thus are not at- risk of conversion within 10 years of the beginning of the planning period.

The City shall continue to maintain an inventory of below-market-rate units Citywide (see Program 5.D) and monitor the expiration of subsidy agreements to prevent the displacement of lower-incomes households from existing affordable housing. The City will assist in maintaining the affordability of units produced through federal and State programs to the extent possible by working with appropriate organizations to identify units that may convert to market-rate units, analyzing the cost of keeping the units affordable, and taking measures to ensure continued affordability or providing assistance to residents if the affordability of the units is removed. In addition, the City will continue to enforce housing affordability agreements between the owners and the City.

If the City becomes aware of the expiration of a subsidy agreement, the City shall implement the following measures:

- Contact property owners of units at risk of converting to market-rate housing within three years of affordability expiration to discuss the City’s desire to preserve complexes/units as affordable housing.
- Coordinate with owners of expiring subsidies to ensure the required notices to tenants are sent out at three years, 12 months, and six months.
- Reach out to agencies interested in purchasing and/or managing at-risk units.
- Work with tenants to provide education regarding tenant rights and conversion procedures pursuant to California law.

If any of the owners indicate that the affordability of the units is at risk of conversion to market-rate housing or that the owner intends to sell the property, the City will seek to facilitate the acquisition of the property by another for-profit or nonprofit entity to preserve the rental units as affordable housing. The City will not take part directly in negotiations regarding the property but

will apply for state or federal funding on behalf of an interested non-profit entity, if necessary, to protect the affordability of the rental unit.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing communication with owners, service providers, and eligible potential purchasers; work with owners of deed-restricted units on an ongoing basis, in particular at the time of change of ownership. First contact with owner of six units identified as “Moderate” risk of conversion to market-rate housing will occur in 2030.

**Quantified Objective:** Conservation of the six units of at-risk affordable housing scheduled to expire in 2033 (Stonehaven House).

## **Goal 6: Equal Access to Housing and Opportunities.**

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### **Policies**

#### **Policy 6.1: Fair Housing Education.**

Promote public education and awareness of fair housing requirements and reduce public misconceptions about low-income housing.

#### **Policy 6.2: Housing Choice.**

Promote the development of housing for all persons regardless of race, religion, ethnic background, or other arbitrary factors.

#### **Policy 6.3: Fair Housing Enforcement.**

Implement and enforce relevant State and federal fair housing laws.

#### **Policy 6.4: Reasonable Accommodation.**

Continue to provide reasonable accommodation for people with disabilities, including developmental disabilities, in the City’s rules, policies, practices and procedures related to zoning, permit processing, and building codes.

### **Programs**

#### **Program 6.A: Prepare information and conduct community outreach activities on fair housing issues.**

*[Adapted from 5<sup>th</sup> Cycle Program 1.A]*

Coordinate with housing advocacy groups, tenants, neighborhood groups, community organizations, developers, and landlords in building public understanding of fair housing programs and needs, especially reasonable accommodation procedures. Activities to include:

- Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.
- Provide information to real estate professionals, property owners, and tenants on their rights, responsibilities, and the resources available to address fair housing issues.
- Work with local non-profit and service organizations to distribute information to the public.
- Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to provide support.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Prepare written material and web site information by June 2024

**Quantified Objective:** Provision of accurate, up-to-date information. Prepare section on City website, update annually as needed. Initiate annual contact via email updating interested stakeholders on newly available information. Make 10 or more contacts per year.

**Geographic Targeting:** While outreach will occur citywide, enhance outreach efforts, either through additional opportunities (e.g., in-person events, physical material posting or distribution, etc.) or more frequent outreach, in neighborhoods with the highest proportion of lower-income or special needs households, such as the Northwest Quadrant and the S. Novato Blvd. corridor (see Appendix F).

#### **Program 6.B: Require non-discrimination clauses in affordable housing agreements.**

*[Adapted from 5<sup>th</sup> Cycle Program 2.A]*

Non-discrimination clauses are a standard component of the City's affordable housing agreements and are currently applied to over 400 BMR units. These clauses are added with each new development as inclusionary units enter the BMR program. The City contracts with Rise Housing to monitor compliance with the terms of its affordable housing agreements and local and State regulations. In addition, Rise oversees the sale of new units to ensure fair and equitable marketing. The City works closely with Fair Housing Marin to ensure non-discrimination in rental practices and annually funds fair housing and legal aid to ensure those services are available to residents of the City.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund; CDBG annual allocations

**Time Frame:** Ongoing

**Objective:** Implementation of fair housing laws.

**Program 6.C: Respond to fair housing complaints.**

*[Adapted from 5<sup>th</sup> Cycle Program 2.B]*

Refer discrimination complaints to the appropriate legal service, County or State agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint. Undertake activities to broaden local knowledge of fair housing laws through actions identified in Program 6.A.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Implementation of fair housing laws.

**Program 6.D: Implement General Plan policies related to the Northwest Quadrant neighborhood. [NEW]**

Since 2015, the Northwest Quadrant neighborhood has been the focus of efforts to update its original 1977 Neighborhood Plan. With the 2020 adoption of General Plan 2035, seven recommendations calling for improved pedestrian safety, code enforcement, form-based zoning regulations, and more were incorporated as Goal LU 28 and Policies LU 28b – LU 28e. These policies have not yet been incorporated into the Zoning Ordinance, though a [draft Northwest Neighborhood Form-Based Code](#) was developed by 2017.

As a place-based strategy to address the fair housing issues identified in this neighborhood in Appendix F (Affirmatively Forwarding Fair Housing), the City shall implement the General Plan policies related to the Northwest Quadrant neighborhood during the planning period, including those that:

- Target investment in community assets such as parks, streets, and active transportation infrastructure and apply for funding every other year;
- Develop a proactive code enforcement program that targets areas of concentrated rehabilitation needs and results in repairs and mitigates potential cost while accounting for potential displacement and relocation impacts on residents;
- Address negative impacts from climate change through investments in adaptation measures such as urban forestry; and,

- Zoning regulations (such as the draft Northwest Neighborhood Form-Based Code) that conserve and improve the existing affordable housing stock without contributing to investment-driven displacement.

**Responsible Body:** Community Development Department, Planning Commission, City Council, Public Works Department, Parks, Recreation, and Community Services Department

**Funding Source:** General Fund

**Time Frame:** Develop proactive code enforcement program (June 2025); adoption of zoning regulations (June 2025); implement climate adaptation measures (December 2025); targeted infrastructure improvements (complete by December 2028); annual implementation of neighborhood investments as part of Capital Improvement Plan (CIP) 2024-2028 and its successor

**Quantified Objective:** Adoption of the draft Northwest Neighborhood Form-Based Code (or similar zoning regulations). Implement the four General Plan policies listed above. Investment in community assets listed above. Conserve/preserve at least 10 units annually within the Northwest Quadrant as a result of proactive code enforcement (also see Programs 5.A, 5.B, 5.H, 5.I, and 5.J). Identify at least two projects in the Northwest Quadrant annually and incorporate them into successor Plans with the goal of making substantial improvements to the infrastructure of the Northwest Quadrant neighborhood.

**Geographic Targeting:** The Northwest Quadrant neighborhood.

#### **Program 6.E: Housing Mobility. [NEW]**

Housing mobility strategies consist of removing barriers to housing in areas of opportunity and strategically enhancing access. To improve housing mobility and promote more housing choices and affordability throughout Novato, including in lower-density neighborhoods and concentrated areas of affluence and relatively higher-resource areas, the City will employ a suite of actions to expand housing opportunities affordable to extremely low-, very low-, low-, and moderate-income households. Actions and strategies include:

- Rezoning – Modify zoning to allow residential and/or increased residential intensity on key sites throughout Novato. This includes zoning amendments in High Resource neighborhoods (i.e., Rezone Site #1), in addition to higher intensity corridors (i.e., Rezone Site #2). See Program 1.A.
- Accessory Dwelling Units (ADUs) – Streamline the production of ADUs and Junior ADUs in single-family neighborhoods by preparing permit-ready ADU plans with a variety of unit sizes and proactively promoting ADU construction in High Resource areas. Promote availability of services from City’s participation in Napa Sonoma/Marin County ADU Center. See Program 1.B.

- Utilize Vacant Residential Properties – The City has an unusually large number of vacant residential units, many in the City’s predominantly single-family neighborhoods. As a potential resource for addressing housing need in High Resource areas, the City shall identify and incentivize property owners to utilize or redevelop vacant properties, including promoting affordability and conversion of single-family structure to duplexes and triplexes. See Program 2.F.
- Enhanced Inclusionary Housing – Assess and amend the City’s inclusionary housing requirements to achieve higher proportions and/or lower affordability levels of inclusionary units from projects approved. See Program 2.G.
- Addressing Homelessness through Permanent Supportive Housing – The City is an active participant in Countywide efforts to address homelessness through a Housing First model. Many active programs are committed to providing basic services and housing assistance to homeless residents, enabling them to remain in the community without remaining on the street. See Program 4.G.
- Placed-Based Strategies – Continue implementation of adopted General Plan goals and policies for improved pedestrian safety, targeted code enforcement, and zoning regulations which conserve and improve existing affordable housing (without driving displacement) in the Northwest Quadrant neighborhood. See Program 6.D.
- Implement alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices, including but not limited to, strategies that encourage missing middle zoning (small-scale multi-unit projects), adaptive reuse, allowing additional ADUs and/or JADUs above State law, and priority processing or fee waivers for affordable housing.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:**

- Sites rezoned in High Resource neighborhood (Rezone Site #1) – January 2024
- Review and revise efforts to increase ADU construction in High Resource neighborhoods – January 2027
- Identify, inventory, and incentivize utilization of vacant residential properties in High Resource neighborhoods – June 2025
- Develop higher proportion of lower- and moderate-income housing in RCAAs and High Resource neighborhoods as a result of amended IHO (June 2025) and subsequent evaluations (June 2027)
- Facilitate development of transitional/supportive housing (Homeward Bound Veterans and Workforce Housing project) – Spring 2024
- Implement alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices – June 2027



**Quantified Objective:** Provide 150 housing opportunities affordable to lower-income households by January 2031.

**Geographic Targeting:** Citywide, with a focus on creating housing opportunities in lower-density areas and areas of relatively higher income.

## **Goal 7: Sustainability and Energy.**

---

### **Policies**

#### **Policy 7.1: Energy-Efficient Design.**

Require all new housing to be designed to encourage energy efficiency. Building design and construction methods should promote and support energy conservation.

#### **Policy 7.2: Energy-Efficient Materials.**

Encourage major additions and remodeling projects to use windows, building materials, ventilation systems, and appliances which reduce home heating and cooling costs and conserve energy resources.

#### **Policy 7.3: Weatherization.**

Encourage weatherization of existing homes to reduce heating and cooling costs and lower home energy bills.

#### **Policy 7.4: Renewable Energy.**

Maintain development regulations and permit processing allowances which accommodate the installation of solar panels and other devices which result in lower energy costs for homeowners and renters.

#### **Policy 7.5: Energy Retrofits.**

Support the use of federal, State, county, and utility-sponsored programs which provide financial assistance or incentives for energy retrofits.

### **Programs**

#### **Program 7.A: Implement energy/water efficiency and rehabilitation loan programs.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.C]*

Novato's Sustainability Division implements a Property Assessed Clean Energy (PACE) financing program to enable property owners to finance energy and water efficiency and renewable energy projects as an assessment on their property tax bills. In addition to private funding options, the City has routinely designated a portion of its CDBG funding for residential rehabilitation/upgrading of homes belonging to low-income individuals.

Community Development staff will continue to coordinate with government and businesses (e.g., Energy Upgrade California, the Marin Housing Authority, PG&E, and participatory contractors) to procure funding (grants and/or loans), and qualifying energy upgrades for eligible owner and renter households. Program resources and contact information will be maintained and updated on the City's website.

**Responsible Body:** Sustainability Division

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Coordinate and support financing for rehabilitation and energy efficiency.

### **Program 7.B: Continue to implement the California Green Building Code.**

*[Adapted from 5<sup>th</sup> Cycle Program 4.B]*

In 2011 the City first adopted the California Green Building Standards Code (Part 11, Title 24 of the California Code of Regulations, or CALGreen) to promote the use of green building materials, energy conservation, and more. The City will continue to adopt updated versions of CALGreen throughout the planning period, starting with the 2022 CALGreen Code, effective January 1, 2023.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Implement statewide green building standards locally.

## **III.B Quantified Objectives**

Table III-1 presents the City's quantified objectives for construction, preservation, and rehabilitation for the 2023 – 2031 planning period that will be achieved through the policies and programs described above.

**Table III-1: Quantified Objectives**

Program Type/Affordability	Extremely Low <sup>1</sup>	Very Low	Low	Moderate	Above Moderate	Total
<b>New Construction</b>	340		612	367	1,296	<b>2,615</b>
<b>Rehabilitation</b>	4	8	8	4	0	<b>24</b>
<b>Conservation/Preservation <sup>2</sup></b>	860		860	0	0	<b>1,479</b>
<b>Total</b>	1,212		1,480	371	1,296	<b>4,118</b>

<sup>1</sup> The City estimates 50% of the very low households would qualify as extremely low-income.  
<sup>2</sup> See Programs 2.B, 5.D, 5.F, 5.M, and 6. D.

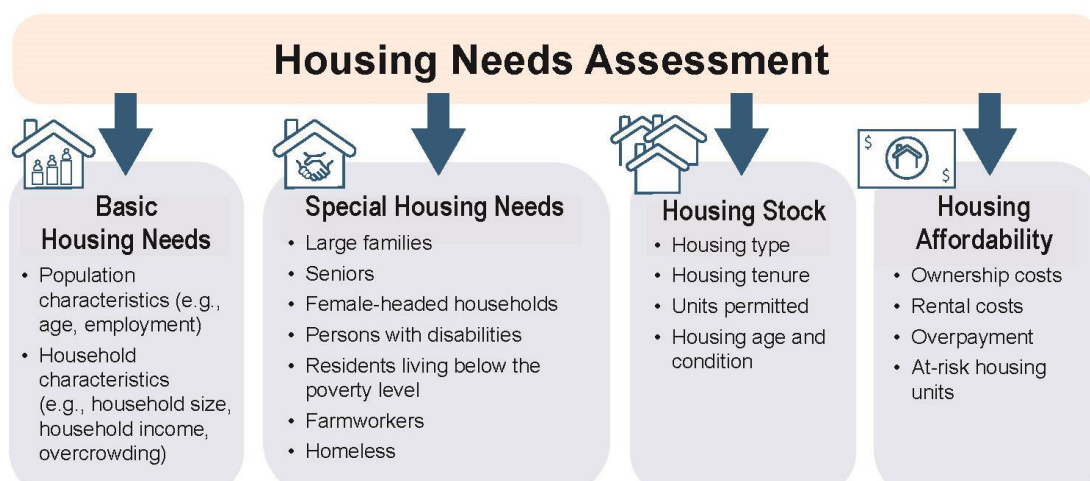
# Appendix A: Demographics and Housing Needs Assessment

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## Section A.1 Introduction and Summary

### A.1.1 Introduction

This section of the Novato Housing Element (Appendix A) presents the foundation for understanding the housing needs of the City of Novato (City). Analyzed within are demographic, economic, and housing-related variables which include the City's population, special needs groups, employment, housing stock, and housing affordability. Findings in this section provide the basis for the housing goals, policies, and programs to address those needs.



Data sources for this section include the Housing Needs Data Packet prepared for the City by the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC). The Data Packet relies primarily on the U.S. Census Bureau's American Community Survey (ACS), California Department of Finance (DoF), and the Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS). This Housing Needs Data Packet has been pre-reviewed by the California Department of Housing and Community Development (HCD) for consistency and compliance with State requirements.

### A.1.2 Summary

Housing needs are determined by a city's population and its existing housing stock and provide context for developing housing policy, such as which types of housing are most needed. The following summarizes key data from this housing needs assessment:

- Novato has a lower median household income than Marin County (County). Novato's 2020 median household income was \$101,629, 16.5 percent lower than the County (\$121,671). Nearly 15.2 percent (3,325 households) of households in Novato are extremely low-

income, and approximately 47.1 percent (10,269 households) of Novato households are lower-income households (i.e., earn less than 80 percent of Area Median Income [AMI]).

- Home prices are slightly lower in Novato relative to the County, but still difficult to afford. A two-person household must earn \$180,980 (over 150 percent of AMI) to afford an average priced home in the City.
- Rental housing is challenging in Novato, as a household must earn \$78,023 (over 50 percent of AMI) to afford median rent.
- Approximately 34.5 percent of Novato homeowners and 54.8 percent of renters are cost-burdened, meaning they spend 30 percent or more of gross income on housing costs. Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing, compared to 14.8 percent of homeowners. Among all households, Novato has a slightly higher proportion of cost-burdened households compared to the County (41 percent compared to 39 percent).
- Renter households are more likely to live in overcrowded conditions than owner-occupied households. In Novato, 3.7 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.5 percent of households that own. Among renters, 9.8 percent experience moderate overcrowding (1 to 1.5 occupants per room), compared to one percent for those who own.
- Novato's population is 63.5 percent White, 18.9 percent Hispanic or Latino, 7.8 percent Asian or Pacific Islander, 6.2 percent Other Race or Multiple Races, 3.4 percent Black or African American, and 0.2 percent American Indian or Alaska Native. People of color (all non-white racial groups) comprise a lower proportion of Novato's population relative to the 9-county Bay Area, but a slightly greater portion than Marin County as a whole. Black or African American residents experience the highest rates of poverty in Novato at 13.5 percent.
- Novato's median age is 47, similar to the County (47.3 years). Seniors (65 years and above) make up approximately 20.6 percent of the population. Out of the total senior population, approximately 41.3 percent are cost burdened. Seniors are designated as a special needs population under the State's Housing Element law. Seniors can face higher levels of housing insecurity as they are more likely to be on a fixed income while requiring higher levels of care.
- Novato's other special housing needs populations include persons with a disability that may require accessible housing (10 percent of residents) and female-headed households who are often at greater risk of housing insecurity (eight percent of households).
- Novato has 1,614 large households (five or more people), which are generally served by three-bedroom or larger units. Novato's housing mix of three-bedroom or larger units (14,724 units) can sufficiently accommodate the number of larger families.

- A variety of housing types is important to meeting the needs of all members of the community. Over 74 percent of Novato's housing stock is single-family homes (attached and detached). Multifamily (5+ unit) homes have experienced the most growth over the last decade.
- The rate of housing production in Novato is relatively slow, with only 266 units permitted between 2015 and 2019. The largest proportion of Novato's housing units were built between 1960 and 1979.

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## Section A.2 Population Characteristics

### A.2.1 Population

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The San Francisco Bay Area (Region)<sup>1</sup> is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession (2007). Many cities in the Region have experienced growth in jobs, wages, and population. While these trends have led to a corresponding increase in demand for housing, the regional production of housing has largely not kept pace with job and population growth. In 2020, the population of Novato was estimated to be 53,702 (see Table A-1). From 1990 to 2020, the population increased by 12.9 percent, or 0.4 percent per year. The population of Novato makes up 20.6 percent of Marin County. Trends in the wake of the COVID-19 pandemic suggest that the region may be experiencing some absolute declines in population in core areas, however, the population of the region as a whole is anticipated to continue to grow.

Since 2000, Novato's population has increased by 12.7 percent, which is below the Region's 14.8 percent. Roughly 11.6 percent of Novato's population moved during the past year; 1.8 percentage points lower than the regional rate of 13.4 percent. This statistic suggests Novato's relative stability and the limited increase in housing availability as homeowners move or downsize (see Figure A-1).

**Table A-1: Population Growth Trends, City of Novato**

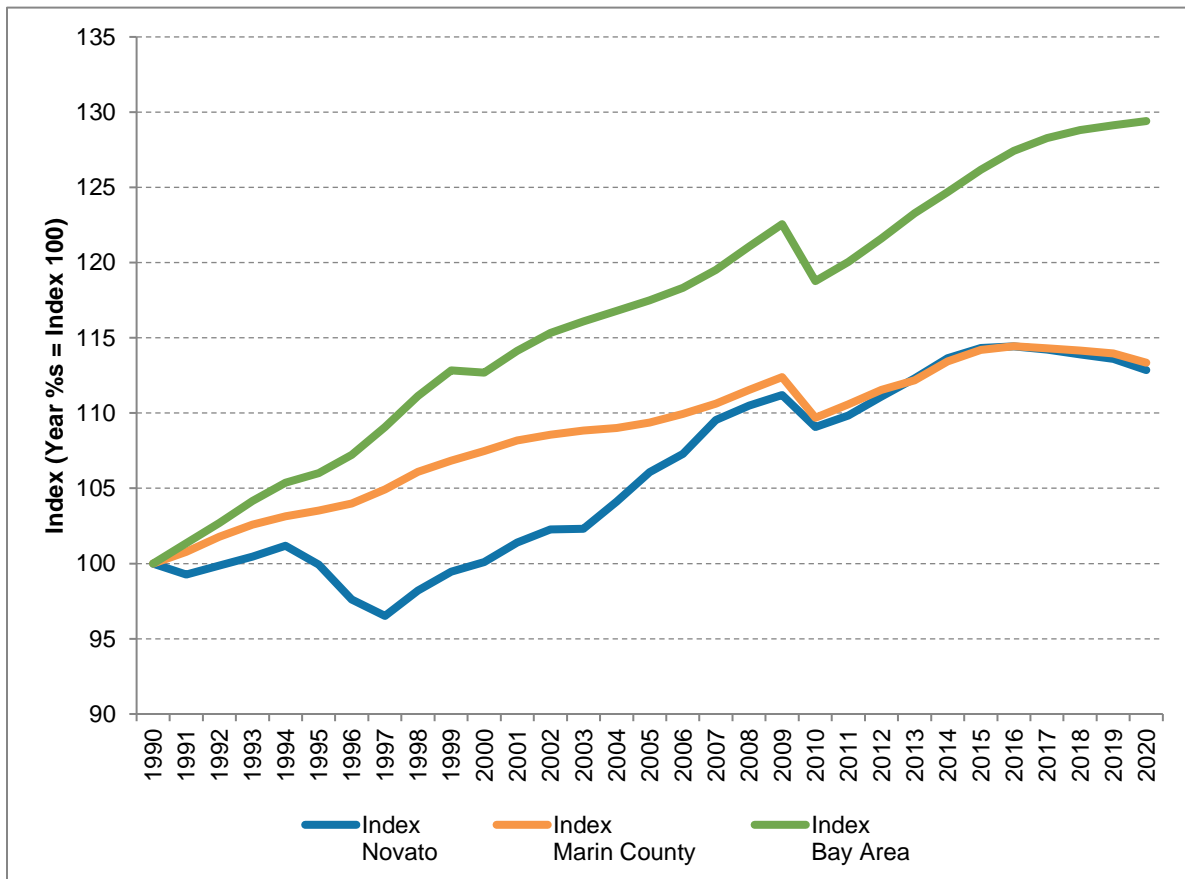
	1990	1995	2000	2005	2010	2015	2020
<b>Novato</b>	47,585	47,554	47,630	50,475	51,904	54,400	53,702
<b>Marin County</b>	230,096	238,185	247,289	251,634	252,409	262,743	260,831
<b>Bay Area</b>	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

*Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)*

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<sup>1</sup> Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

**Figure A-1: Population Growth Trends**



The data shown on the graph represents population for the jurisdiction, County, and Region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

## A.2.2 Age

The distribution of age groups influences the types of housing a community needs. For example, a higher number of children and young families can indicate a need for homes with more bedrooms and proximity to schools, parks, and related services. Seniors, meanwhile, increasingly indicate a desire to age in place (i.e., stay in their current home or move to a more affordable, age-appropriate residence)<sup>2</sup>, which can mean a higher demand for smaller, multifamily, and accessible units.

In Novato, the median age in 2000 was 39.1 years old; by 2019, this figure had increased to around 47 years. In 2019, the median age in Marin County was around 47.3 years old. The

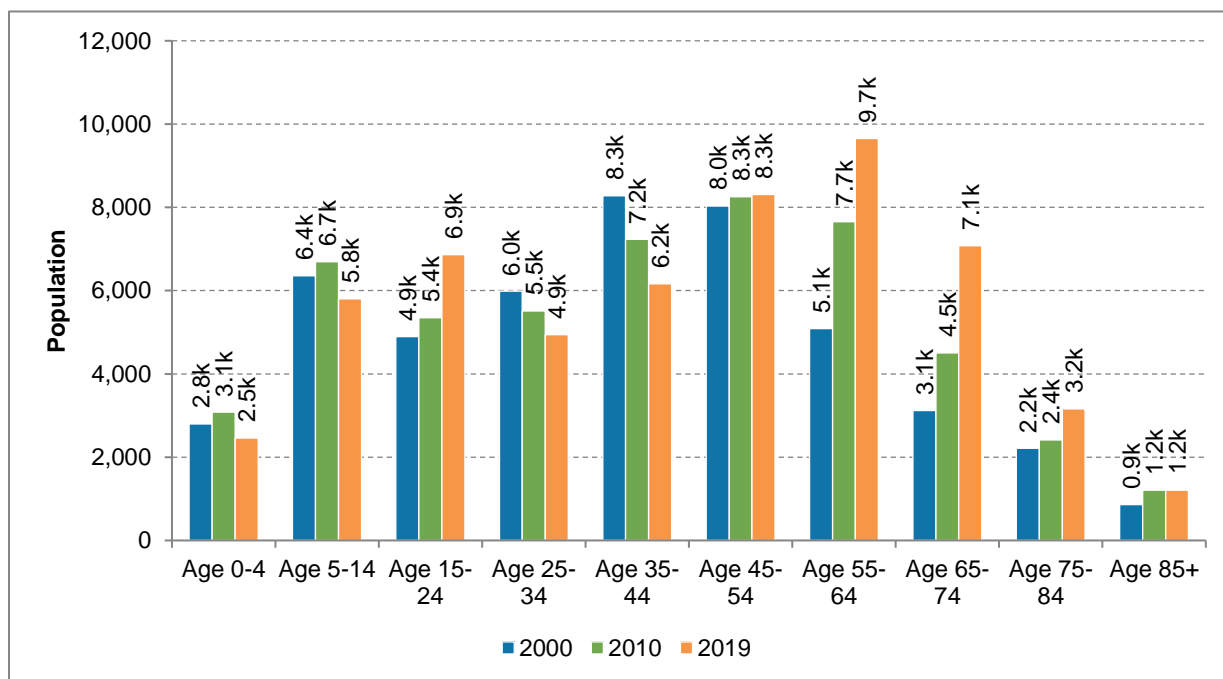
<sup>2</sup> HUD Office of Policy Development and Research, [Aging in Place: Facilitating Choice and Independence](#). (n.d.)



population of seniors (65 years and above) living in Novato increased by 5.4 percent since 2010 and makes up an estimated 20.6 percent of the total population. Conversely, the population of those under 14 years of age in Novato has decreased by 3.8 percent since 2010.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color make up 10.6 percent of seniors and 37.9 percent of youth under 18 years of age (see Figure A-3).

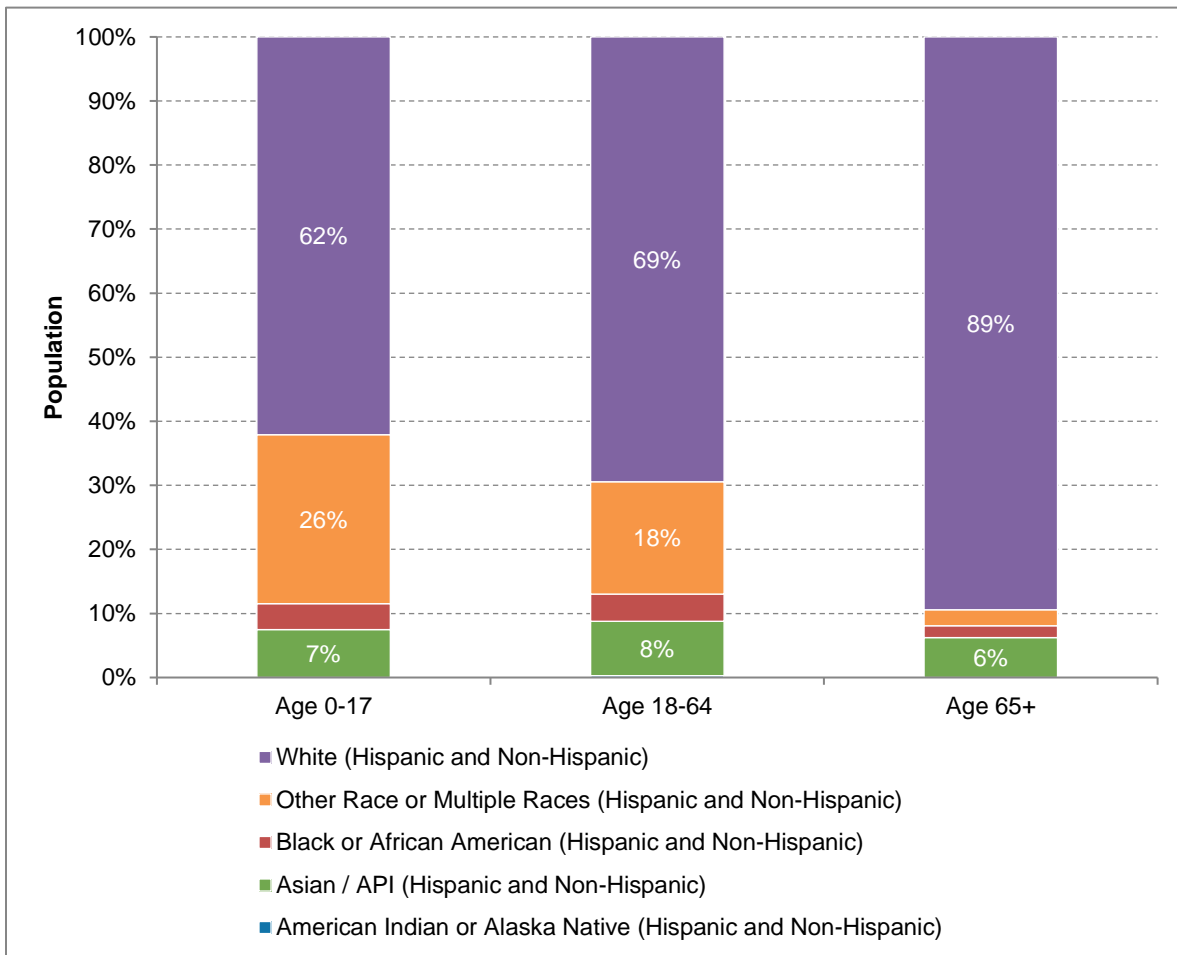
**Figure A-2: Novato Population by Age, 2000-2019, City of Novato**



Universe: Total population

Source: ABAG 2021 Pre-certified Housing Needs Data ((U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001)

**Figure A-3: Senior and Youth Population by Race, City of Novato**



Universe: Total population

In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

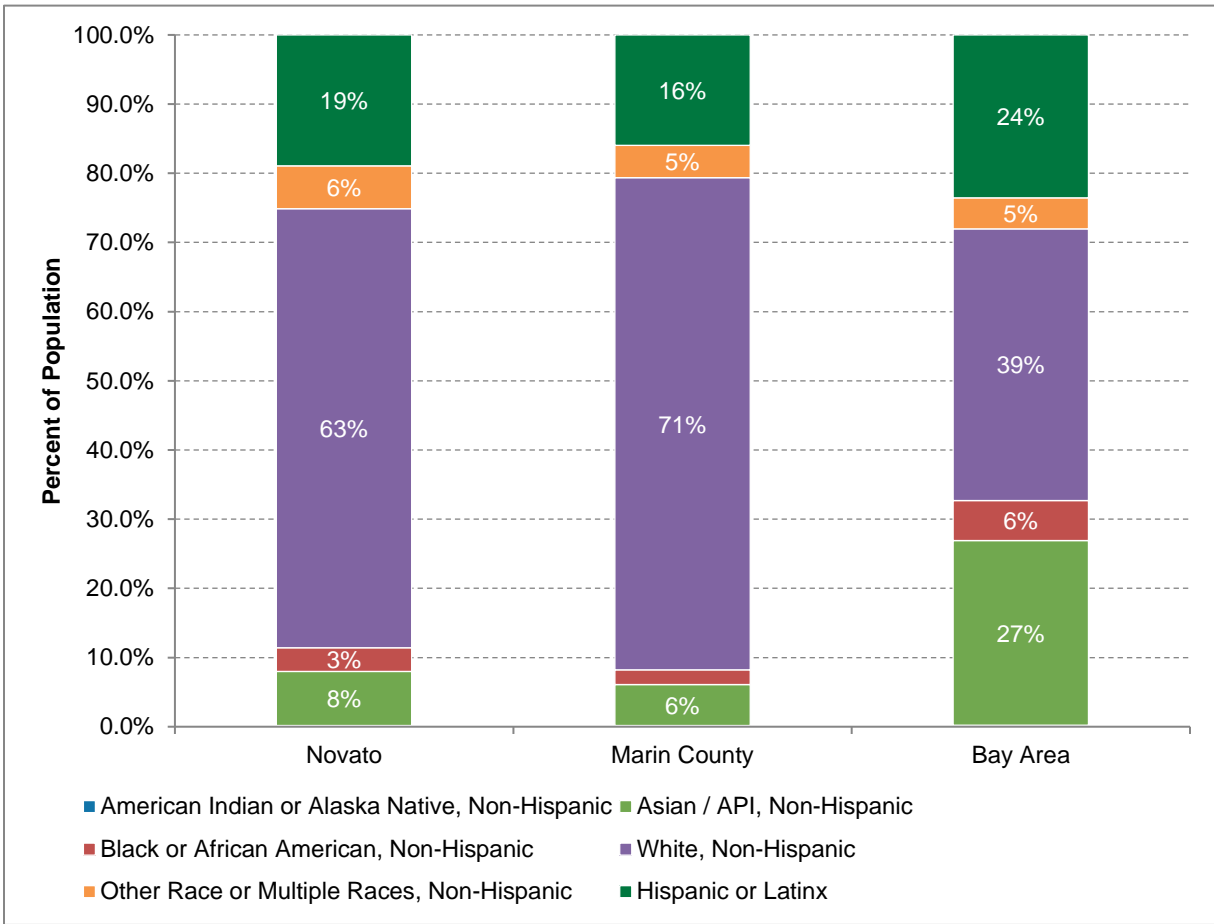
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G))

### A.2.3 Race/Ethnicity

Understanding the racial and ethnic makeup of a city and Region is important for designing and implementing effective housing policies and programs. Racial distribution is shaped by market factors and government actions, such as exclusionary zoning, discriminatory lending practices, and displacement that has occurred over time and continues to impact communities of color.

Novato has a higher share of residents identifying as White, Non-Hispanic than the Region, and a smaller share of residents identifying as American Indian or Alaska Native, Non-Hispanic, Asian/Asian Pacific Islander, Non-Hispanic, Black or African American, Non-Hispanic, and Hispanic or Latino than compared to the Region (see Figure A-4).

**Figure A-4: Population by Race and Ethnicity, 2019**



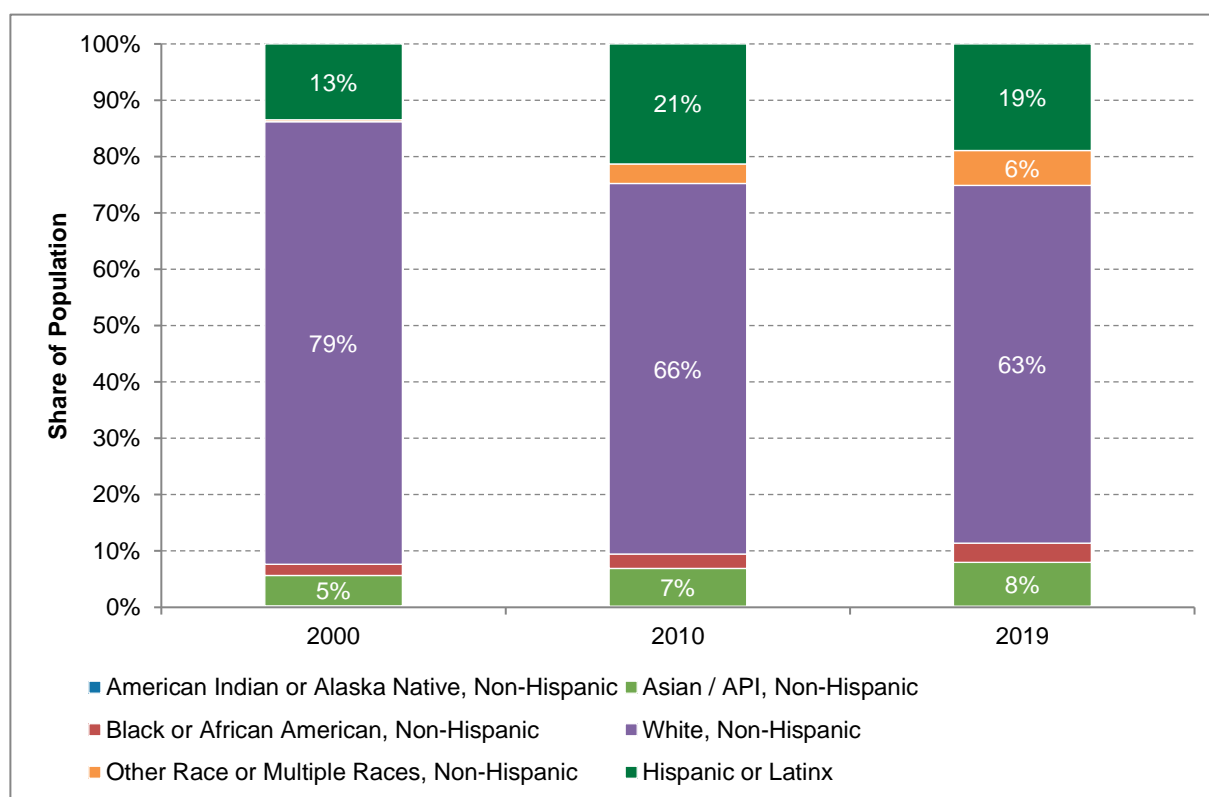
Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

Since 2000, the percentage of residents in Novato identifying as white has decreased. In the same period, the percentage of residents of all other races and ethnicities has increased by 15.1 percentage points (see Figure A-5), with the total population of all other races and ethnicities at 35,312 in 2019. In absolute terms, the Hispanic or Latino and the Other Race or Multiple Races, Non-Hispanic populations increased the most, while the Non-Hispanic White population decreased the most.

**Figure A-5: Population by Race and Ethnicity, 2000-2019, City of Novato**



Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the “Hispanic or Latino” racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

The values above do not add up to 100% as they are rounded to the nearest one-tenth.

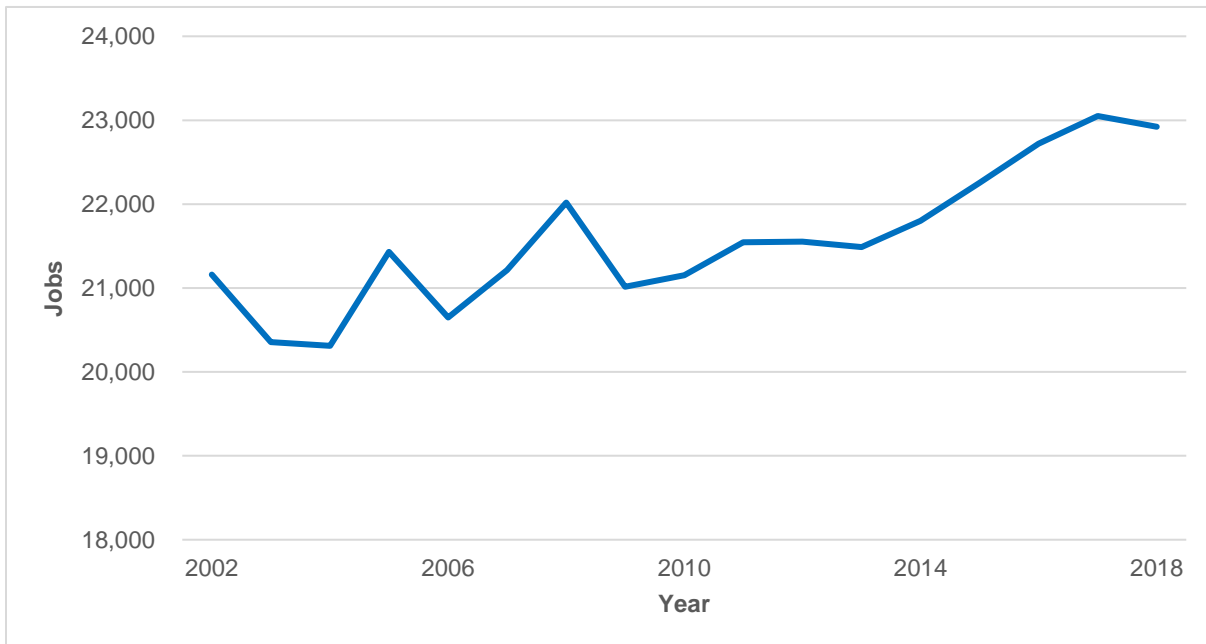
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

## A.2.4 Employment

A city’s housing serves those who work and live in the community and those who work elsewhere in the Region and commute to work. Smaller cities typically will have more employed residents than jobs and export workers, while larger cities tend to have a surplus of jobs and import workers. A good regional transportation system is set up to address this flow of workers to the Region’s job centers. At the same time, the housing affordability crisis has pushed workers further from cities and transit hubs. This imbalance burdens employees who must travel greater distances, increases reliance on the automobile or more complicated commutes on public transit.

There are 28,298 employed residents and 23,299 jobs<sup>3</sup> in Novato. The ratio of jobs to resident workers is 0.82, making Novato a net exporter of workers. Overall, in 2019, an estimated 18.6 percent<sup>4</sup> of people employed in Novato also lived in the city. Between 2002 and 2018, the number of jobs in Novato increased by 8.3 percent (see Figure A-6).

**Figure A-6: Jobs in the City of Novato**



Universe: Jobs from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment.

The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross-referenced to jurisdictions and summarized.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018)

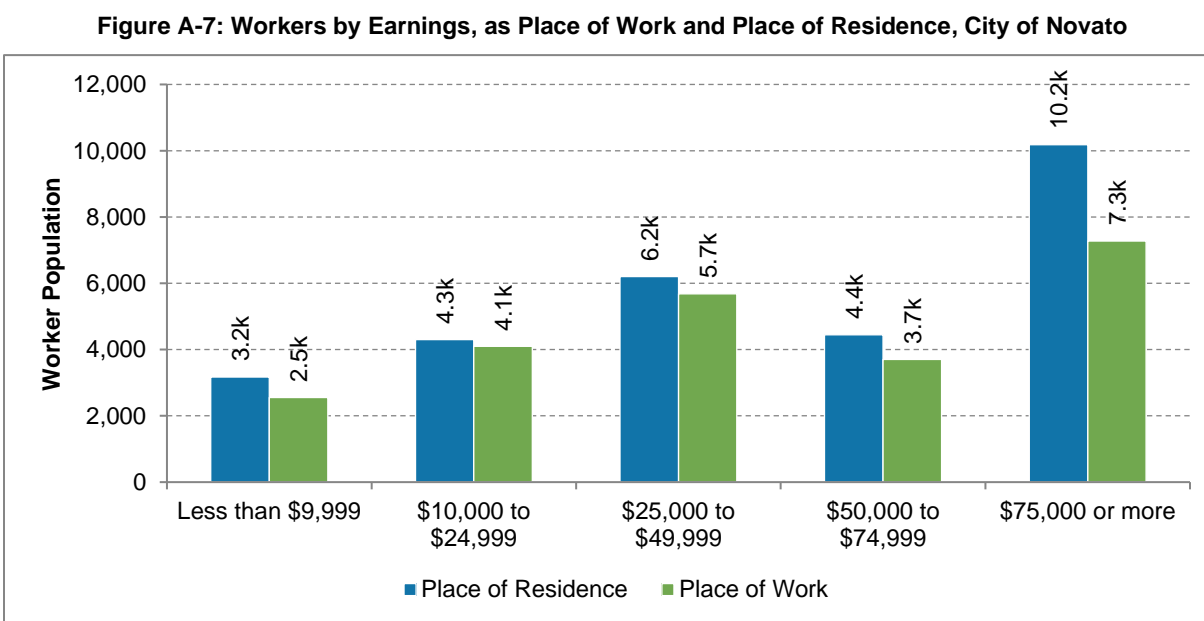
Figure A-7 shows the balance of jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment opportunities for relatively low-income workers but have relatively few appropriate housing options. Conversely, a city may offer affordable ownership and rental options but not have appropriate or sufficient employment opportunities. Such relationships cast extra light on potentially unmet demand for housing in certain price categories (for ownership or rental). A relative surplus of jobs relative to

<sup>3</sup> Employed residents in a jurisdiction is counted by place of residence (they may work elsewhere) while jobs in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure A-6 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.

<sup>4</sup> U.S. Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), [OnTheMap](#). (2023)

residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, but as indicated earlier, can lead to longer, more complicated commutes, increased vehicle miles traveled and greenhouse gas emissions, lost construction investment, as well as foregone consumption of goods and services because Californians spend so much time and income on commuting.

Novato has more low-wage residents (7,472) than low-wage jobs (6,643), where low-wage refers to jobs paying less than \$25,000. At the other end of the wage spectrum, the city has more high-wage residents (10,183) than high-wage jobs (7,274), where high-wage refers to jobs paying more than \$75,000 (see Figure A-7)<sup>5</sup>. The number of workers by wage category was supplied by ABAG and sourced from the 2019 American Community Survey.



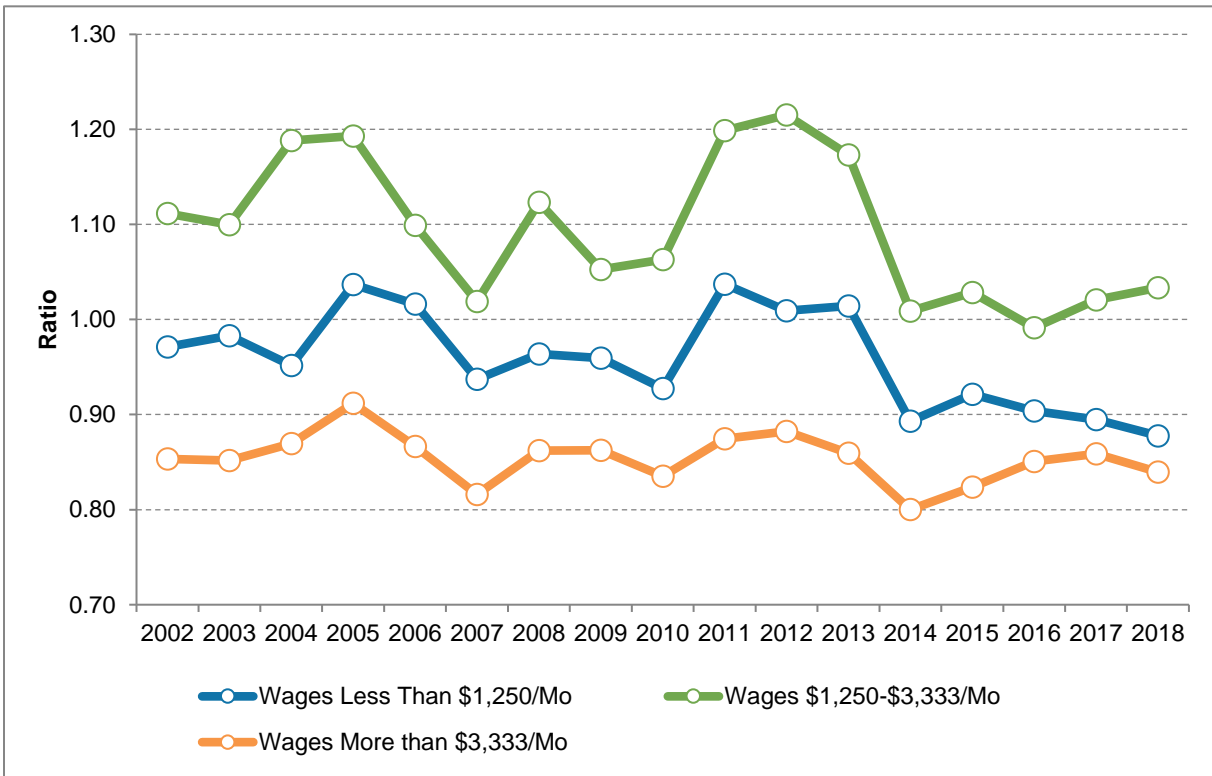
Universe: Workers 16 years and over with earning

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519)

Figure A-8 shows the balance of Novato's resident workers to jobs for different wage groups as a ratio. A value of 1 means that a city has the same number of jobs in a wage group as it has resident workers. Values close to 0 indicate a jurisdiction will need to export workers for jobs in a given wage group. At the regional scale, this ratio is 1.04 jobs for each worker, implying a modest import of workers from outside the Region (see Figure A-8).

<sup>5</sup> The source table is top-coded at \$75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

**Figure A-8: Jobs-Worker Ratios, by Wage Group, City of Novato**



Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment.

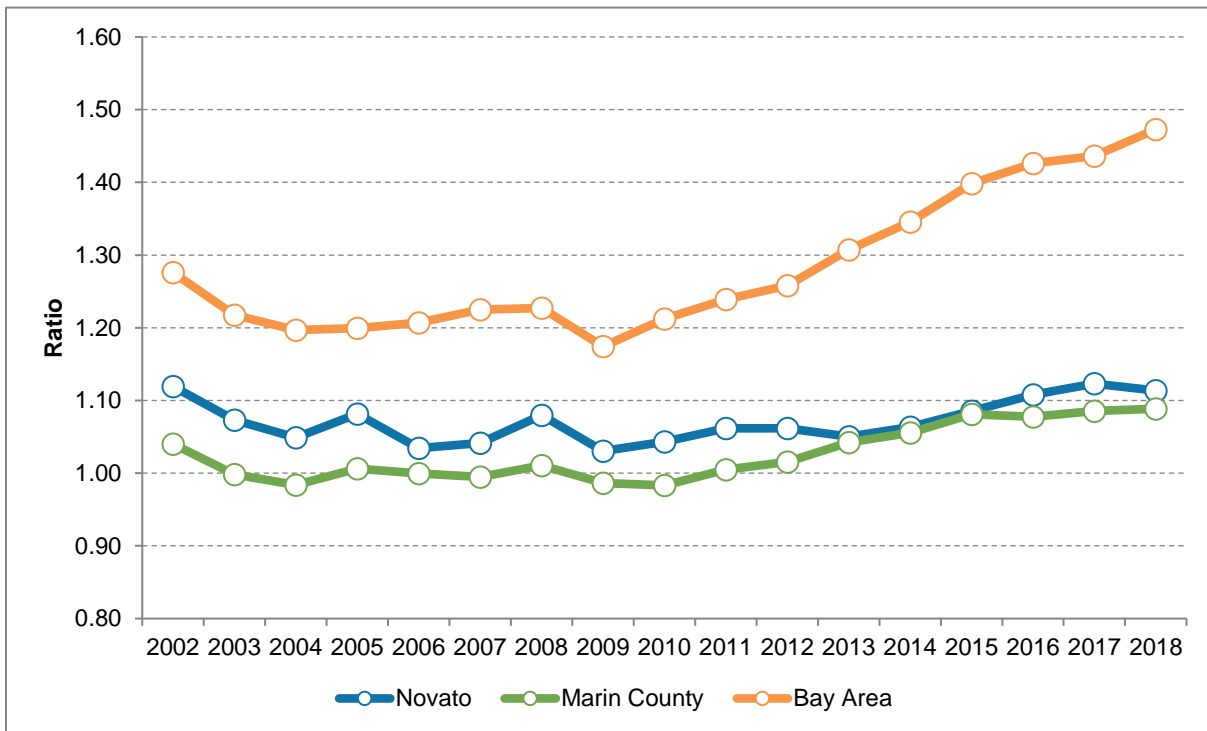
The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018)

The balance or imbalance between jobs and workers influences the housing demand and housing prices in a community. When there is high demand for housing relative to supply, workers will compete for a limited supply. As shown, many Novato workers may be unable to afford to live where they work, particularly when housing growth has been in higher income markets. This dynamic means many workers need to undertake long commutes on public transit, rely more heavily on the automobile, and contribute to the Bay Area's growing traffic congestion.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs-to-household ratio (over 1). The jobs-household ratio in Novato has decreased slightly over time, from 1.12 in 2002 to 1.11 jobs per household in 2018 (see Figure A-9). Novato's ratio is slightly higher than Marin County (1.09) and lower than the Region (1.47), suggesting the city has a lower ratio of jobs to housing units relative to the rest of the Bay Area and that while the Region is job rich, Novato houses more workers than it has jobs.

**Figure A-9: Jobs-Household Ratio**



Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction.

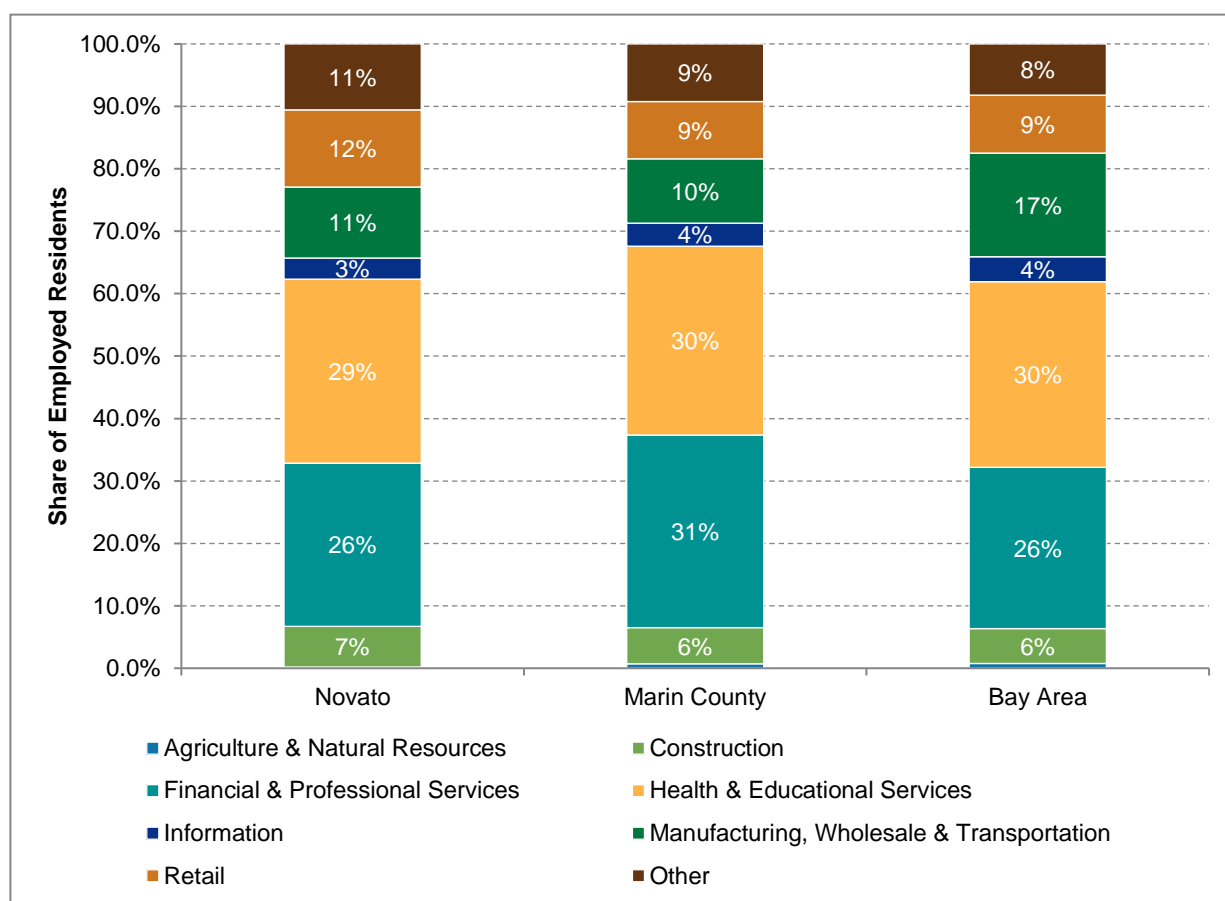
The data are tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross-referenced to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households))

The largest industry in which Novato residents work is Health & Educational Services, and the largest sector in which Marin residents work is Financial & Professional Services (see Figure A-10). For the Bay Area as a whole, the Health & Educational Services industry employs the most workers.



**Figure A-10: Resident Employment by Industry**



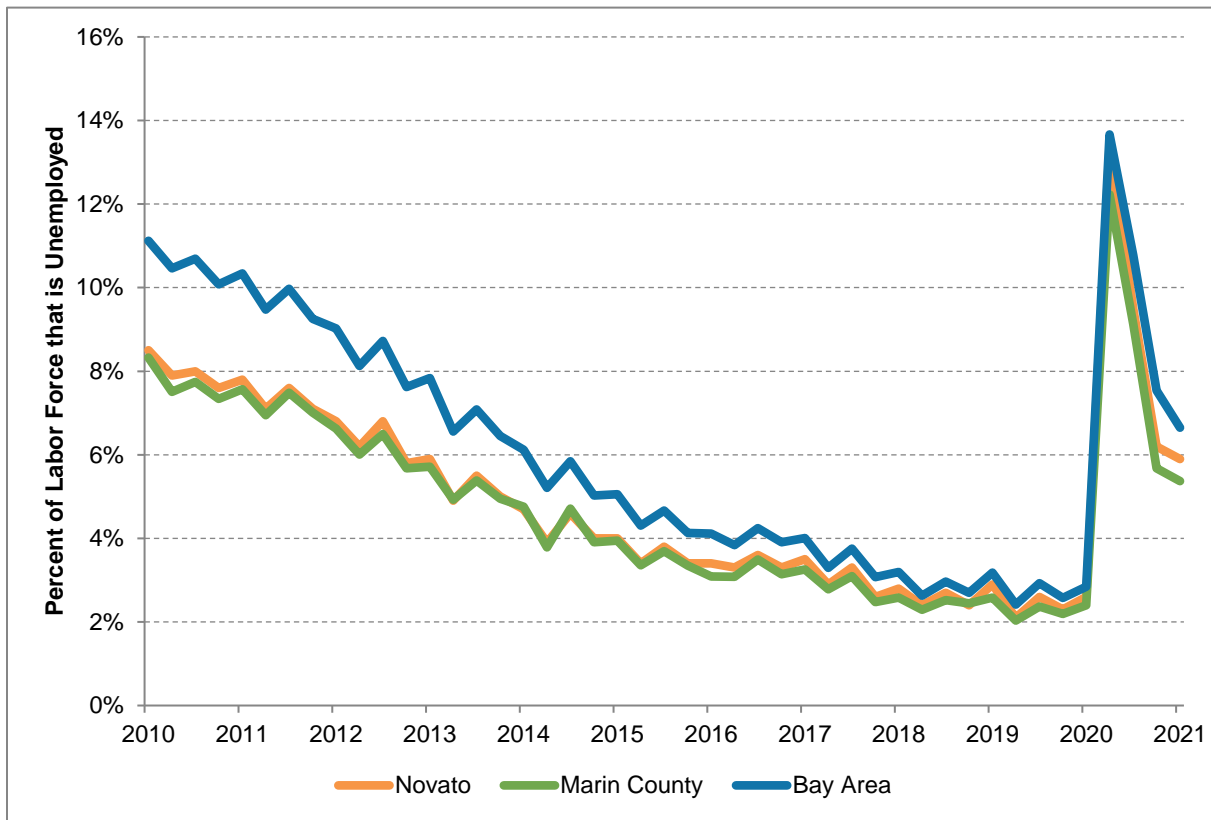
Universe: Civilian employed population age 16 years and over

The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Agriculture & Natural Resources jobs account for less than one percent of total resident employment for Novato, Marin County, and the Bay Area.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030)

In Novato, there was a 2.6 percent decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions throughout the Region experienced a sharp rise in unemployment in 2020 due to impacts of the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020.

Figure A-11: Unemployment Rate



Universe: Civilian employed population age 16 years and over

Unemployment rates for the jurisdiction level is derived from larger-geography estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021)

## Section A.3 Household Characteristics

### A.3.1 Household Size

In Novato, the largest share of households (35 percent) consists of those with two people, while the lowest share of households (7.2 percent) consists of those with five-or-more persons (renters and owners combined). Three-person households make up 15.8 percent of the occupied housing stock and four-person households make up 13.7 percent (see Table A-2). According to U.S. Census data, Novato had an average household size of 2.46 in 2020. For additional information on household size, see Section A.3.2 (Overcrowding) and A.3.4 (Special Housing Needs).

**Table A-2: Household Size, City of Novato**

	Owner Occupied	% Owner Occupied	Renter Occupied	% Renter Occupied
1-person household	3,897	25.6%	2,416	34.0%
2-person household	6,038	39.7%	1,776	25.0%
3-person household	2,517	16.5%	1,012	14.2%
4-person household	2,083	13.7%	972	13.7%
5-or-more person household	678	4.5%	936	13.2%
<b>Total occupied housing units</b>	<b>15,213</b>	<b>100%</b>	<b>7,112</b>	<b>100%</b>

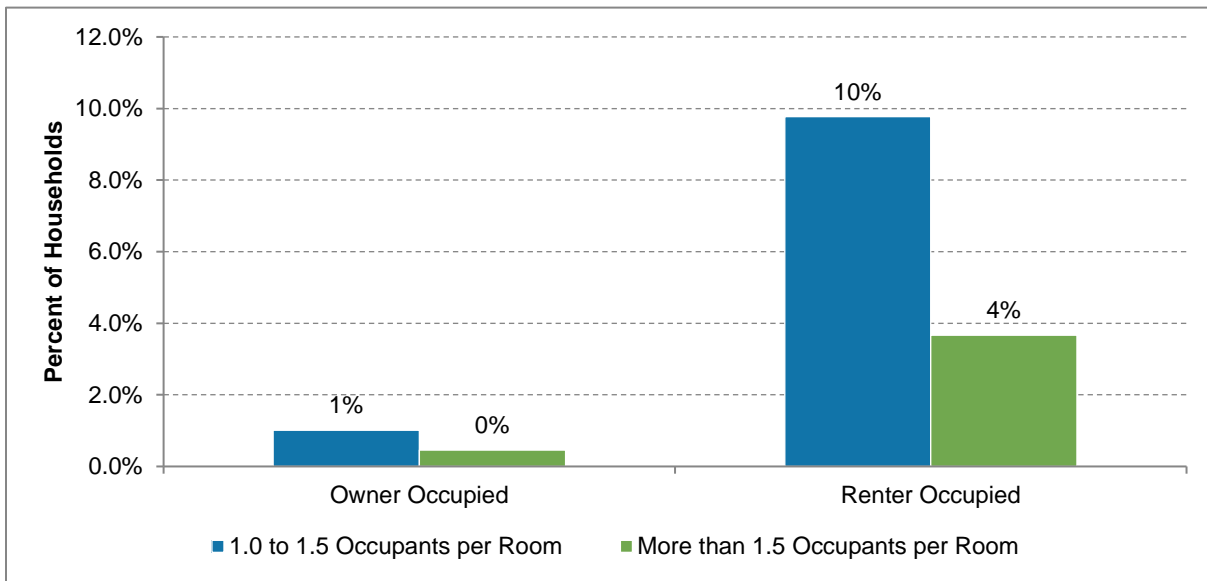
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

### A.3.2 Overcrowding

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several standards for defining overcrowding, but this report uses the U.S. Census Bureau definition: more than one occupant per room (not including bathrooms or kitchens). Additionally, the U.S. Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Overcrowding is often related to the cost of housing and typically occurs when demand is high, supply shrinks, and prices rise. In many cities, overcrowding is seen more in the rental sector, sharing a unit to make it possible to stay in a community or near employment. In Novato, 3.7 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.5 percent of households that own (see Figure A-12). 9.8 percent of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to one percent for those owned.

**Figure A-12: Overcrowding by Tenure and Severity, City of Novato**



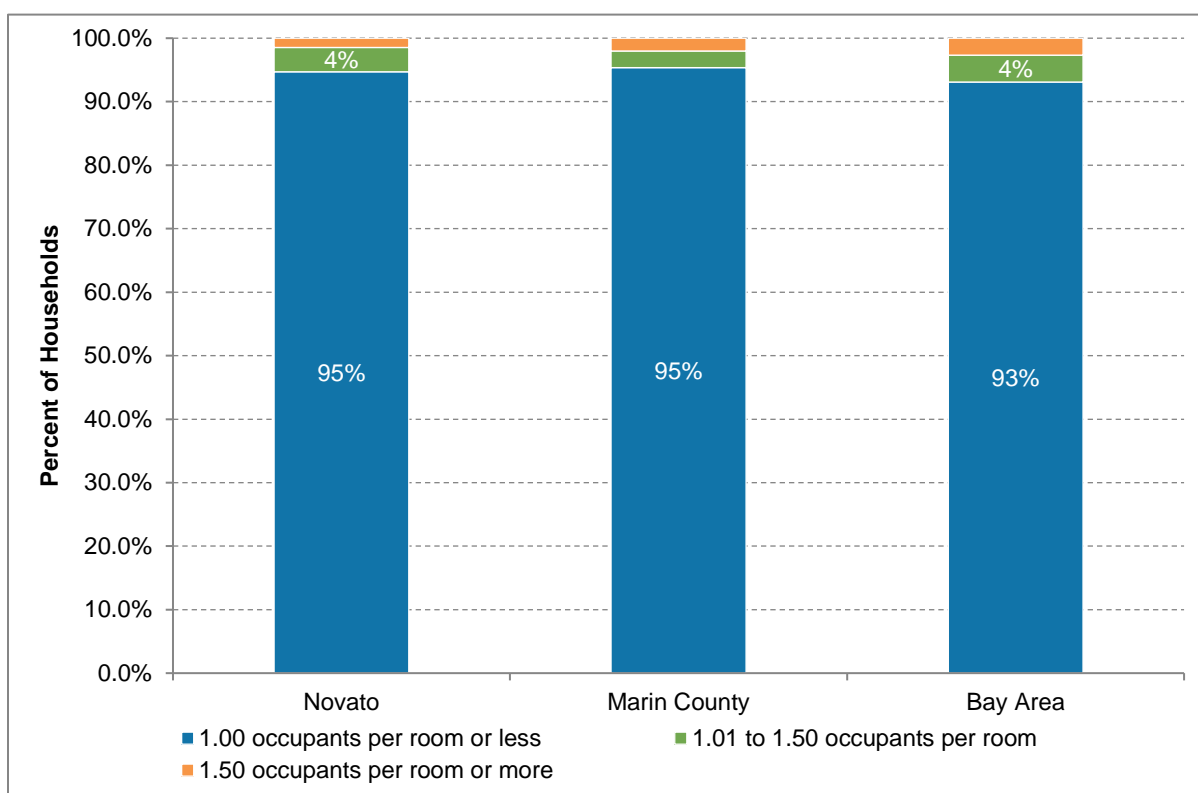
Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overall, the rate of overcrowding in Novato is higher than in Marin County and lower than in the Bay Area. 5.3 percent of Novato residents face overcrowded conditions, compared to 4.7 percent of Marin County residents and 6.9 percent of Bay Area residents.

Figure A-13: Overcrowding Severity



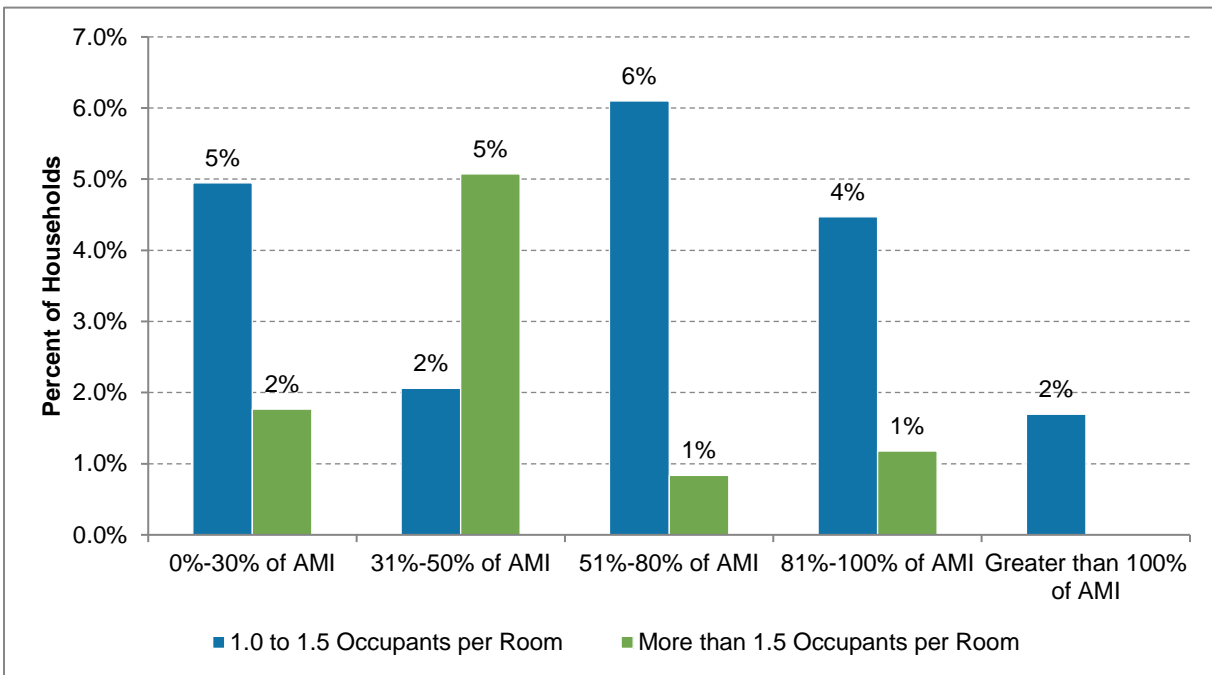
The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overcrowding often disproportionately impacts low-income households, causing cascading impacts to individual and public health – such as the strong link between overcrowded housing and infections observed in California during the COVID-19 pandemic.<sup>6</sup> In Novato, 1.8 percent of very low-income households (below 50 percent AMI) experience severe overcrowding, while 0.0 percent of households earning above 100 percent of the AMI experience this level of overcrowding (see Figure A-14).

<sup>6</sup> CalMatters, [The neighborhoods where COVID collides with overcrowded homes](#), (2020).

**Figure A-14: Overcrowding by Income Level and Severity, City of Novato**



Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

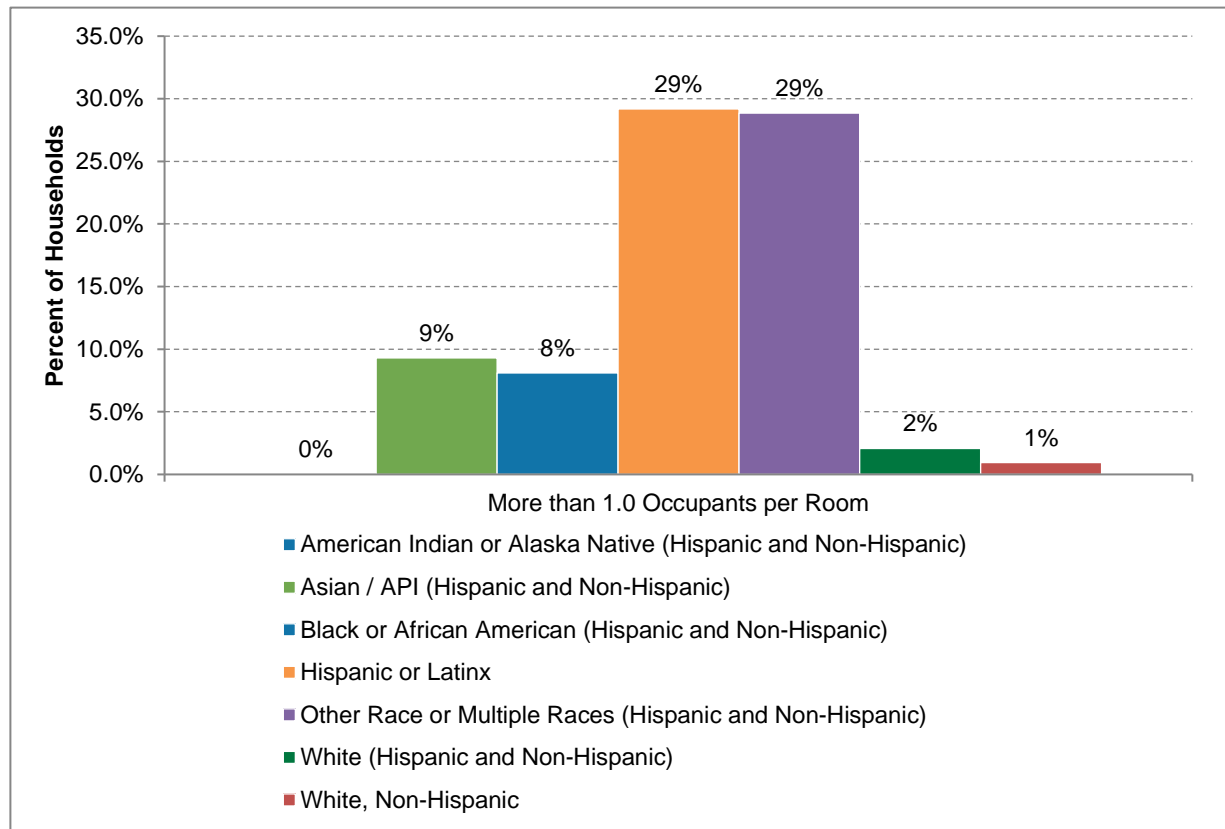
Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Also observed during the COVID-19 pandemic – people of color are much more likely to live in crowded households, exacerbating intergenerational poverty, and housing insecurity.<sup>7</sup> In Novato, the racial group with the largest overcrowding rate is “Hispanic or Latino” (see Figure A-15).

<sup>7</sup> Ibid.

**Figure A-15: Overcrowding by Race, City of Novato**



Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here.

The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014)

### A.3.3 Household Income

Household income is a critical component of housing affordability. Income impacts the decision to rent versus own, as well as the size and location of housing. Overall, household income in Novato is lower than that of Marin County. Novato's median household income in 2020 was \$101,629, which is 16.5 percent lower than the County's median income of \$121,671. The mean income in Novato (\$135,258) is 25.6 percent lower than in Marin County (\$181,737).

**Table A-3: Household Income, City of Novato**

	<b>Novato</b>	<b>Marin County</b>
<b>Median Income</b>	\$101,629	\$121,671
<b>Mean Income</b>	\$135,258	\$181,737

*Source: U.S. Census Bureau, American Community Survey 5-Year Data (2016-2020), Table S1901*

The Regional Housing Needs Allocation (RHNA) established by HCD includes specific income categories defined by their respective proportion of the County AMI. Table A-4 defines these income categories.

**Table A-4: Income Categories as a Percentage of AMI**

	<b>% of AMI</b>
<b>Acutely Low <sup>1</sup></b>	0-15%
<b>Extremely Low</b>	0-30%
<b>Very Low</b>	30-50%
<b>Low</b>	50-80%
<b>Moderate</b>	80-120%
<b>Above Moderate</b>	>120%
<sup>1</sup> New income category effective January 1, 2022.	

*Source: Department of Housing and Community Development, 2021*

Table A-5 shows the 2021 income limits for these income categories in Marin County. The above moderate category includes all households earning above the upper limit of the moderate-income category.



**Table A-5: Marin County 2021 Annual Income Limits by Household Size**

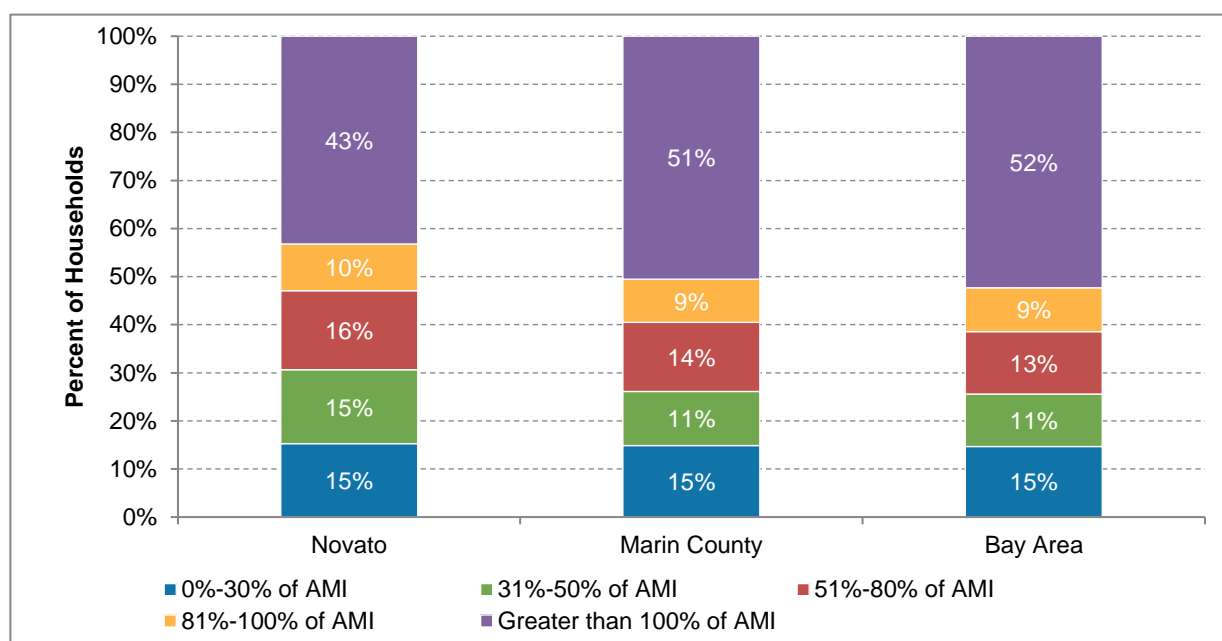
Number of Persons in Household:		1	2	3	4	5	6	7	8
<b>Marin County Area Median Income: \$149,600</b>	Acutely Low	15,700	17,950	20,200	22,450	24,250	26,050	27,850	29,650
	Extremely Low	38,400	43,850	49,350	54,800	59,200	63,600	68,000	72,350
	Very Low Income	63,950	73,100	82,250	91,350	98,700	106,000	113,300	120,600
	Low Income	102,450	117,100	131,750	146,350	158,100	169,800	181,500	193,200
	<b>Median Income</b>	104,700	119,700	134,650	<b>149,600</b>	161,550	173,550	185,500	197,450
	Moderate Income	125,650	143,600	161,550	179,500	193,850	208,200	222,600	236,950

Source: Department of Housing and Community Development, 2021

Despite the economic and job growth experienced throughout the Region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State.

In Novato, 43.2 percent of households make more than 100 percent of AMI, compared to 15.2 percent (3,325 households) making less than 30 percent of AMI, which is considered extremely low-income (see Figure A-16). Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent (396,952 households) make less than 30 percent AMI. Of Novato's total households, 47.1 percent (10,269 households) are considered lower income (earning 80 percent of AMI or less), while around 38.6 percent (1,041,740 households) of households in the Bay Area are deemed lower income. Many households with multiple wage earners – including food service workers, full-time students, teachers, farmworkers, and healthcare professionals – can fall into lower AMI categories due to relatively stagnant wages in many industries.

**Figure A-16: Households by Household Income Level**



Universe: Occupied housing units

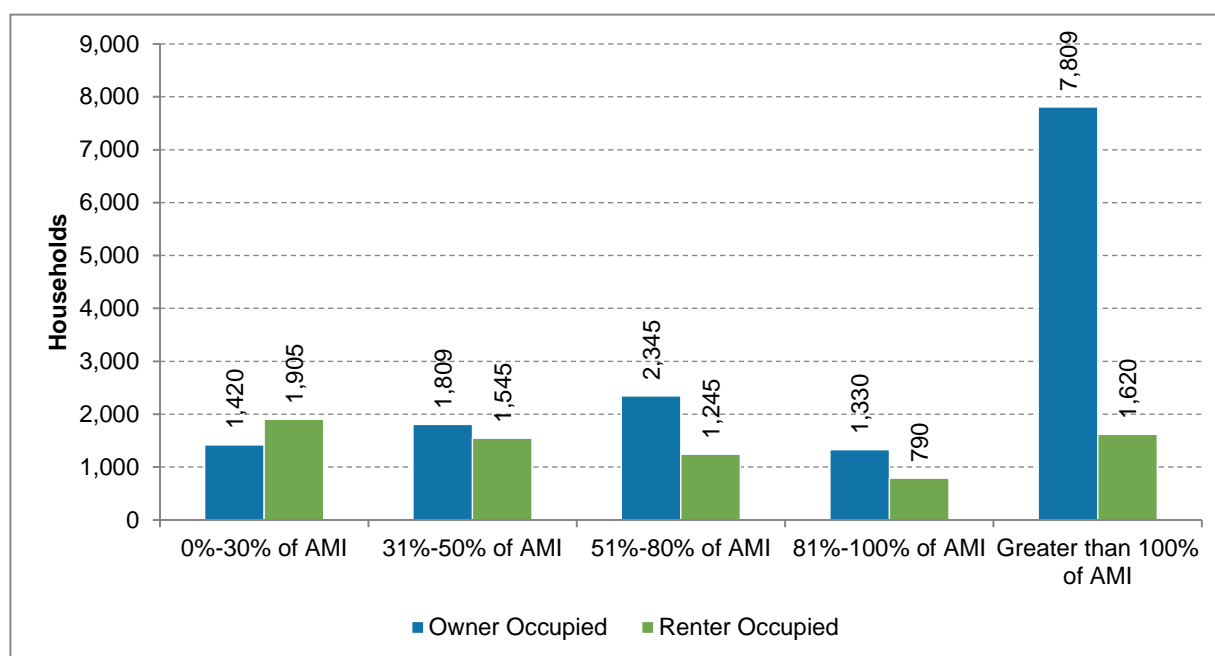
Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Throughout the Region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters outpaces the amount of affordable housing available.

In Novato, the largest portion of renters and owners falls in the “Greater than 100 percent of AMI” income group (see Figure A-17). The only income group in Novato with more renters than owners falls under “0 to 30 percent of AMI”. Overall, Novato has a higher number of homeowners than renters.

**Figure A-17: Household Income Level by Tenure, City of Novato**



Universe: Occupied housing units

Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

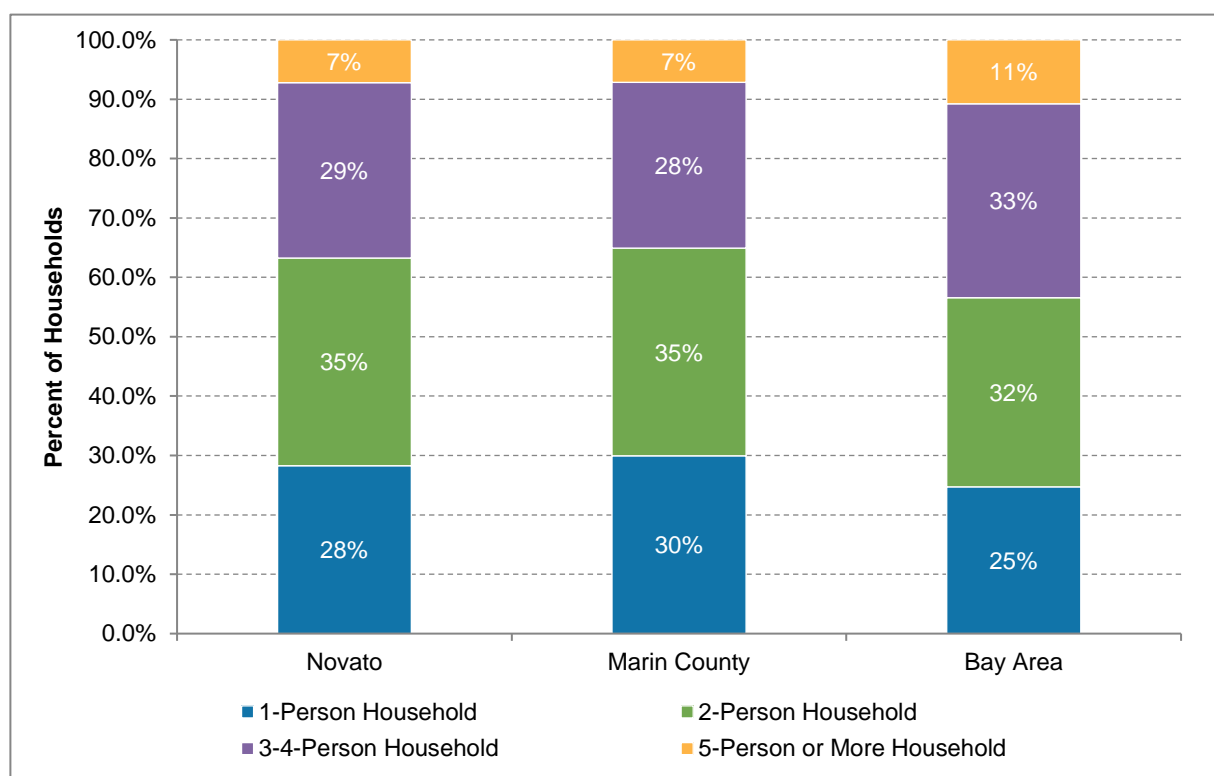
### A.3.4 Special Housing Needs

#### Large Families

Large households (five or more persons) have different housing needs than smaller households. Outcomes for large households in a city where housing stock lacks units with enough bedrooms could mean overcrowded conditions and/or overpaying for housing. Of all households in Novato, 7.2 percent or 1,614 households, are considered large households.

As noted in Table A-2, 4.5 percent of large households in Novato live in owner-occupied housing. About 7.2 percent of households in Novato are large, five or more person households, which is similar to the household composition of the County (7.2 percent) and lower than that of the Region (10.8 percent). In 2017, 31.1 percent of large households were very low-income, earning less than 50 percent of AMI (see Figure A-19). Furthermore, only 1.5 percent of owner-occupied households are overcrowded (see Section A.3.2 – Overcrowding), indicating overpayment and overcrowding are less of an issue for large households in Novato.

**Figure A-18: Households by Household Size**



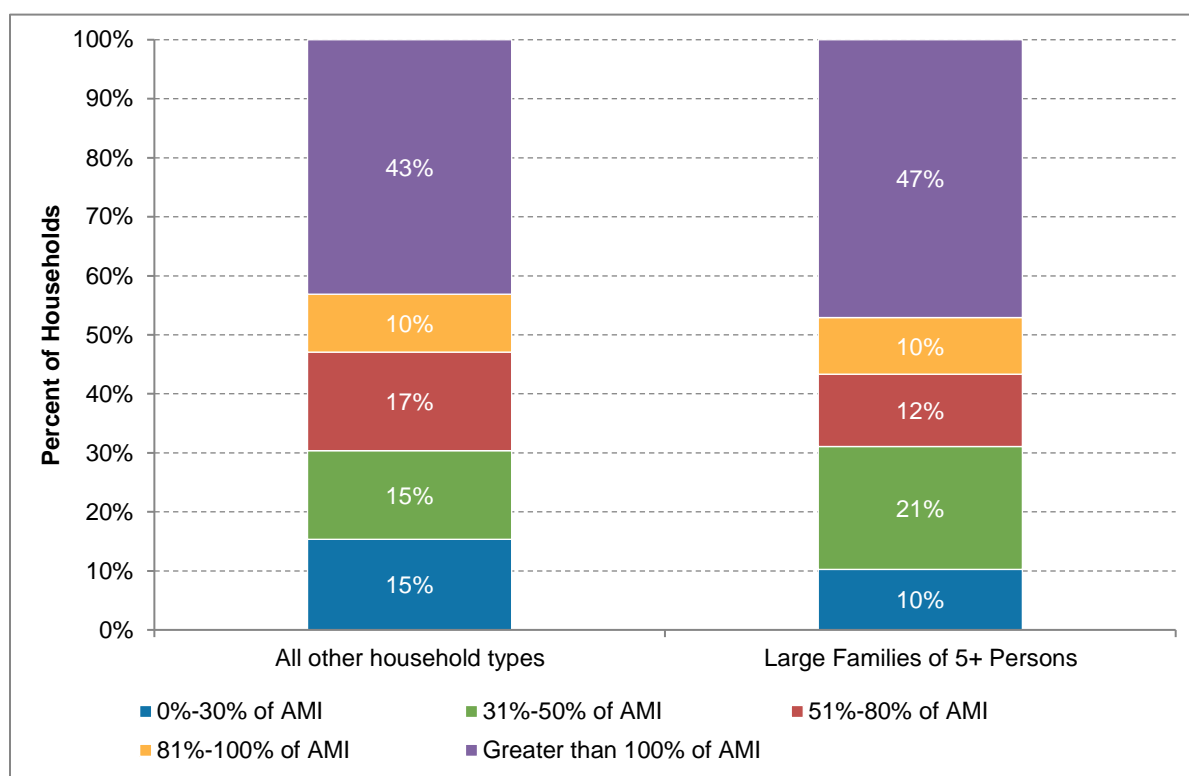
Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

Throughout the Region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of available affordable options.

In Novato, the largest proportion of renters falls in the “0 to 30 percent of AMI” income group, while the largest proportion of homeowners fall in the “Greater than 100 percent of AMI” group (see Figure A-17).

**Figure A-19: Household Size by Household Income Level, City of Novato**



Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

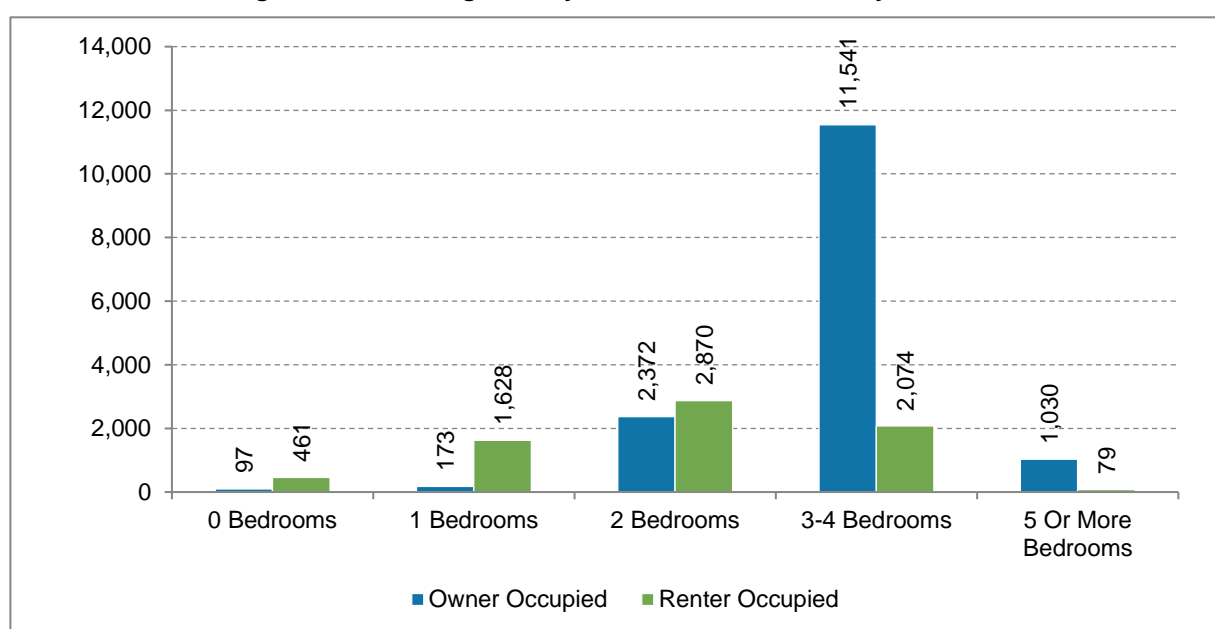
The unit sizes available affect the types of households that can access a community. Large families are generally served by housing units with three or more bedrooms, of which there are 14,724 units, or 66 percent of all units in Novato (see Table A-6). Among these large units with three or more bedrooms, 14.6 percent are renter-occupied, and 85.4 percent are owner-occupied (see Figure A-20). Compared to the number of large households, the housing mix of Novato is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a constraint.

**Table A-6: Housing Units by Number of Bedrooms, City of Novato**

Number of Bedrooms	Owner Occupied	Renter Occupied
0 Bedrooms	97	461
1 Bedrooms	173	1,628
2 Bedrooms	2,372	2,870
3-4 Bedrooms	11,541	2,074
5 Or More Bedrooms	1,030	79
<b>Totals</b>	<b>15,213</b>	<b>7,112</b>

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042

**Figure A-20: Housing Units by Number of Bedrooms, City of Novato**



Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042)

## Senior Households

Senior households often experience a combination of challenging factors to accessing or keeping housing. Senior households are more likely to depend on fixed incomes and more likely to have disabilities, chronic health conditions, and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges due to housing cost differences between these groups. In Novato, 44.4 percent of senior renters are in the extremely low-income category (earning 0 to 30 percent of the AMI), compared to 15.5 percent of senior owners. A majority of seniors, renters and owners, earn more than 100 percent of the AMI (see Figure A-21). However, extremely low- and very low-income seniors (both renters and owners)

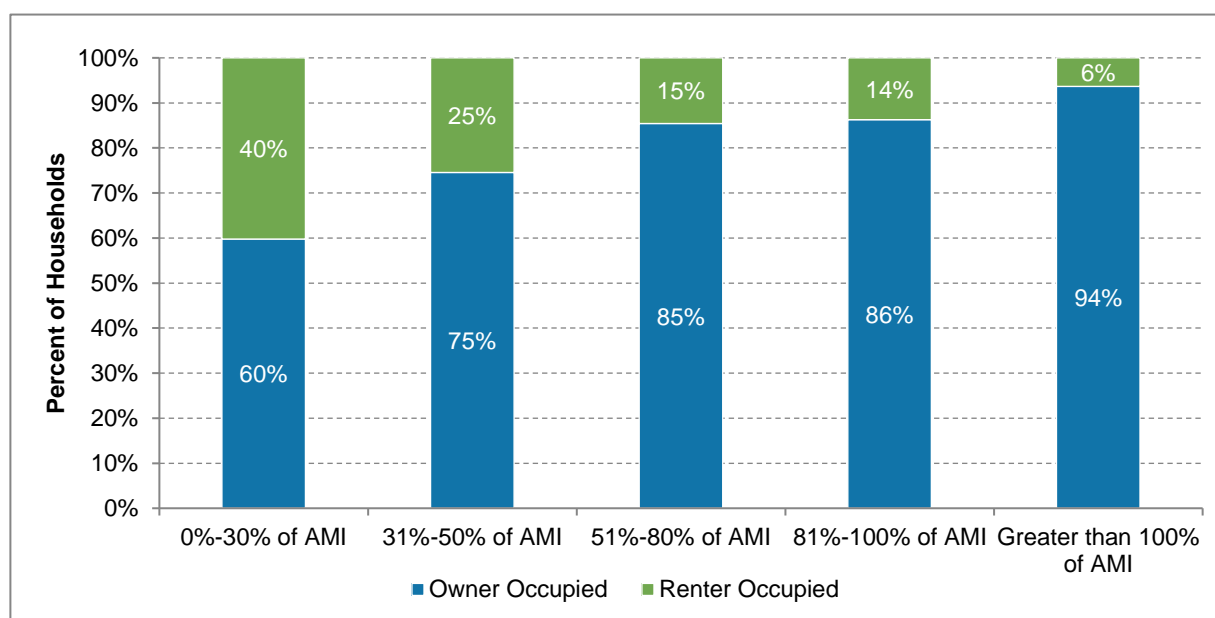
are more likely to be cost-burdened compared to higher earning seniors, with 70 percent of seniors in these income categories overpaying for housing (see Table A-7).

**Table A-7: Cost-Burdened Senior Households by Income Level, City of Novato**

Income Level	0%-30% of Income Used for Housing	30%-50% of Income Used for Housing	50%+ of Income Used for Housing
0%-30% of AMI	460	270	1,010
31%-50% of AMI	485	390	540
51%-80% of AMI	935	475	165
81%-100% of AMI	555	195	50
Greater than 100% of AMI	2,430	325	0
<b>Totals</b>	<b>4,865</b>	<b>1,655</b>	<b>1,765</b>

Source: ABAG 2021 Pre-certified Housing Needs Data

**Figure A-21: Senior Households by Income and Tenure, City of Novato**



Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

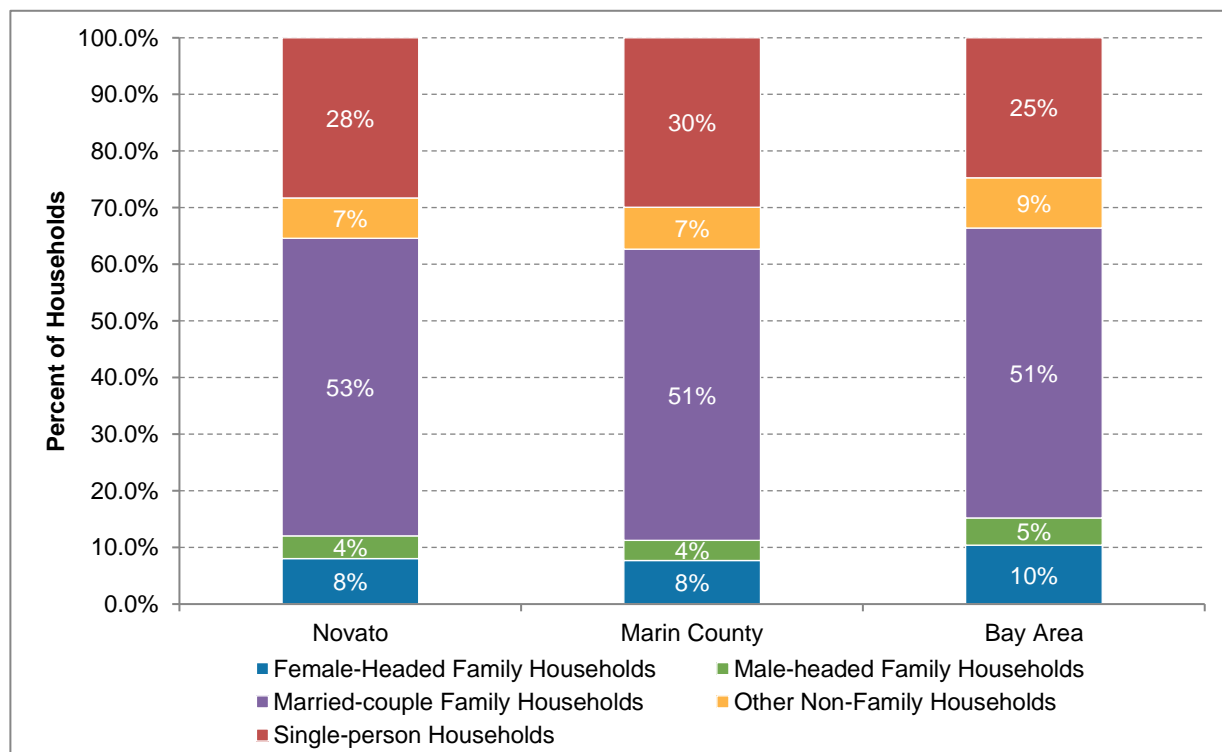
The City of Novato has one public housing development, Casa Nova. It includes 40 units owned by Marin Housing Authority near shopping and bus lines for income-eligible seniors or disabled people capable of independent living. Rent is federally subsidized, so tenants pay 30 percent of

their monthly gross income, less a utility allowance. Other affordable ownership and rental developments for seniors with minimum age restrictions starting at 55 years are listed in Appendix G (Housing Resources). Beyond housing, the City's Parks, Recreation & Community Services manages the Margaret Todd Senior Center and sponsors the Novato Senior Club that meets there. The Center and Club provide social and recreational opportunities for anyone 50+ years old who pays a \$40 annual membership fee.

## Female-headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In Novato, the largest proportion of households is "Married-couple Family Households" at 52.6 percent, followed by "Single person (no children) Households" at 28.3 percent, while Female-Headed Households make up eight percent of all households (see Figure A-22).

**Figure A-22: Household Type**



For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

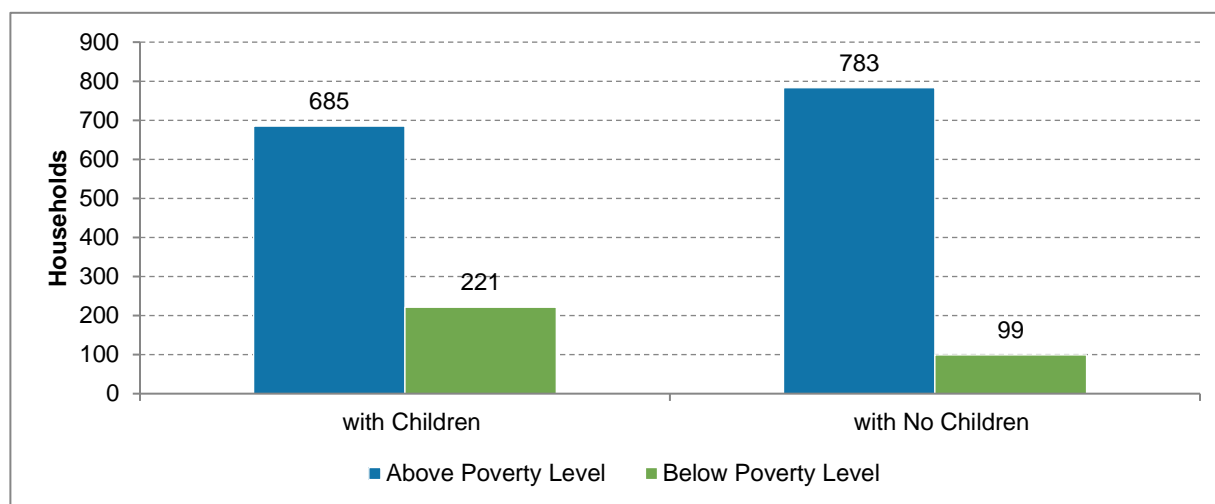
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001)

Female-headed households with children may face particular housing challenges, with pervasive gender inequality and lower wages for women. Moreover, the added cost and logistics of childcare can make securing an affordable home even more challenging.



Of the 1,788 female-headed households in Novato, 906 include children and 24.4 percent of these families fall below the Federal Poverty Level, while 11.2 percent of female-headed households without children live in poverty (see Figure A-23).

**Figure A-23: Female-Headed Households by Poverty Status, City of Novato**



The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to AMI.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012)

Local resources for female-headed households are offered by Gilead House, which provides housing, support, and learning opportunities for up to twelve low-income single mothers and their children at two locations in Novato. Their 24-month program offers women the opportunity to learn vital skills in a supportive environment and make permanent and positive changes in their life.

## Persons with Disabilities

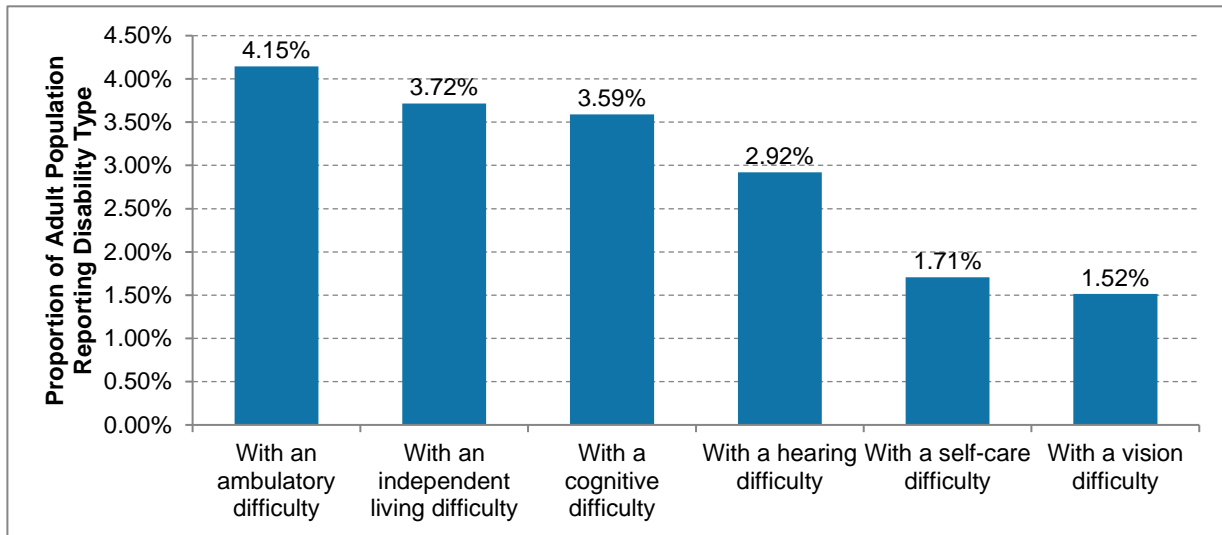
Persons with disabilities face added challenges of finding housing that accommodate greater accessibility, mobility, and the opportunity for independence. Additionally, many individuals living with physical, cognitive, and sensory impairments, rely on fixed incomes and need specialized and costly care and medical equipment.

Unfortunately, the need for housing that can accommodate persons with disabilities typically outweighs the supply, particularly in a housing market with such high demand. People with disabilities are at an elevated risk for housing insecurity, homelessness, and institutionalization, particularly when they lose caregivers (such as parents or family members) due to aging. Figure A-24 shows the rates at which different disabilities are present among residents of Novato. Overall, 5,370 persons, or 10 percent of people in Novato, have some type of disability.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and

attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe intellectual disabilities. Many with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

**Figure A-24: Disability by Type, City of Novato**



Universe: Civilian noninstitutionalized population 18 years and over

These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107)

In Novato, children under the age of 18 make up 25.9 percent of the population with a developmental disability, while adults account for 74.1 percent (see Table A-8). The most common living arrangement for individuals with developmental disabilities in Novato is the home of a parent, family member, or guardian (see Table A-9).

**Table A-8: Population with Developmental Disabilities by Age, City of Novato**

Age Group	Number of People with a Developmental Disability
Age Under 18	341
Age 18+	119

Universe: Population with developmental disabilities

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross-referenced to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020))

**Table A-9: Population with Developmental Disabilities by Residence, City of Novato**

Residence Type	Number of People with a Developmental Disability
Home of Parent /Family /Guardian	228
Community Care Facility	111
Independent /Supported Living	105
Other	13
Foster /Family Home	5
Intermediate Care Facility	5

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross-referenced to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020))

Casa Nova, mentioned above, is a 40-unit public housing development funded by the federal government and administered by the Marin Housing Authority. Disabled individuals capable of independent living are eligible provided they pay 30 percent of their monthly gross income, less a utility allowance.

For individuals who are chronically homeless and suffer from a qualifying disability, the Marin County Shelter plus Care Program offers a housing subsidy funded by the U.S. Department of Housing and Urban Development (HUD) and Marin County Behavioral Health and Substance Use Services. Participants pay approximately 30 percent of their income toward rent and receive ongoing supportive services from Marin Housing Authority case managers.

Also in Novato are the Margaret Duncan Greene Apartments, operated by EAH Housing, which provide 16 one-bed units for disabled/special needs residents.

Outside Novato, Marin County Health and Human Services and Golden Gate Regional Center provide a variety of programs to support developmentally disabled individuals and their families.

Residents Living Below the Poverty Level

The Federal Poverty Level is an estimate of the minimum annual income a household needs to pay for essentials, such as food, housing, clothes, and transportation. This level considers the number of people in a household, their income, and the state in which they live. In Novato, 6.4 percent of the total population (3,441) experience poverty, slightly below the rate of poverty compared to Marin County residents (6.9 percent).

Table A-10: Poverty Status

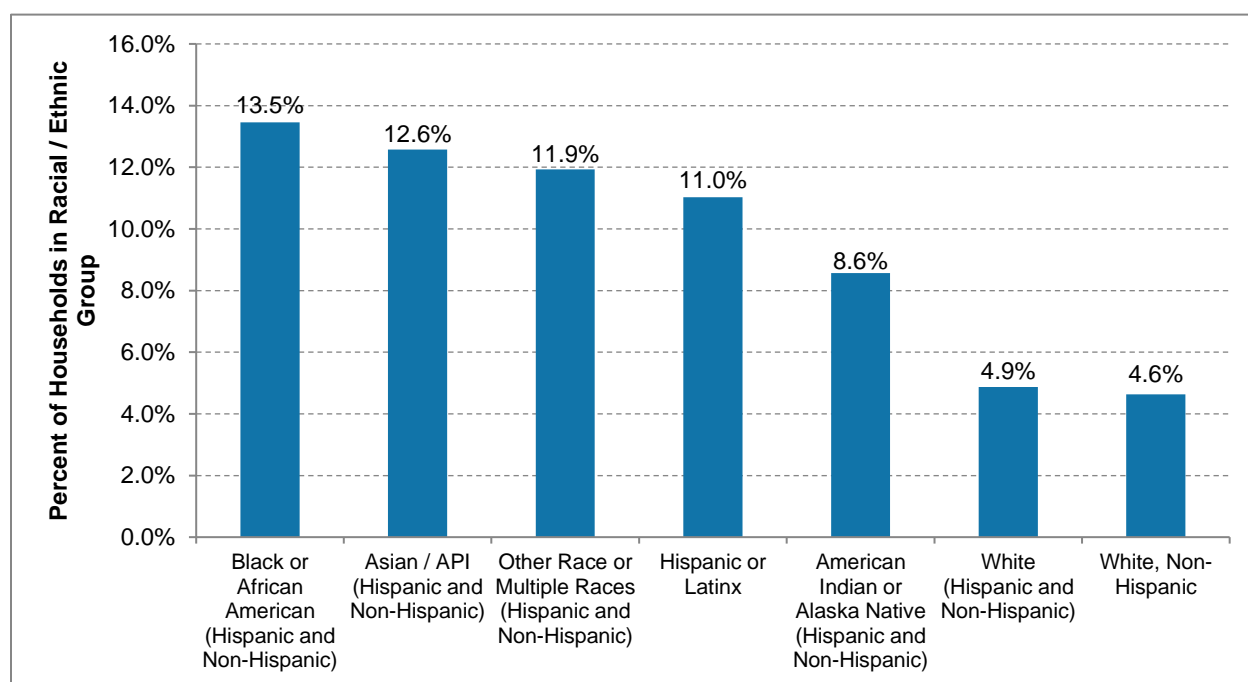
	Novato	Marin County
% of Population Below Poverty Level	6.4%	6.9%

Source: ACS 5-year estimates (2020), S1701

As mentioned above, female-headed households with children experience poverty at a disproportionate rate, with 24.4 percent of female-headed households with children living below the Federal Poverty Level in Novato.

People of color are also more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from opportunities extended to white residents. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness. In Novato, Black or African American (Hispanic and Non-Hispanic) residents experience the highest rates of poverty followed by Asian/Asian Pacific Islander (Hispanic and Non-Hispanic) (see Figure A-25).

**Figure A-25: Poverty Status by Race, City of Novato**



Universe: Population for whom poverty status is determined

The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to AMI. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I))

## Farmworkers

The California Department of Housing and Community Development (HCD) identifies farmworkers as having special housing needs due to their limited income and the unstable nature of their employment.<sup>8</sup> Farmworkers are some of the lowest-paid workers in the U.S., according to a 2021 report from The Economic Policy Institute. On average, farmworkers in 2020 earned about \$14.62 per hour, "far less than even some of the lowest-paid workers in the U.S. labor force." Farmworkers are also more likely to have temporary and changing housing needs. Over the past two decades, along with efforts to assure overtime pay and a decent wage, there has been a shift to a more permanent workforce for many farms. This trend has shifted the bulk of the housing need from seasonal housing for migrant workers to permanently affordable housing for low-wage

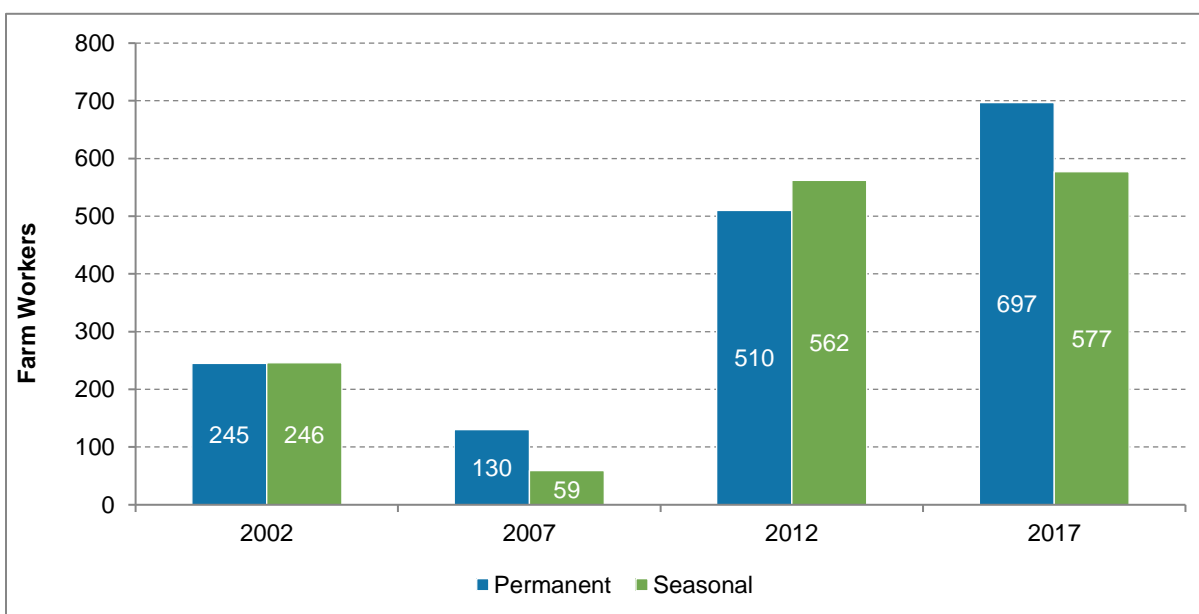
<sup>8</sup> California Department of Housing and Community Development, [Farmworkers](#).

working families. Farmworkers commuting to their place of work often experience long commutes, 75 miles on average according to the U.S. Department of Agriculture.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent and seasonal farmworkers in Marin County has increased since 2002. From 2002 to 2017, the number of permanent farmworkers increased from 245 to 697, and the number of seasonal farmworkers increased from 246 to 577 (see Figure A-26).

Although publicly available data does not provide an estimate specifically for the number of farmworkers in Novato, less than one percent of Novato residents work in the agriculture and forestry industry according to 2019 ACS data (see Figure A-10).

**Figure A-26: Farm Operations and Farm Labor by County, Marin County**



Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors)  
Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor)

In Novato, there were no reported students of migrant workers in the 2019-20 school year. The trend for the Region for the past few years has been an overall decline of 2.4 percent in the number of migrant worker students since the 2016-17 school year. The change at the County level is a 100 percent decrease in the number of migrant worker students since the 2016-17 school year (see Table A-11).

**Table A-11: Migrant Worker Student Population**

Academic Year	Novato	Marin County	Bay Area
2016-17	0	0	4,630
2017-18	0	0	4,607
2018-19	0	11	4,075
2019-20	0	0	3,976

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded, and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

## People Experiencing Homelessness

Homelessness remains an urgent challenge in many communities across California, reflecting a range of social, economic, and psychological factors. The Bay Area has some of the highest housing costs in the world, and an increasing number of low-income residents experiencing housing insecurity have found themselves unhoused as a result, either temporarily or long-term. Addressing the specific housing needs for the unhoused population remains a priority throughout the Region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances.

The Marin Point-in-Time (PIT) Count is a census and survey that identifies the sheltered and unsheltered homeless population. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. The 2022 PIT Count was conducted on February 17, 2022, by the Marin County Department of Health & Human Services, the Marin County Continuum of Care (CoC), and social research firm Applied Survey Research.

The 2022 Point-in-Time Count identified 1,121 persons experiencing homelessness in Marin County, an 8.4 percent increase from the count conducted in 2019. Of these, 291 (26 percent) were sheltered and 830 (74 percent) were unsheltered. There were 73 homeless families with 224 members counted; of these, 45 (59 percent) were sheltered and 28 (41 percent) were unsheltered. Table A-12 provides a summary of demographic characteristics of Marin County's homeless population, comparing (where possible) figures from the 2019 PIT and 2022 PIT to each other and to Marin County's general population.

**Table A-12: Marin County Homeless Population Demographics (2019-2022)**

	2019	2022	Percent Change	2020 Marin County General Pop.
<b>Total Population</b>	1,034	1,121	8%	262,321
Sheltered	326	291	-11%	–
Unsheltered	708	830	17%	–
<b>Age</b>				
0-17	9%	8%	-11%	20%
18-24	10%	14%	40%	7%
25-59 <sup>1</sup>	–	50%	–	–
60+ <sup>1</sup>	–	28%	–	–
<b>Gender</b>				
Male	33%	39%	18%	49%
Female	67%	59%	-12%	51%
Gender Non-Conforming/Transgender	0%	1%	100%	– <sup>2</sup>
<b>Race</b>				
White	66%	65%	-2%	68%
Black or African American	17%	22%	29%	2%
Multi-Race/Other	11%	5%	-55%	11%
Asian	2%	2%	0%	6%
American Indian or Alaska Native	3%	4%	33%	1%
Native Hawaiian or Pacific Islander	1%	2%	100%	<1%
<b>Ethnicity</b>				
Hispanic/Latino	81%	77%	-5%	81%
Non-Hispanic/Latino	19%	23%	21%	19%
<b>Location</b>				
Emergency Shelter	17%	14%	-18%	–
Transitional Housing	15%	12%	-20%	–
Vehicle	25%	41%	64%	–
Tent	15%	18%	20%	–
Boat	12%	7%	-42%	–
On the Street	12%	8%	-33%	–
Abandoned Building	4%	0%	-100%	–
<b>Region</b>				
North Marin	310	349	13%	–
Central Marin	371	427	15%	–
South Marin	144	239	66%	–
West Marin	140	37	-74%	–
Other	69	69	0%	–
<sup>1</sup> No comparison to prior years because data collected in the 2019 PIT and 2020 Decennial Census used a different set of age ranges.				
<sup>2</sup> Data not collected as part of the 2020 Decennial Census.				

Source: County of Marin PIT Report on Homelessness (2019, 2022); U.S. Census, Census 2020 – PL94 Redistricting Data; U.S. Census, ACS 2020 (5-Year Estimates)

Table A-13 provides the most recently available data on homelessness in Novato as reported in the PIT Counts from 2015 to 2022. According to these data, Novato saw an estimated 29 percent decrease in sheltered homelessness and 2 percent increase in unsheltered homelessness from 2019 to 2022. However, as noted in Table A-13, the 2022 PIT Count recategorized portions of



Novato and its environs to Unincorporated North Marin, underscoring the importance of the City's participation in countywide efforts to address homelessness holistically and across jurisdictional boundaries.

**Table A-13: Homeless Population by Shelter Status, City of Novato (2015-2022)**

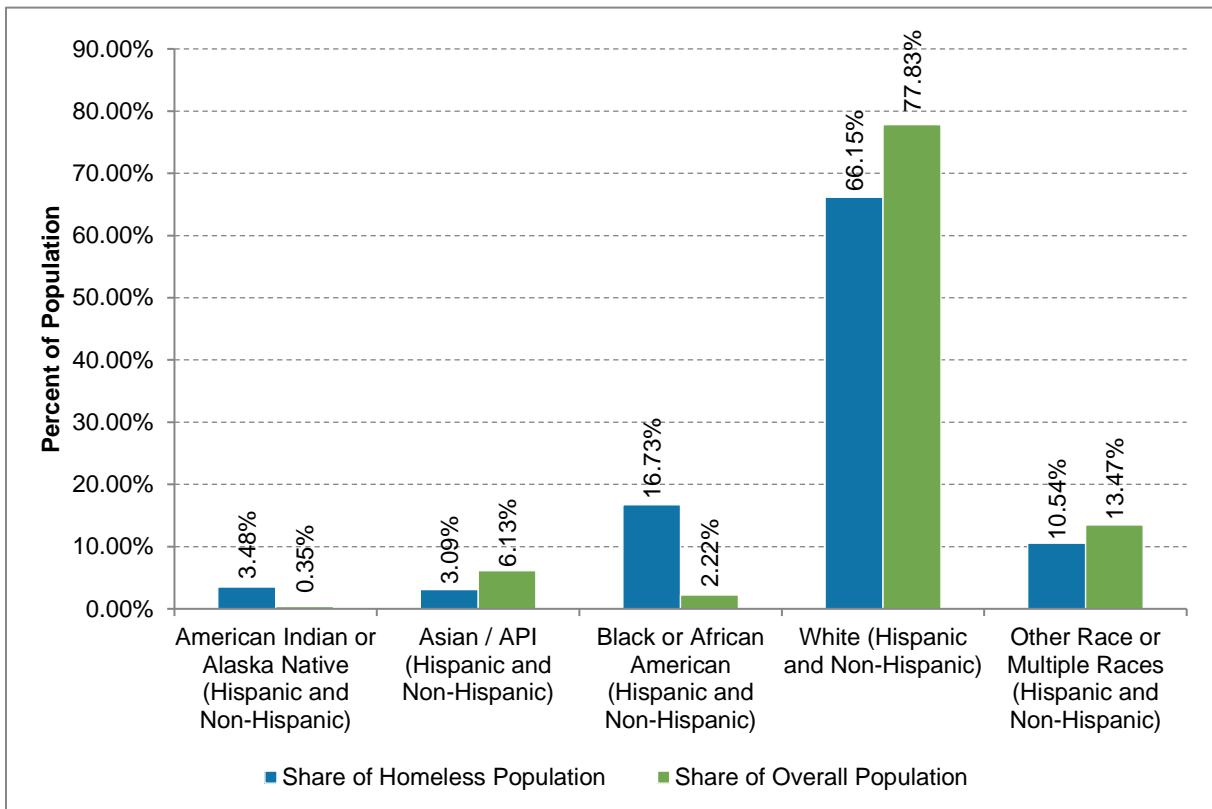
	Unsheltered	Sheltered	Total
<b>2015</b>	112	257	369
<b>2017</b>	169	181	350
<b>2019</b>	147	163	310
<b>2022</b>	150	115	265
Unincorporated Marin County <sup>1</sup>	84	0	84
<sup>1</sup> In 2022, areas previously categorized as Novato were assigned to Unincorporated North Marin.			

*Source: County of Marin PIT Report on Homelessness (2019, 2022)*

As noted above, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black or African American residents of the Bay Area.

In Marin County, white (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness, accounting for 66.2 percent of the homeless population and 63.5 percent of the total population. Hispanic and Latino residents and Black or African American (Hispanic and Non-Hispanic) residents account for 18.8 percent and 16.7 percent of the population experiencing homelessness while only making up 15.9 percent and 2.2 percent of the total population, respectively (see Figures A-27 and A-28).

**Figure A-27: Racial Group Share of General and Homeless Populations, Marin County**

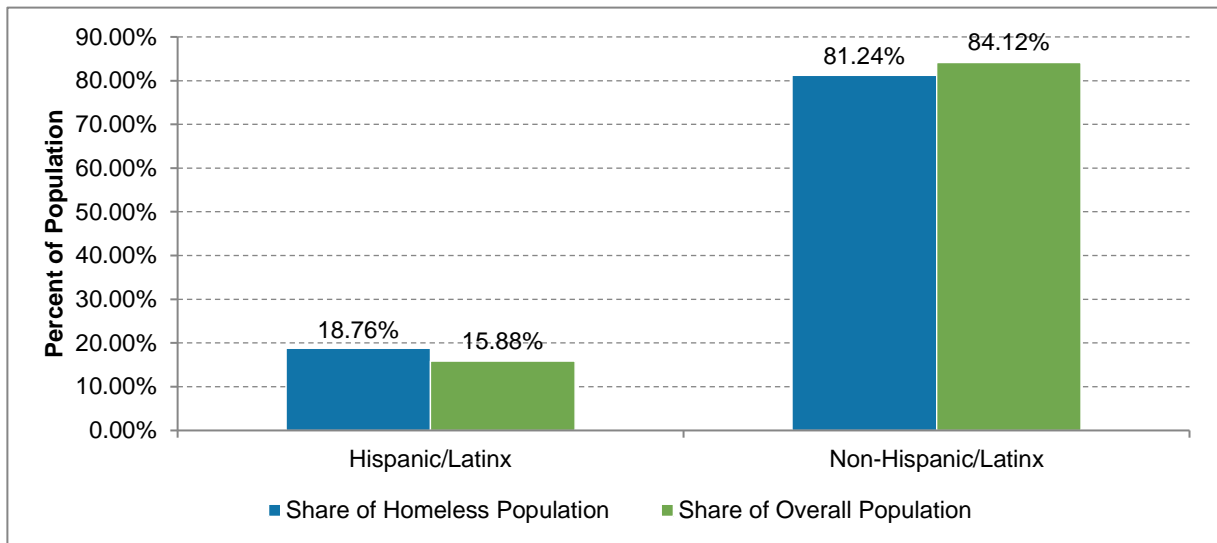


Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latino ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latino ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latino and non-Hispanic/Latino individuals.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

**Figure A-28: Hispanic/Latino Share of General and Homeless Populations, Marin County**



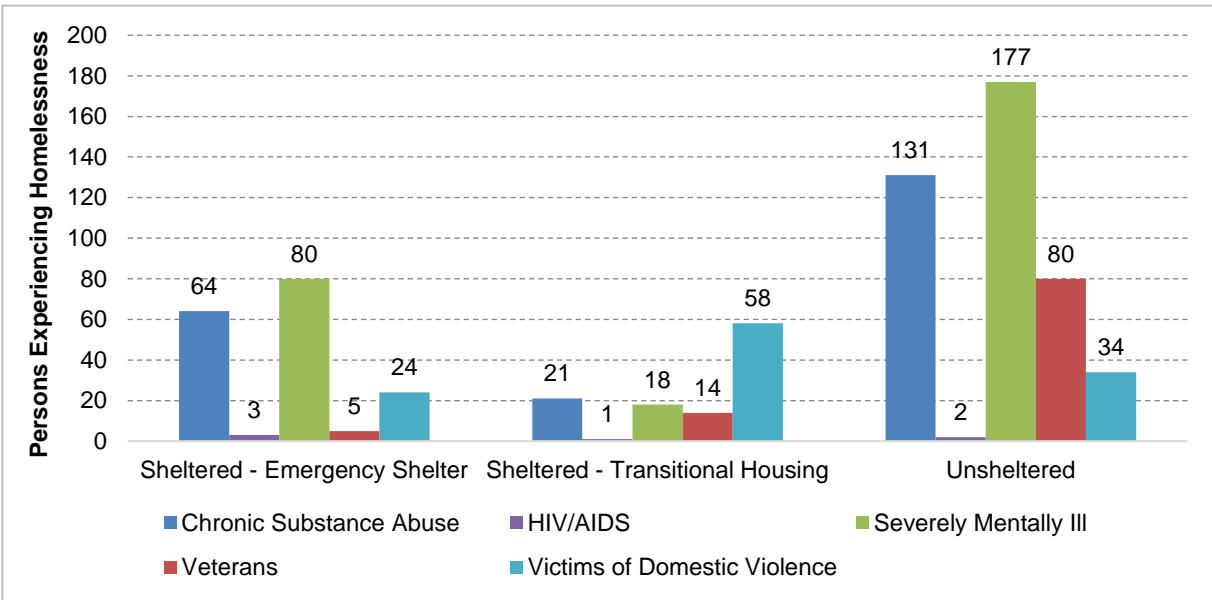
Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latino ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latino or non-Hispanic/Latino) could be of any racial background.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), CoC Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

Many of those experiencing homelessness are dealing with severe health issues, including mental illness, alcoholism, substance abuse, and domestic violence, many of which are potentially life threatening and require additional assistance. In Marin County, individuals experiencing homelessness are commonly challenged by severe mental illness, with 275 reporting this condition (see Figure A-29). Of those, 64.4 percent are unsheltered, further adding to the challenge of supporting these individuals.

**Figure A-29: Characteristics for the Population Experiencing Homelessness, Marin County**



Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area County is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), CoC Homeless Populations and Subpopulations Reports (2019))

In Novato, the student population experiencing homelessness totaled 176 during the 2019-20 school year and increased by 95.6 percent since the 2016-17 school year. By comparison, Marin County has seen a 29.9 percent increase in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the Region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

**Table A-14: Students in Local Public Schools Experiencing Homelessness**

Academic Year	Novato	Marin County	Bay Area
2016-17	90	976	14,990
2017-18	45	837	15,142
2018-19	75	1,126	15,427
2019-20	176	1,268	13,718

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded, and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

## Emergency Shelters/Transitional Housing

Since the vast majority of Marin County's homeless support services are located in either San Rafael or Novato, it is likely that most of Marin County's 291 sheltered individuals recorded in the 2022 PIT Count were residing in one of these two jurisdictions. As shown in Table A-15, there are currently 80 emergency shelter beds and 55 units of transitional housing located in Novato. The Constraints Analysis (Appendix C) describes how the City regulates emergency shelters and transitional and supportive housing and will continue to do so in compliance with State law, including AB 139 (parking standards) and AB 2339 (land use regulations and sufficient capacity).

**Table A-15: Emergency Shelters and Transitional and Supportive Housing, City of Novato**

Facility/Program Name	Provider Name	Number of Beds/Units		
		Emergency Shelter (beds)	Transitional Housing (units)	Supportive Housing (units)
Gilead House	Gilead House	–	12	–
New Beginnings Center	Homeward Bound of Marin	80	–	–
Next Key Center	Homeward Bound of Marin	–	29	–
Oma Village	Homeward Bound of Marin	–	14	–
Hamilton Meadows	EAH Housing	–	–	101
<b>Total</b>		<b>80</b>	<b>55</b>	101

Source: [Gilead House](#), [Homeward Bound of Marin](#)

Homeward Bound of Marin is the chief provider of emergency shelter and transitional and long-term housing and support services for homeless individuals and families in Marin County, serving approximately 2,000 people each year. The New Beginnings Center (NBC) located in Novato is

an 80-bed dormitory style facility built at the former Hamilton Army Airfield. NBC provides basic health care, around-the-clock counseling, an on-site 12-step program, relapse prevention workshops, a dining room that serves three meals a day, five on-site vocation training programs and other services as necessary to help residents move into and maintain long-term housing. The Next Key Center also provides 29 units of transitional housing next door to NBC.

Gilead House has provided a stable home environment for homeless single mothers and their children for over two decades. Originally located on 7<sup>th</sup> Street, the organization now provides 12 units of transitional housing at an apartment building on Leafwood Drive.

Most recently, in August 2022 the Novato City Council approved Homeward Bound of Marin's development of 24 one-bedroom apartments of permanent supportive housing for veterans, 26 one-bedroom apartments of workforce affordable housing, and a job training center at 826 State Access Road. This project was made possible due in part to support from the City Council, who had previously committed \$750,000 of the City's affordable housing fund to it in 2020 and advocated for further county and State grants in Summer 2022. Construction began on Phase I of the project in November 2022.

### **Resources for People Experiencing Homelessness**

Regionally, the Marin County CoC coordinates housing and services funding for individuals and families experiencing homelessness. The CoC is responsible for outreach, intake, and assessment of service and housing needs, providing immediate and safe alternatives to sleeping on the streets, facilitating individuals' and families' access to transitional housing with supportive services, and ensuring that individuals and families have access to affordable, permanent housing. Additionally, the CoC is responsible for tracking and managing the population of people experiencing homelessness.

The City will often collaborate with Marin County CoC to implement proven strategies to support homeless residents. For example, since 2017 both jurisdictions partnered with the non-profit [Downtown Streets Team \(DST\)](#) to connect individuals with vital social services and stable employment opportunities through sidewalk and street cleaning. DST operations in Novato have also included a [pilot mobile shower program](#) which provides basic hygiene at encampments, churches, medical facilities, and other places in need.

In response to an infusion of new federal housing subsidies, the Novato City Council voted in 2022 to authorize the allocation of up to \$240,000 in one-time federal American Rescue Plan stimulus funds to support the County of Marin in hiring additional case managers to help unhoused community members secure and maintain housing. This contribution will assist Marin County CoC in implementing its Housing First approach to homelessness, its Homeless Outreach Team, and other collaborative regional efforts.

In FY 22/23, the City hired two full-time staff to manage the City's local response to homelessness, develop best practice-oriented public policy, and coordinate homeless outreach efforts. The new Homeless Services Division supports individuals and families experiencing homelessness to

achieve stability, security, and self-sufficiency. The City also maintains and operates the Temporary Encampment at Lee Gerner Park. This city-sanctioned encampment provides temporary shelter for up to 17 individuals and includes case management, outreach services, security, showers, and bathrooms. In FY 22/23, the City partnered with Community Action Marin's Community Alternative Response Engagement (CARE) Team to provide outreach services to individuals in the encampment. The City also recently established the new Housing and Homeless Committee, whose purpose is to provide information and make recommendations to the City Council regarding homeless policy and issues within the City.

## **Non-English Speakers**

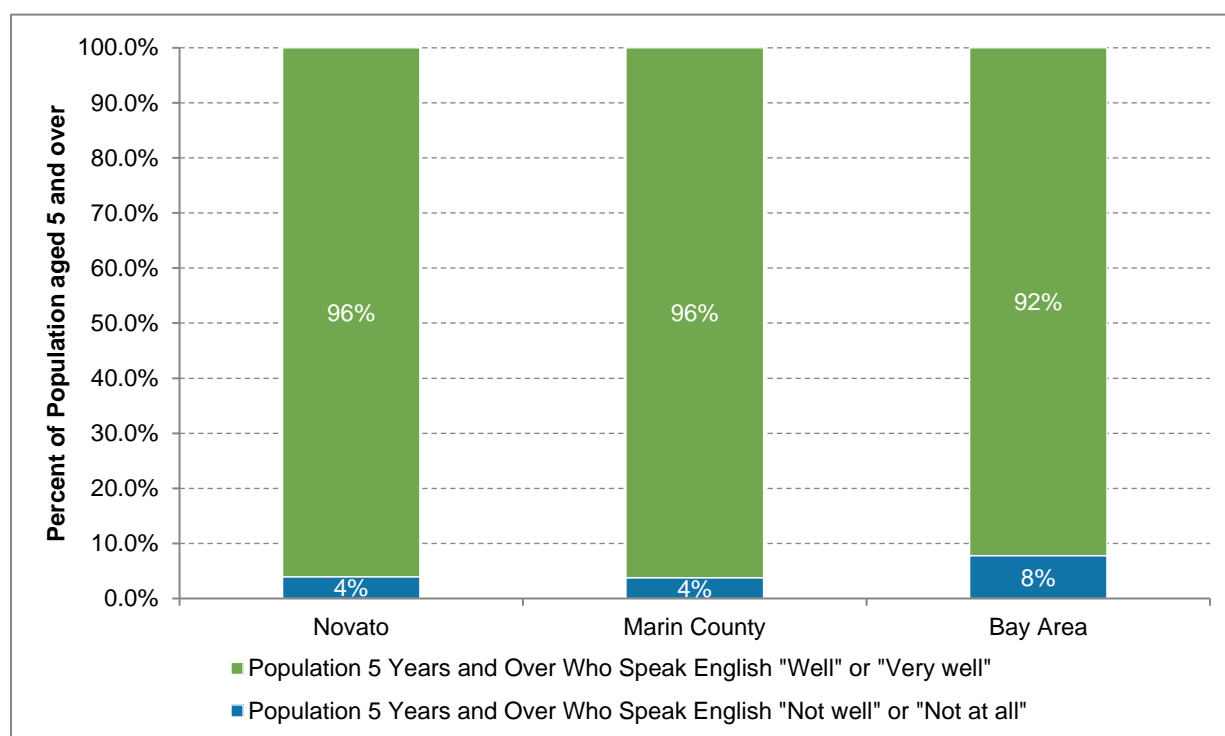
California adopted a bilingual state constitution in 1849<sup>9</sup> and has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is common for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to act due to immigration status concerns.

In Novato, four percent of residents five years and older identify as speaking English not well or not at all, equivalent to the proportion for Marin County. Throughout the Region the proportion of residents five years and older with limited English proficiency is 7.8 percent.

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<sup>9</sup> The provision for bilingual publication of laws, decrees, and regulations was removed in the subsequent California Constitution of 1878.

**Figure A-30: English Proficiency—Population Over Five Years of Age**



Universe: Population 5 years and over

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005)

### A.3.5 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement (sometimes called gentrification) has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they are at greater risk of losing their support network.

In 2018, the Urban Displacement Project (a joint research initiative of UC Berkeley and the University of Toronto) mapped all neighborhoods in the Bay Area and identified their risk for displacement (e.g., Susceptible to Displacement, Stable, etc.).<sup>10</sup> They found that in Novato, 9.9 percent of households lived in neighborhoods that are susceptible to displacement and 10.6 percent lived in neighborhoods at-risk of gentrification.

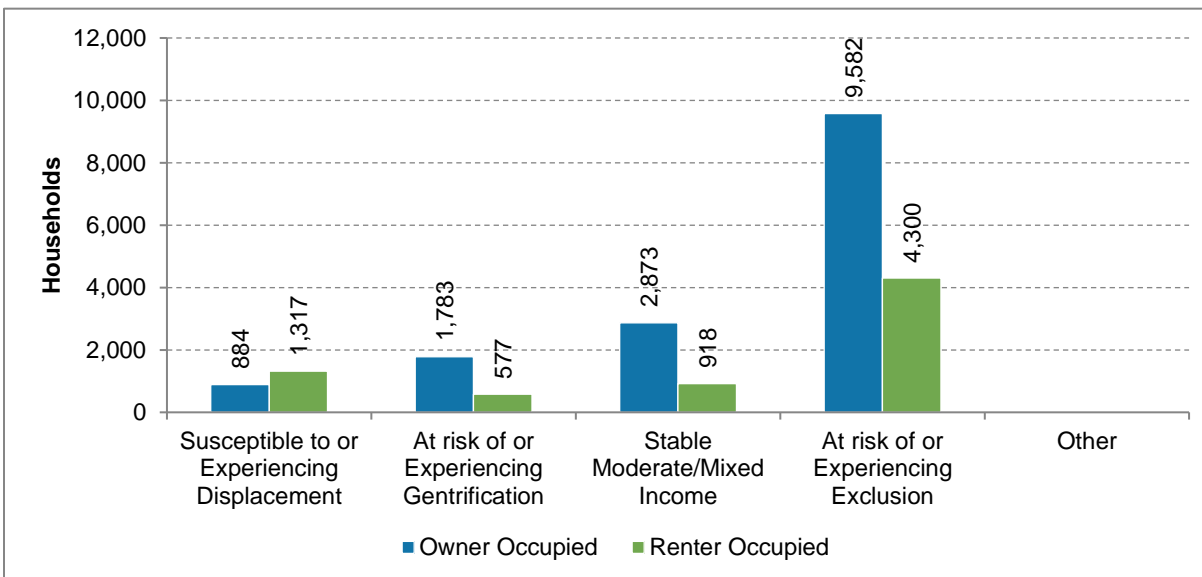
Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. The same research initiative estimated that 62.4 percent of

<sup>10</sup> Urban Displacement Project. [SF Bay Area – Gentrification and Displacement](#). (2018.)



households in Novato lived in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.

**Figure A-31: Households by Displacement Risk and Tenure, City of Novato**



Universe: Households

Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources.

Source: ABAG 2021 Pre-certified Housing Needs Data (Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure)

## Section A.4 Housing Stock Characteristics

### A.4.1 Housing Type and Vacancy

In recent years, most housing produced in the Region and across the State consisted of single-family homes and larger multi-unit buildings. As a result, some communities are investigating “missing middle housing,” including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Novato in 2020 was made up of 58.6 percent single-family detached homes, 16 percent single-family attached homes, 6.3 percent multifamily homes with two to four units, 16.6 percent multifamily homes with five or more units, and 2.6 percent mobile homes.

**Table A-16: Housing Type Trends, City of Novato**

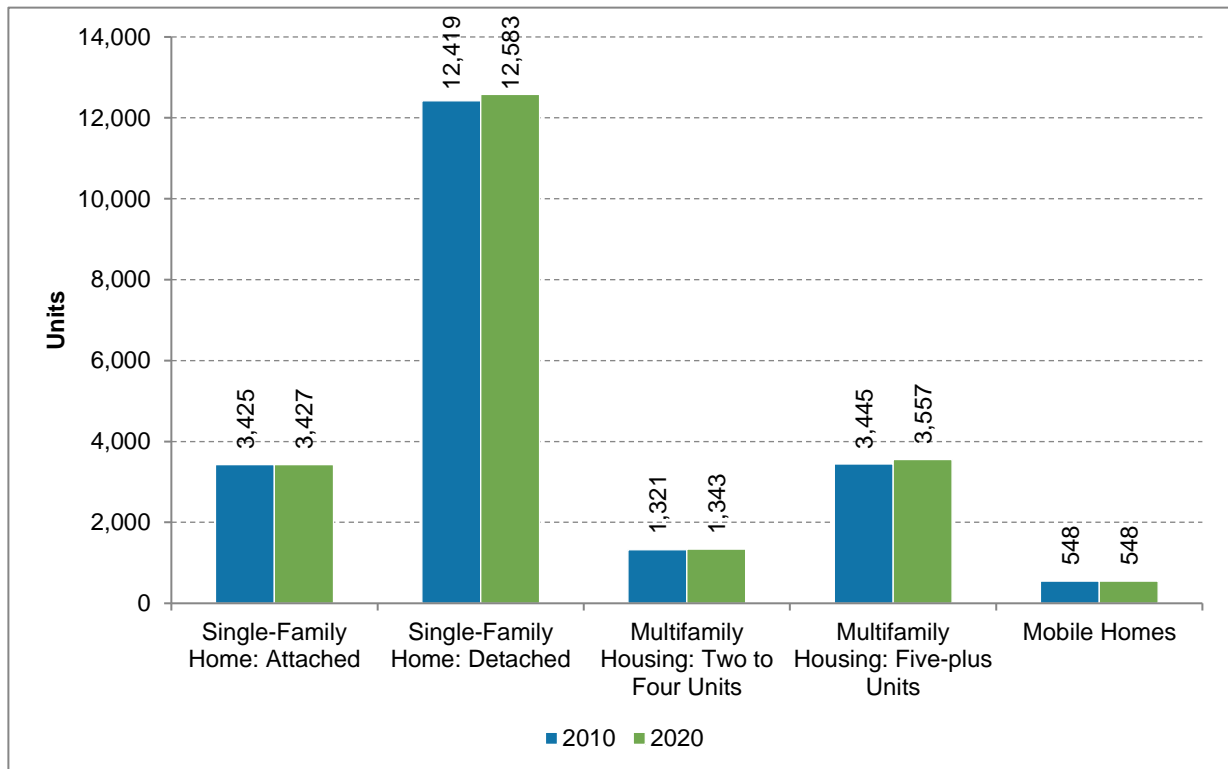
	2010	2020	Change (in Units)	% Change
Single-Family Home: Attached	3,425	3,427	2	0.1%
Single-Family Home: Detached	12,419	12,583	164	1.3%
Multifamily Housing: Two to Four Units	1,321	1,343	22	1.7%
Multifamily Housing: Five-plus Units	3,445	3,557	112	3.3%
Mobile Homes	548	548	0	N/A
<b>Total</b>	<b>21,158</b>	<b>21,458</b>	<b>300</b>	<b>1.4%</b>

Universe: Housing units

Source: California Department of Finance, E-5 series

In Novato, single-family detached homes (see Figure A-32) saw the most growth between 2010 and 2020.

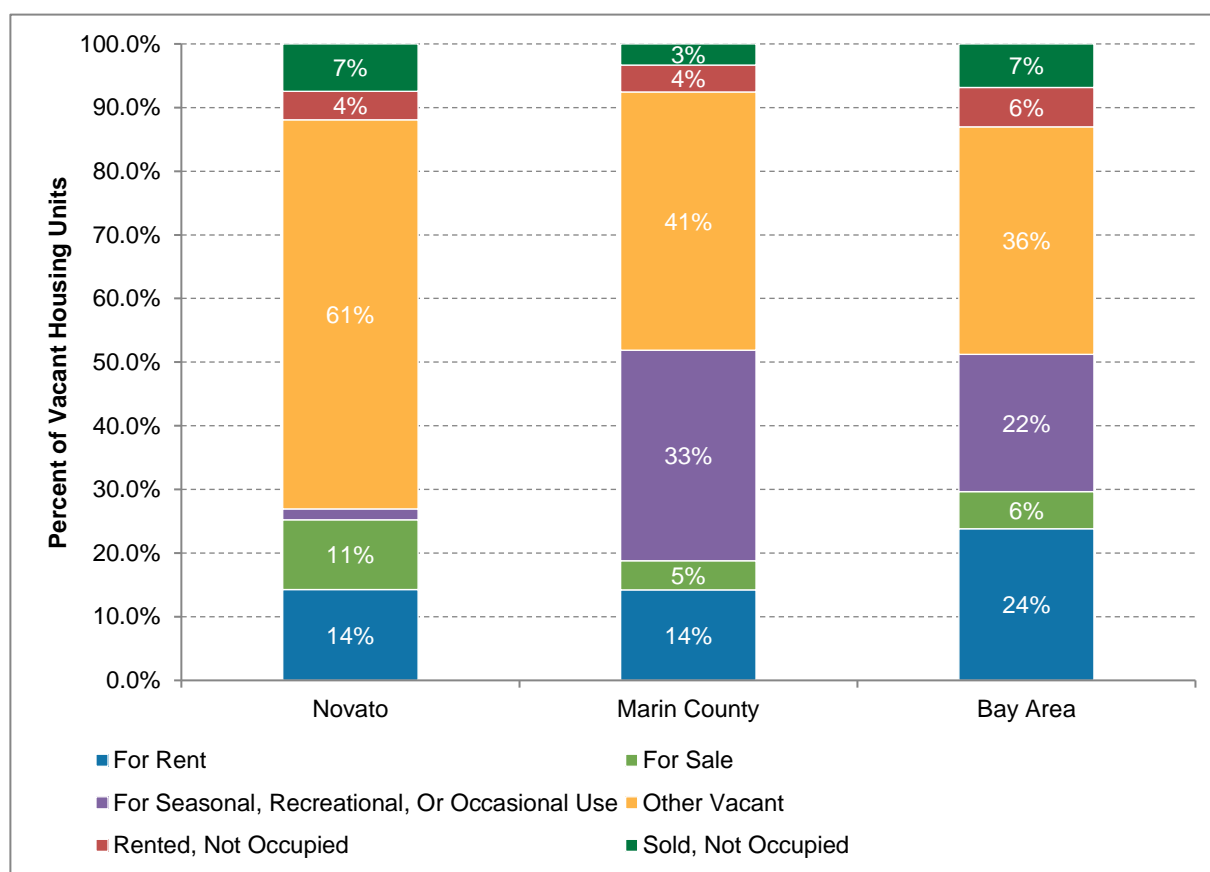
**Figure A-32: Housing Type Trends, City of Novato**



Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

**Figure A-33: Vacant Units by Type**



Universe: Vacant housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004)

Vacant units make up 3.3 percent of the overall housing stock in Novato, compared to 6.6 percent in the County and six percent in the Region. Of the 765 vacant units, 109 are available to rent, 84 available to buy, and the most common type of vacancy is “Other Vacant” (61 percent). Novato has significantly more vacant units classified as “Other Vacant” and a lower number of vacant units for seasonal, recreational, or occasional use compared to the County and the Region (see Figure A-33).<sup>11</sup>

Throughout the Bay Area, vacancies make up six percent of the total housing units, with homes listed “For Rent,” units used for “Seasonal, Recreational, or Occasional Use,” and units not otherwise classified (“Other Vacant”) making up the majority of vacancies. The Census Bureau

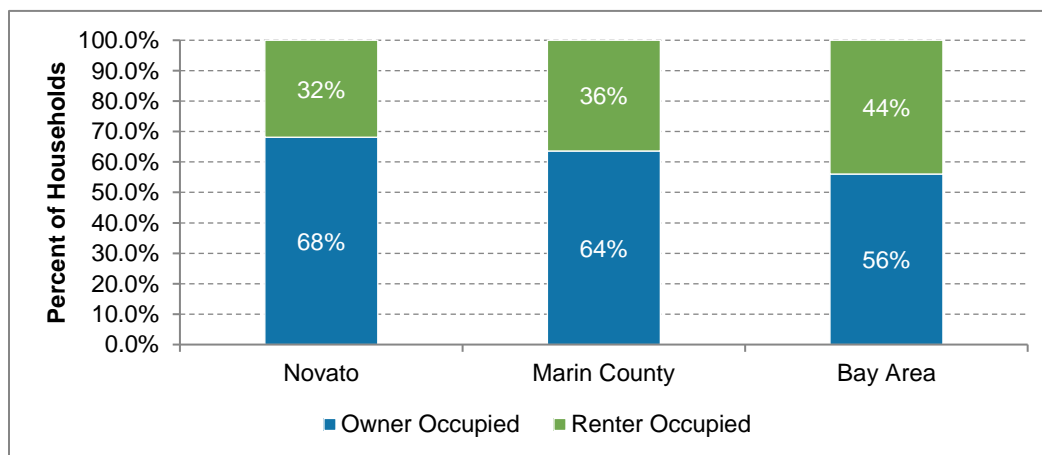
<sup>11</sup> The vacancy rates by tenure are for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (2.5 percent). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a significant number of vacancy categories, including the numerically significant “other vacant.”

classifies a unit as vacant if no one is occupying it when Census interviewers are conducting the ACS or Decennial Census. Vacant units classified as “For Seasonal, Recreational, or Occasional Use” are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like those listed on AirBnB and VRBO are likely to fall in this category. The Census Bureau classifies units as “Other Vacant” if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration. In a region with a thriving economy and housing market like the Bay Area, units being renovated/repared and prepared for rental or sale are likely to represent a large portion of the “Other Vacant” category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of “Other Vacant” units in some jurisdictions. The largest share of vacancies in Novato is due to “Other Vacant” reasons, similar to that of Marin County and the Bay Area.

#### A.4.2 Housing Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the degree of potential housing insecurity or instability (number of persons or households that may lose access to housing due to overpayment, overcrowding, or lack of housing options, etc.). Generally, renters may be displaced more quickly if rental prices increase. In Novato, there are a total of 22,325 housing units, and fewer residents rent than own their homes (31.9 percent versus 68.1 percent) (see Figure A-34). By comparison, 63.7 percent of households in Marin County are renters, while 43.9 percent of Bay Area households rent their homes.

**Figure A-34: Housing Tenure**

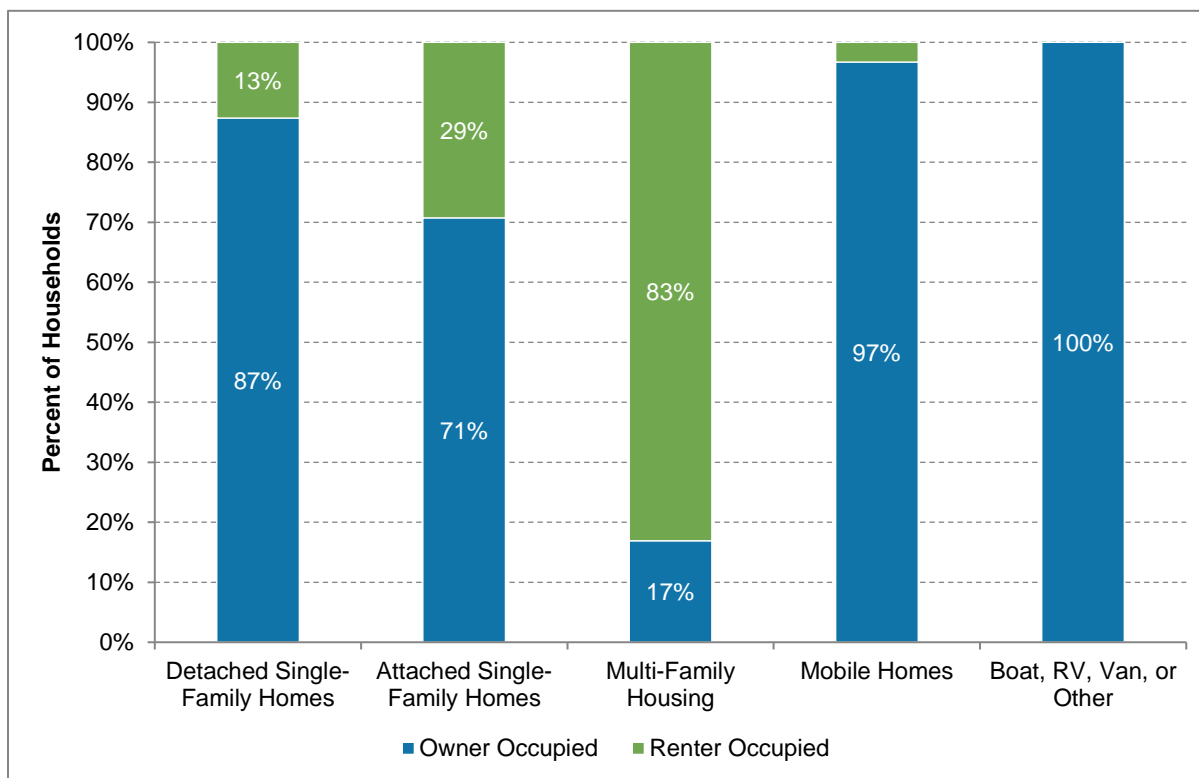


Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multifamily housing. In Novato, 87.4 percent of households

in detached single-family homes are homeowners, while 16.9 percent of households in multifamily housing are homeowners (see Figure A-35). Therefore, most multifamily units in Novato are rented.

**Figure A-35: Housing Tenure by Housing Type, City of Novato**



Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032)

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policies are still evident across many Bay Area communities.

In Novato, 37.8 percent (31 of 82 total households) of American Indian or Alaska Native householders own their homes, while homeownership rates are 40.5 percent for Hispanic or Latino householders (1,152 of 2,841 total), 43.3 percent for Other Race or Multiple Races householders (928 of 2,141 total), 47.7 percent for Black or African American householders (218 of 457 total), 62.5 percent for Asian or Pacific Islander householders (1,015 of 1,623 total), and 73 percent for white householders (25,426 of 34,844 total). Notably, recent changes to State law

require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

**Table A-17: Housing Tenure by Race of Householder, City of Novato**

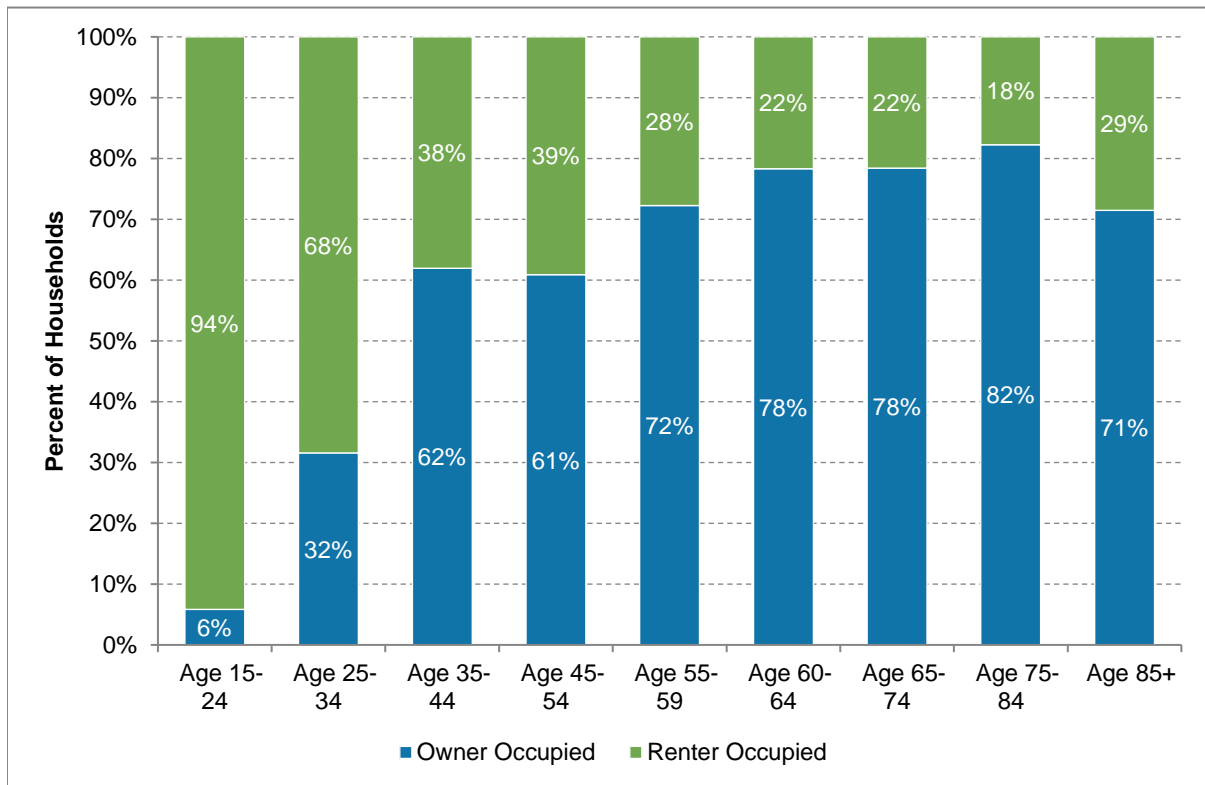
Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non-Hispanic)	31	0.1%	51	0.4%	82
Asian / API (Hispanic and Non-Hispanic)	1,015	3.5%	608	4.6%	1,623
Black or African American (Hispanic and Non-Hispanic)	218	0.8%	239	1.8%	457
Hispanic or Latino	1,152	4.0%	1,689	12.8%	2,841
Other Race or Multiple Races (Hispanic and Non-Hispanic)	928	3.2%	1,213	9.2%	2,141
White (Hispanic and Non-Hispanic)	13,021	45.3%	5,001	37.8%	18,022
White, Non-Hispanic	12,405	43.1%	4,417	33.4%	16,822
<b>Total</b>	<b>28,770</b>	<b>100.0%</b>	<b>13,218</b>	<b>100.0%</b>	<b>41,988</b>
Universe: Occupied housing units For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.					

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I))

The age of residents who rent or own their home can also signal a community's housing challenges. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options to move or downsize in an expensive housing market.

In Novato, 49.5 percent of householders between the ages of 25 and 44 and 21.1 percent of householders over 65 are renters. The age group with the most renters is the 15 to 24 age group with 94 percent as renters (see Figure A-36).

**Figure A-36: Housing Tenure by Age, City of Novato**



Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007)

### A.4.3 Housing Units Permitted

Between 2015 and 2019, 266 housing units were issued permits in Novato. Of these, 58.6 percent were for above moderate-income housing, 17.3 percent were for moderate-income housing, and 24.1 percent were for low- or very low-income housing (see Table A-18).

**Table A-18: Housing Permitting, City of Novato**

Income Group	Number of Units
Above Moderate-Income Permits	156
Moderate Income Permits	46
Low Income Permits	41
Very Low-Income Permits	23
<b>Total</b>	<b>266</b>
Universe: Housing permits issued between 2015 and 2019 HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the AMI for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the AMI for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the AMI for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the AMI for the county in which the jurisdiction is located.	

Sources: ABAG 2021 Pre-certified Housing Needs Data (California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020))

#### A.4.4 Housing Age and Condition

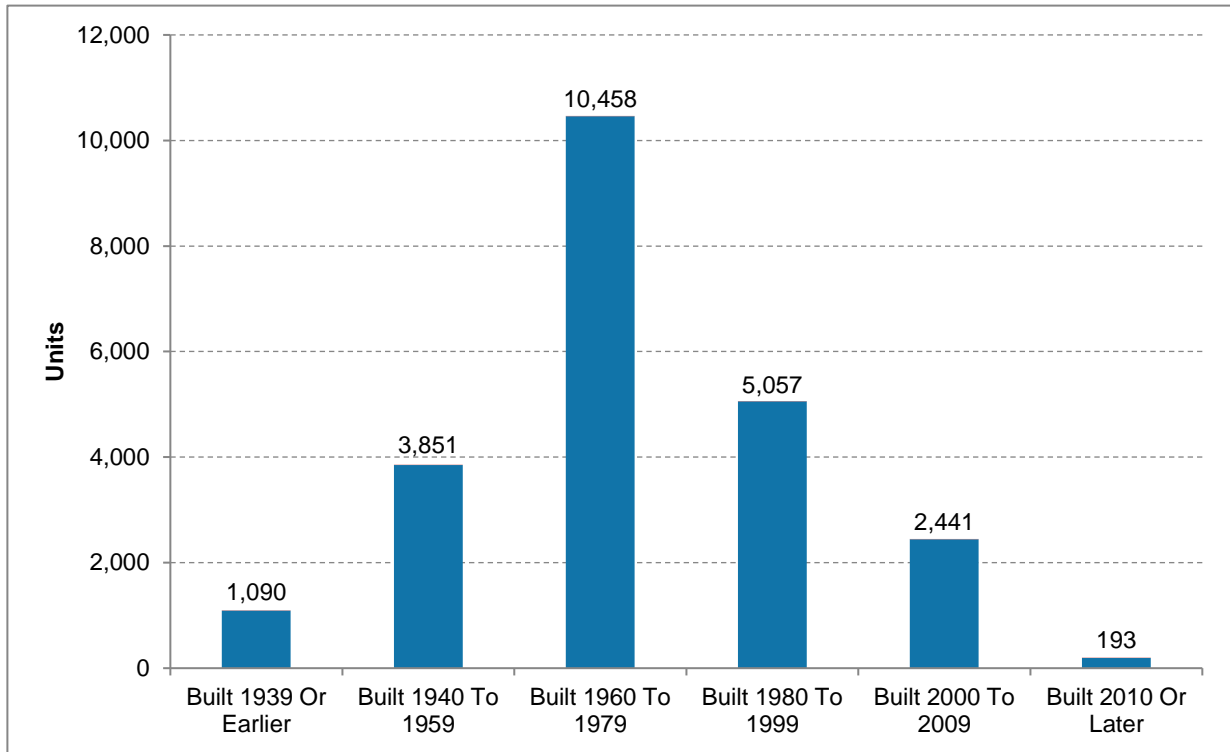
The age of housing stock is a key indicator of the community's overall housing condition. As homes age, there is a greater need for maintenance, repair, and/or replacement of key elements (plumbing, electric, roof, gutters, walks, and patios). If not properly addressed, an aging housing stock can represent poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not come close to meeting the population and job growth experienced throughout the Region.

In Novato, the largest proportion of the housing stock (45.3 percent) was built between 1960 and 1979, with 10,458 units constructed during this period (see Figure A-37). This is consistent with Marin County, where the largest portion of units were also built between 1960 and 1979. Of Marin County's housing stock, 37.9 percent was built before 1960 while 21.4 percent of Novato's housing stock was built before 1960. Only 193 units (0.8 percent of the current housing stock) were built after 2010. In Marin County, 1.4 percent of housing units were built in 2010 or later.



**Figure A-37: Housing Units by Year Structure Built, City of Novato**



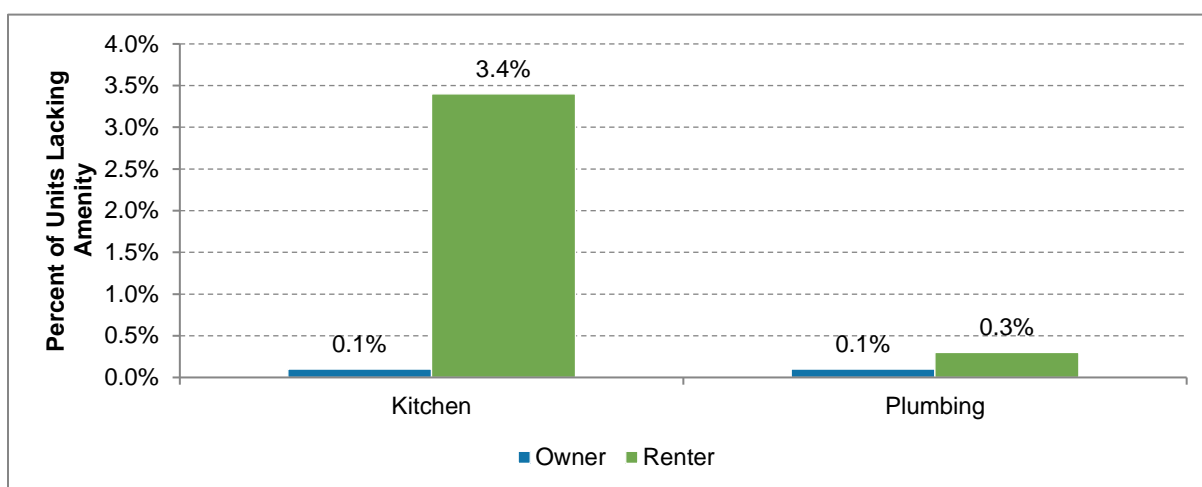
Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034)

## Substandard Housing

Housing costs in the Region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau gathers data to gain a sense of some of the substandard conditions that may be present, including lack of kitchen facilities or lack of plumbing. In Novato, 3.4 percent of renters in Novato reported lacking a kitchen and 0.3 percent of renters lack plumbing, compared to 0.1 percent of owners who lack a kitchen and 0.1 percent of owners who lack plumbing (see Figure A-39).

**Figure A-39: Substandard Housing Issues**



Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049)

The National Center of Healthy Housing (NCHH) estimates that in the San Francisco Area, 5.6 percent of housing units are in substandard condition. Among these units, 3.4 percent had moderate physical problems and 2.2 percent had severe physical problems.<sup>12</sup> Assuming the same share of units in Novato in 2018 (22,848) were substandard, an estimated 1,279 units would be in substandard condition in the City. However, these figures do not seem to reflect conditions in Novato, primarily due to the relative “youth” of the City’s housing stock, the high value of residential property, and recent new construction. Generally, property owners are motivated to keep housing in good condition because of the high value of houses and rents, and minor to extensive remodeling is common throughout the City.

The ongoing habitability of housing units is important to the City, especially to prevent deterioration and delayed maintenance in rented multifamily housing. Code Enforcement staff annually inspect all multifamily properties containing three units of more as part of the [Multi-Family Inspection Program](#) (Municipal Code [Chapter 4-14](#)). This program has been successful in the most recent planning period and as a result, Code Enforcement staff have seen a substantial decrease in the frequency and severity of substandard housing issues. Common code violations often involve unpermitted activity, such as structures being used as dwellings without being permitted for habitation, improperly placed room dividers, window relocations, and improper water heater installation/maintenance. The hygiene of inspected units is also a concern, often pest infestation, sewer leakage, or other issues caused by property mismanagement. In all cases, the

<sup>12</sup> The NCHH estimate is based on data from the 2018 U.S. Census Bureau American Housing Survey.

City works diligently with property owners to address these issues and brings in outside agencies, such as the Marin County Department of Health and Human Services, as needed.

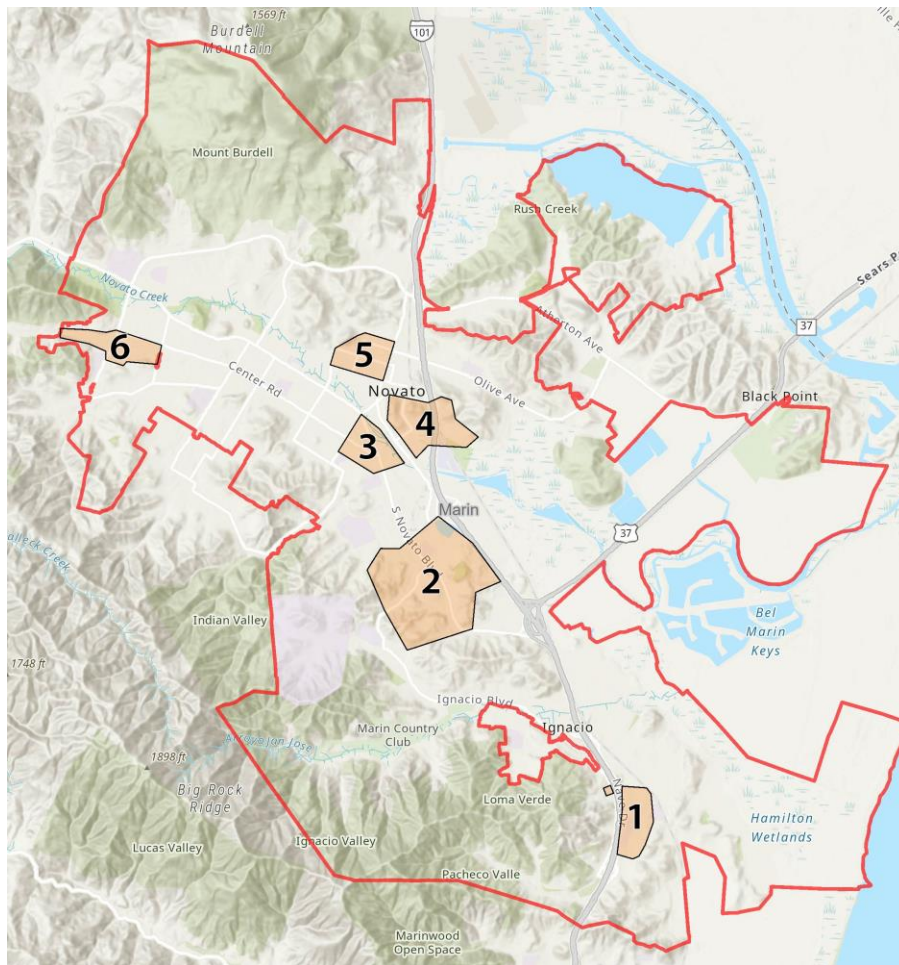
From July 2017 to July 2022, 116 code enforcement cases related to substandard housing conditions have been filed with the City. There are currently four active cases involving substandard housing conditions. Recent code enforcement cases include a backed-up bathtub in a multifamily complex, causing problems with the building's fire and electrical systems and damage to six residential units. Another case involved a fire which damaged a complex's electrical system, leading to the temporary displacement of 20 residential units. In both cases, Code Enforcement staff have made diligent efforts to prevent future problems and return residents to their homes as quickly and safely as possible.

The City's Code Enforcement Division staff estimate that three units per year (or 24 units total during the 2023-2031 planning period) will require major rehabilitation. This estimate is based on the Division's history with code compliance cases and familiarity with the City's neighborhoods and structures. The City will continue to implement its code inspection and enforcement program to address substandard housing conditions.

### **2023 Windshield Survey**

To ensure the accuracy of the above estimates of substandard housing conditions, a windshield survey was conducted on May 17, 2023, focused on six subareas located across the City (see Figure A-40). These subareas were selected based on their higher concentration of structures built before 1960 (according to U.S. Census data) and/or a higher concentration of renter and lower-income households. The survey was limited by its consideration only of areas visible from the public right-of-way (i.e., exterior housing conditions), meaning interior problems or foundation/seismic issues could not be conclusively determined. However, the focus areas were selected to increase the likelihood of observing substandard conditions if they exist, both due to available data and the local knowledge of City staff.

**Figure A-40: 2023 Windshield Survey Subarea Map**



*Source: City of Novato, LWC*

Based on the survey, most housing in Novato is in good condition and affirms the City's experience that property owners are motivated to keep housing in good condition and remodel frequently. In fact, during the windshield survey it was observed that a greater number of homes were in the process of being remodeled than homes potentially in need of rehabilitation (of which three were observed). Though some of the City's older homes (both single-family and multi-family) could benefit from cosmetic improvements and reinvestment, there was no observed evidence of uninhabitable units in need of replacement. More details on the findings of the windshield survey are provided below in Table A-19.

Table A-19: 2023 Windshield Survey Subarea Findings

Subarea			Findings
#	Name	Characteristics	
1	Census Tract 1050.01 / Dusel Ct.	Portion of tract has median structure age of 1949. Data indicate higher prevalence of renter-occupied households, overcrowding, below-average household income.	<b>One</b> unit found in need of potential rehabilitation (siding/stucco in need of repainting/repair). Many newer multifamily/condo complexes; Census data likely out of date.
2	Census Tract 1041.02	Portion of tract has median structure age of 1959. Data indicate higher prevalence of multifamily units, displacement risk, poverty.	<b>One</b> unit found in need of potential rehabilitation (chipped paint). Otherwise, both single- and multi-family structures are older (corroborated by Census data), but in good condition.
3	Nave Shopping Center Area	Data indicate higher prevalence of multifamily units, renter-occupied households, displacement risk, poverty.	<b>One</b> unit found in need of potential rehabilitation (minor cracks in foundation, siding/stucco in need of repair). All single-family homes; older but in good condition.
4	South of De Long Ave.	Data indicate higher prevalence of renter-occupied households, overcrowding, poverty.	<b>No</b> units found in need of rehabilitation. All single-family homes; older but in good condition.
5	Northwest Quadrant Neighborhood	Data indicate higher prevalence of renter-occupied households, renter overpayment, overcrowding, below-average household income, poverty, high POC segregation.	<b>No</b> units found in need of rehabilitation. Diverse housing stock; single-family homes interspersed with 4–10-unit multi-family complexes.
6	Sutro Ave. Area	Data indicate higher prevalence of units built prior to 1960.	<b>No</b> units found in need of rehabilitation. All single-family homes in good condition.

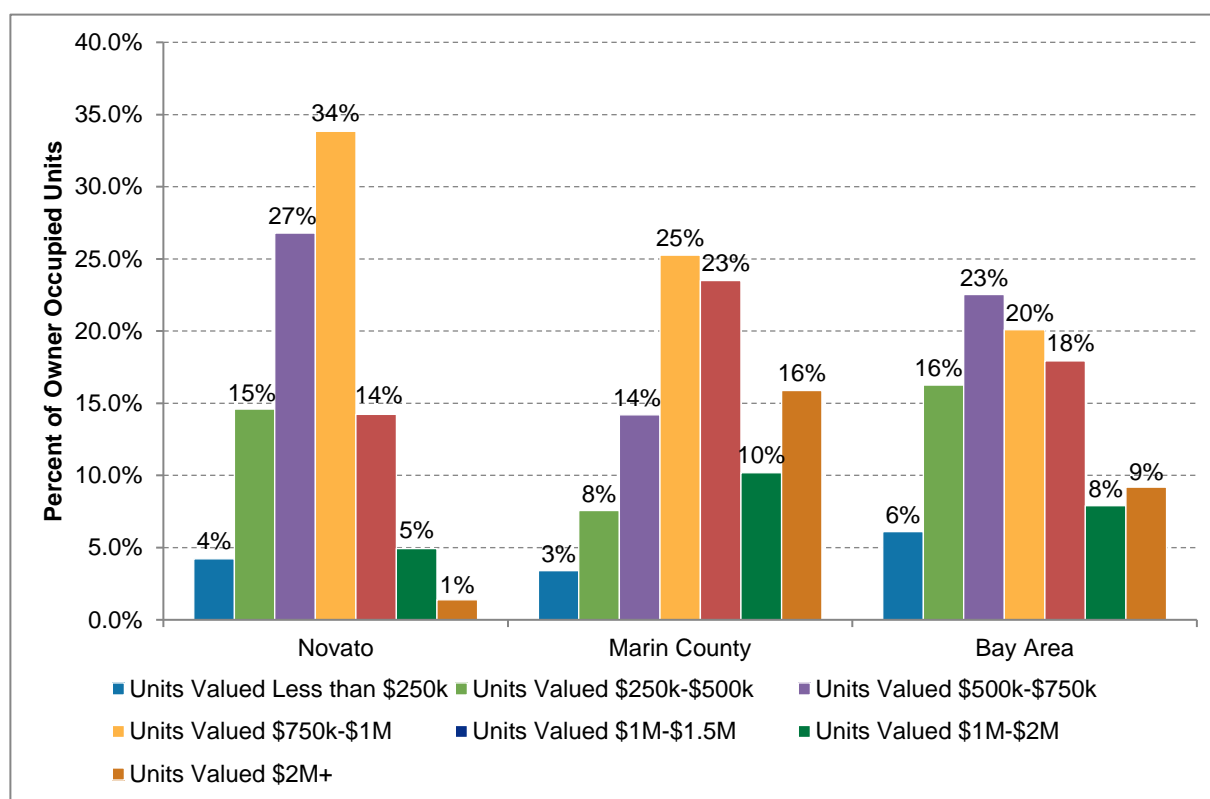
Source: City of Novato, LWC

## Section A.5 Housing Costs and Affordability

### A.5.1 Ownership Costs

Home prices reflect a mix of supply and demand factors, including an area's demographic profile, transportation and materials costs, and the labor market, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in Novato was estimated at \$916,140 by 2020 (see Figure A-39). The largest proportion of homes in Novato were valued between \$750,000 and \$1,000,000 (see Figure A-38). By comparison, in 2020 the typical home value is \$1,288,800 in Marin County and \$1,077,230 in the Bay Area (see Figure A-41).

**Figure A-41: Home Values of Owner-Occupied Units**



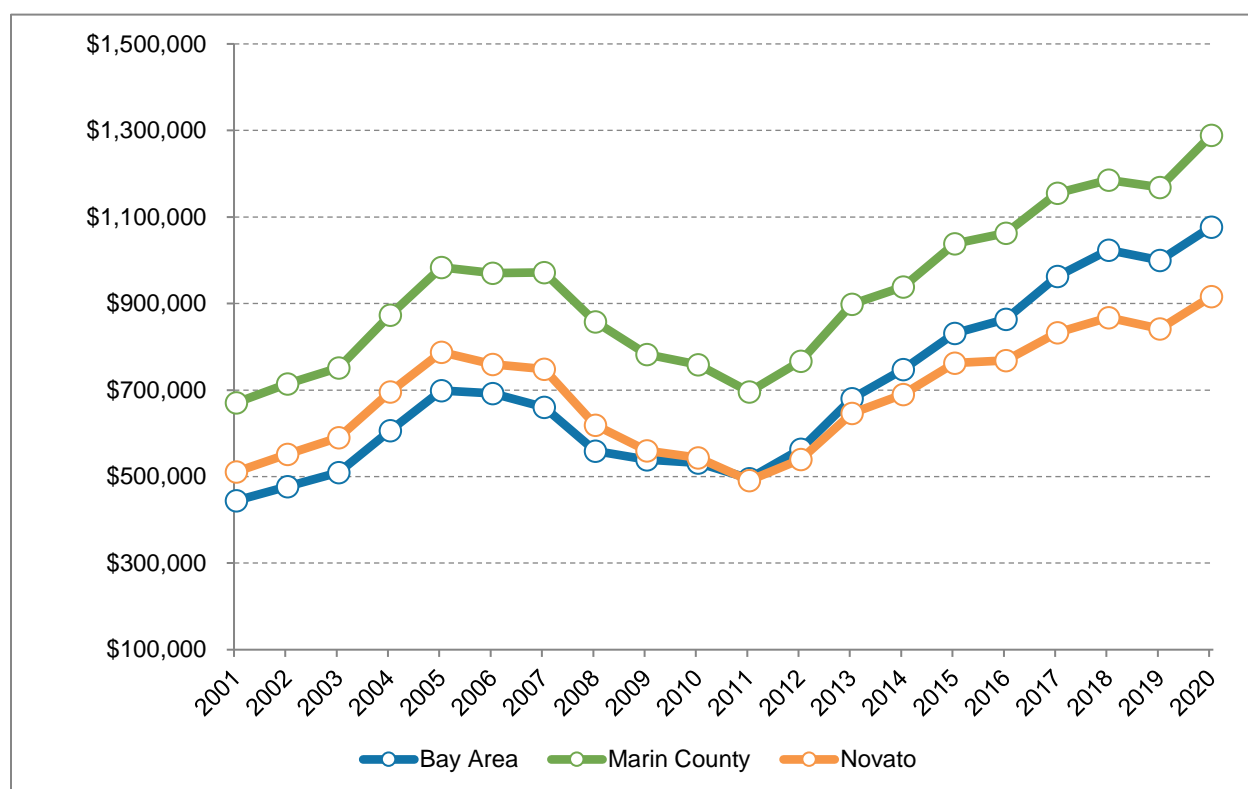
Universe: Owner-occupied housing units

Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series.

Source: ABAG 2021 Pre-certified Housing Needs Data (Zillow, Zillow Home Value Index (ZHVI))

The Region's home values have increased steadily since 2000, with a decrease during the Great Recession (2009-2012). From 2001 to 2020, the typical home value increased 79.1 percent in Novato from \$511,466 to \$916,143 (see Figure A-42). As of August 2022, the typical home value in Novato is \$1,205,779 according to Zillow.

**Figure A-42: Zillow Home Value Index (ZHVI)**



Universe: Owner-occupied units

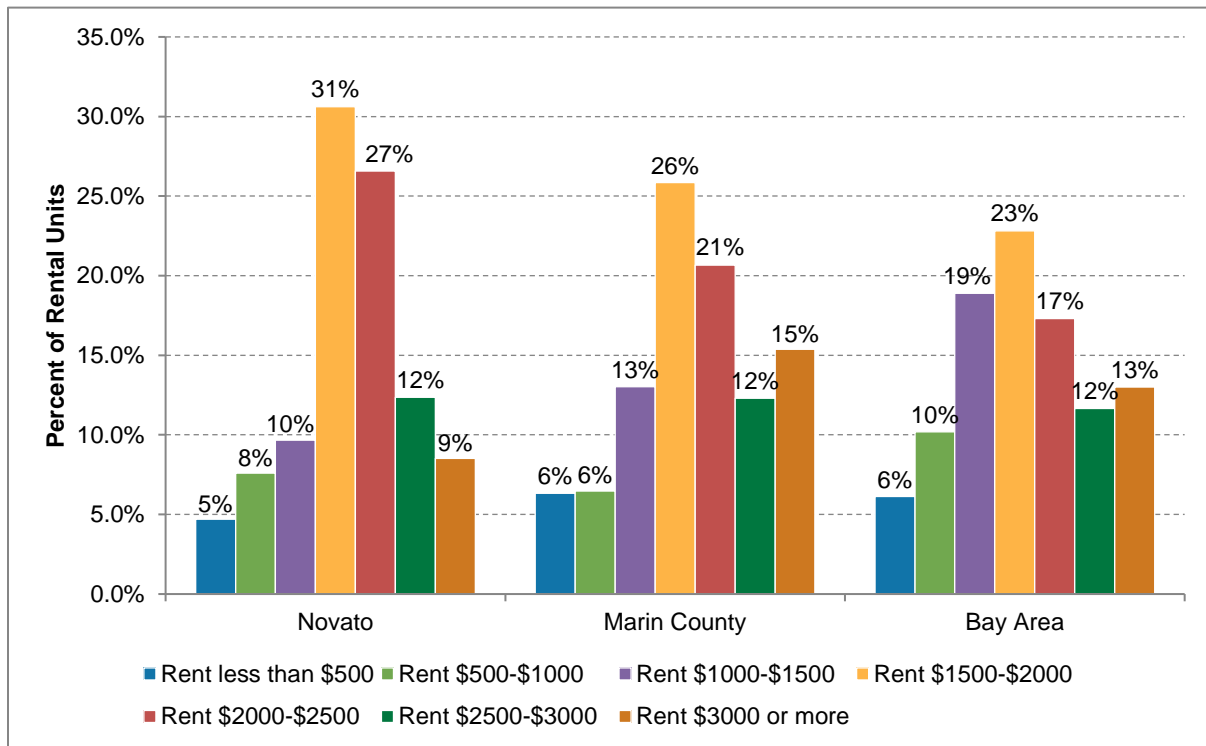
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075)

## A.5.2 Rental Costs

Like home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted, or displaced, with a disproportionate number particularly from communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the Region, and sometimes, out of the State.

In Novato, rents are less expensive than in Marin County and more expensive than in the Bay Area. Based on U.S. Census data, which often lags market valuations, 8.5 percent of rental units in Novato rented for more \$3,000 or more per month, and 12.4 percent of units rent between \$2,500 to \$3,000 per month (see Figure A-43). Similar to the Region, a majority of units in Novato are available at rents between \$1,500 to \$2,000 per month.

**Figure A-43: Contract Rents for Renter-Occupied Units**



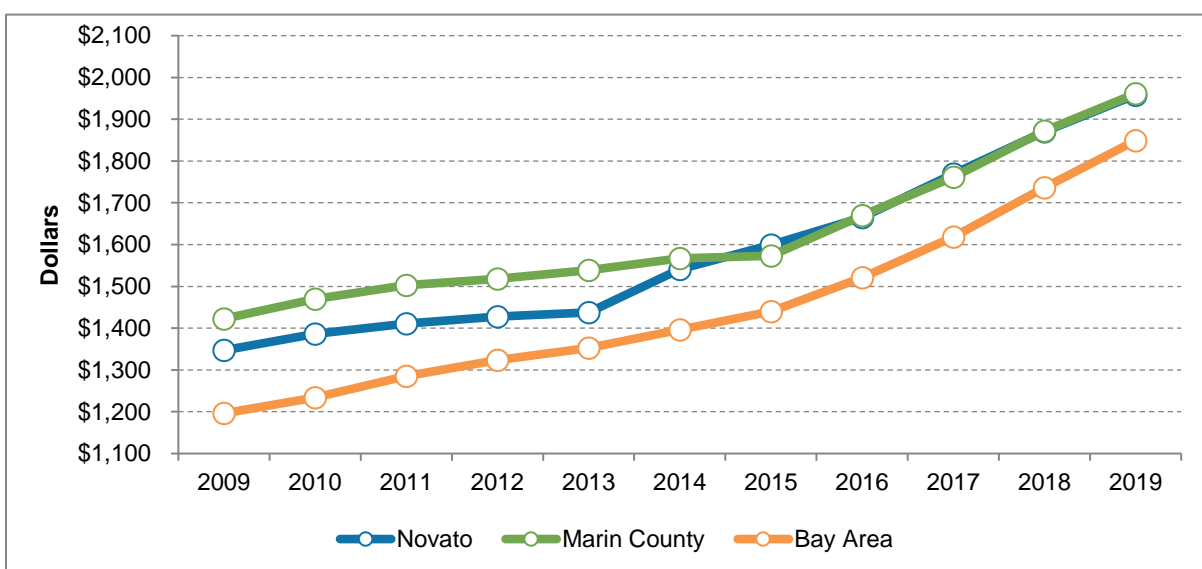
Universe: Renter-occupied housing units paying cash rent

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056)

From 2009 to 2019, according to U.S. Census data, the median rent has increased by 45.4 percent in Novato, from \$1,347 to \$1,950 per month (see Figure A-44). In Marin County, the median rent has increased 25.1 percent, from \$1,423 to \$1,960. The median rent in the Region has increased significantly during this time from \$1,200 to \$1,850, approximately a 54 percent increase. Though less than the Bay Area, the rent increase in Novato from 2009 to 2019 outpaced the County. As of August 2022, the typical rent for all housing unit types in Novato is \$3,665 according to Zillow.



**Figure A-44: Median Contract Rent**



Universe: Renter-occupied housing units paying cash rent

For unincorporated areas, median is calculated using distribution in B25056.

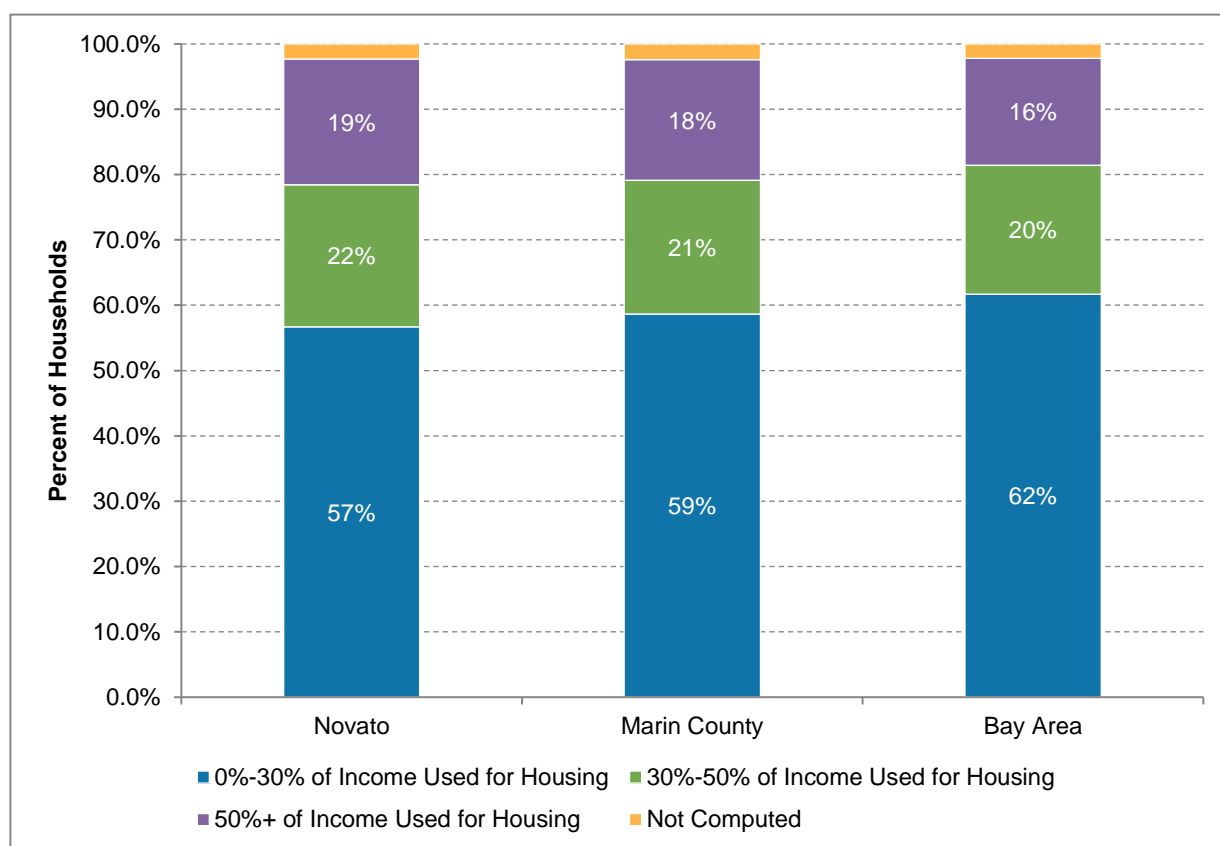
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year)

### A.5.3 Overpayment

According to HCD, households spending more than 30 percent of their income on housing, including utilities, are generally considered to be overpaying or “cost burdened.” Those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. When a household is overpaying for housing costs, there is less income for necessities such as health care, food, transportation, and clothing. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness. In the event of unexpected circumstances, such as loss of employment and health problems, lower-income households with a burdensome housing cost are more likely to become homeless or be forced to double-up with other households, which can lead to overcrowded conditions.

Novato has a slightly higher proportion of cost-burdened households compared to Marin County and the Bay Area. Of Novato’s households, approximately 22 percent are cost-burdened, and 19 percent are severely cost-burdened. In the County, the proportions are 21 percent and 18 percent, respectively (see Figure A-45).

**Figure A-45: Cost Burden Severity**

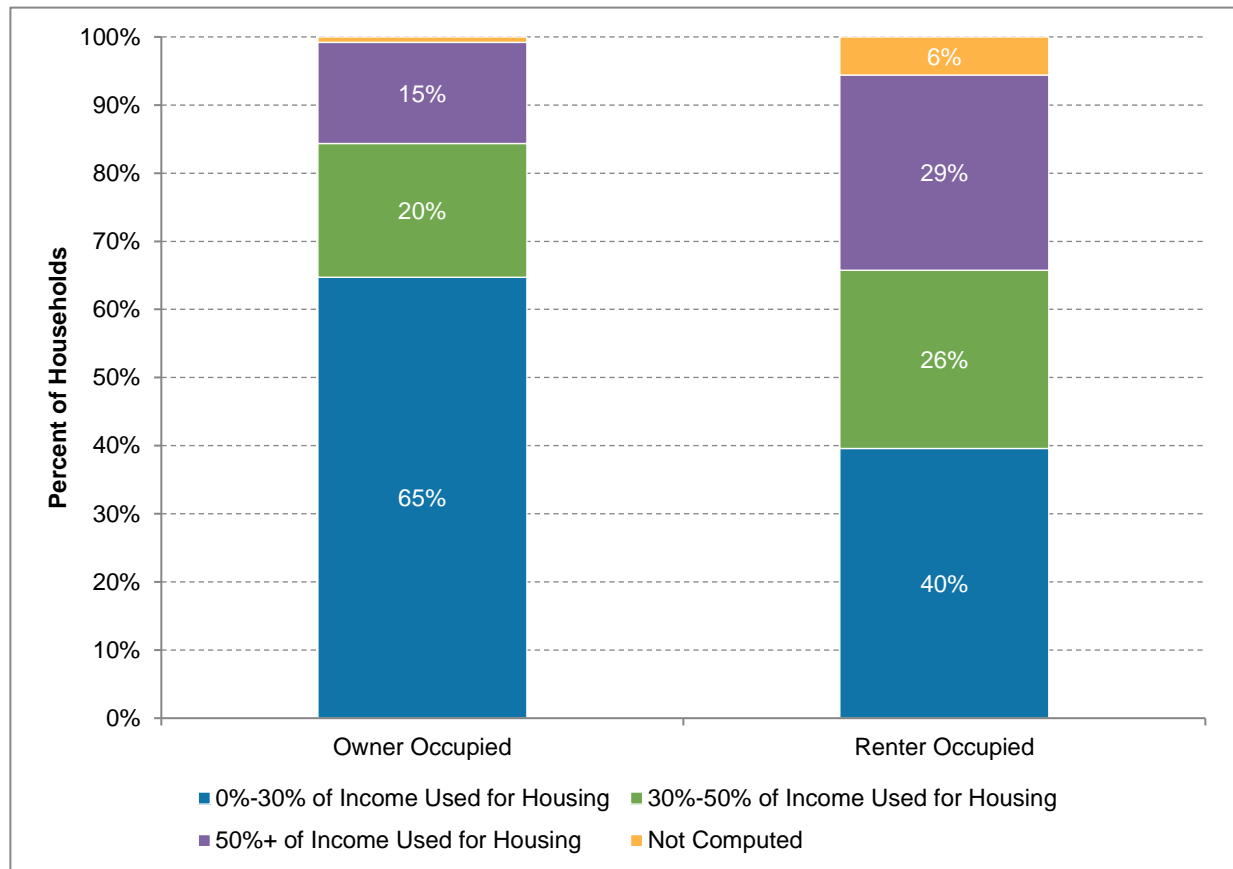


Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in Novato, 26.2 percent of renters spend 30 to 50 percent of their income on housing compared to 19.7 percent of those that own (see Figure A-46). Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing, while 14.8 percent of owners are severely cost-burdened. In total, 34.5 percent of homeowners and 54.8 percent of renters experience some level of cost burden.

**Figure A-46: Cost Burden by Tenure, City of Novato**



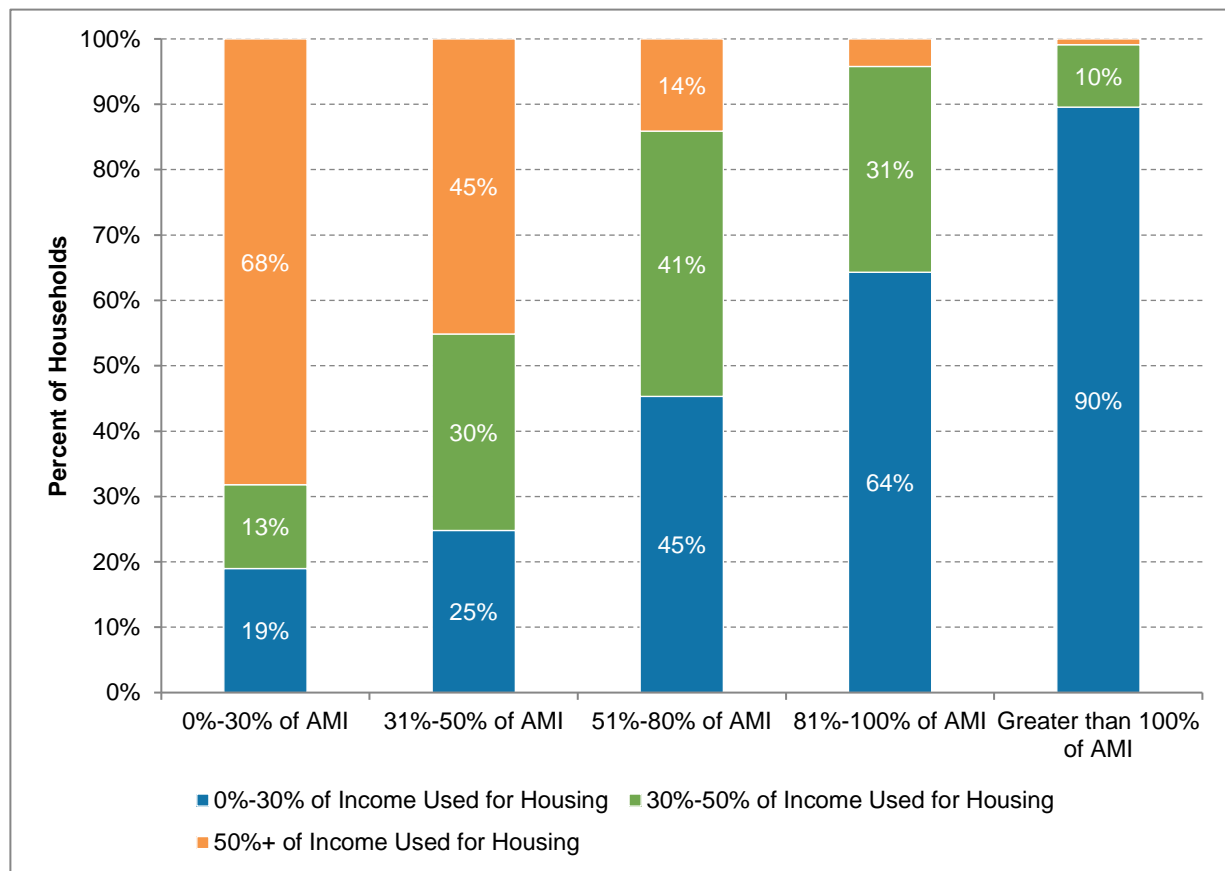
Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

In Novato, 20.3 percent of households spend 50 percent or more of their income on housing, while 20.4 percent spend 30 to 50 percent (see Figure A-47). Lower-income households are more likely to be housing cost-burdened than higher-income households. For example, 68.2 percent of Novato households making less than 30 percent of AMI spend the majority of their income on housing. For Novato residents making more than 100 percent of AMI, just 0.9 percent are severely cost-burdened, and 89.6 percent of those making more than 100 percent of AMI spend less than 30 percent of their income on housing. Of all lower-income households in Novato (10,190 households), 69.9 percent (7,120 households) are cost-burdened.

**Figure A-47: Cost Burden by Income Level, City of Novato**



Universe: Occupied housing units

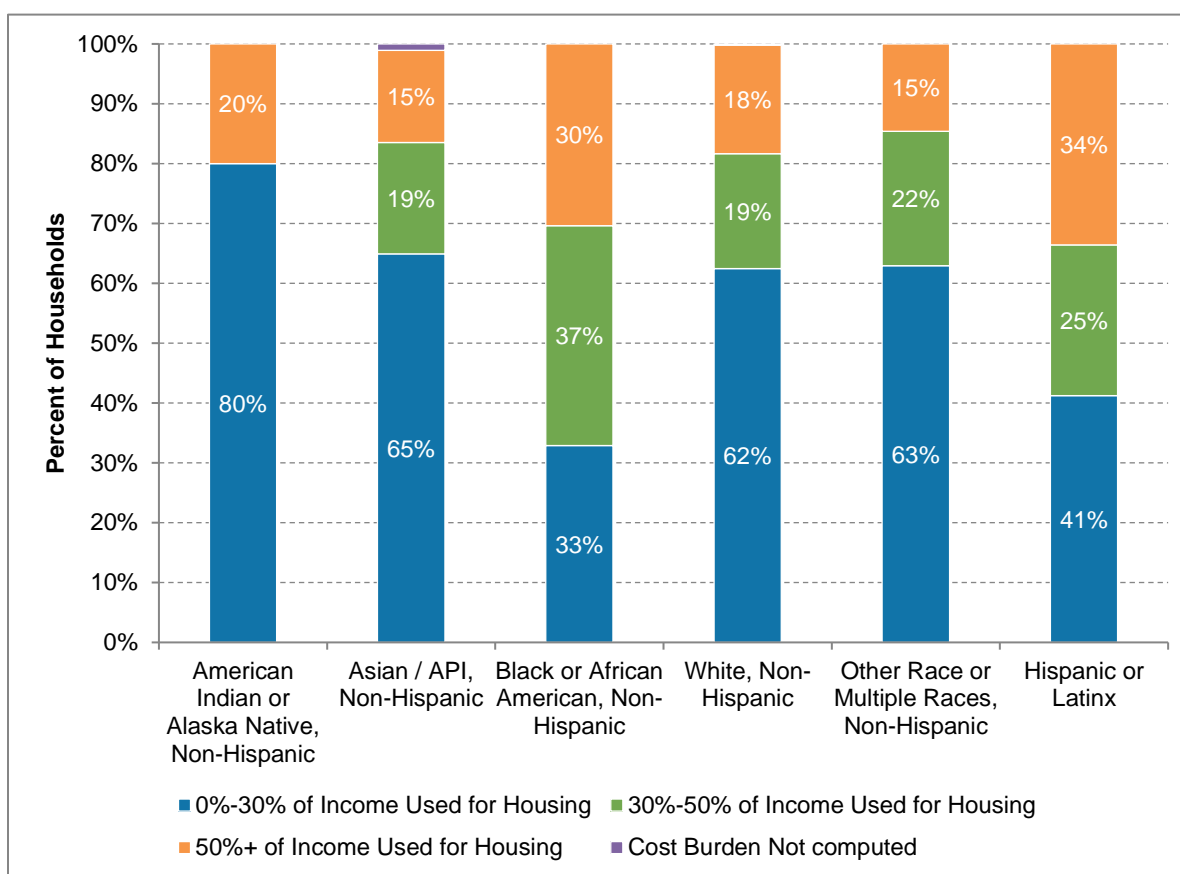
Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Black or African American, Non-Hispanic residents are the most cost-burdened with 36.7 percent spending 30 to 50 percent of their income on housing, and Hispanic or Latino residents are the most severely cost-burdened with 33.6 percent spending more than 50 percent of their income on housing (see Figure A-48).

**Figure A-48: Cost Burden by Race, City of Novato**



Universe: Occupied housing units

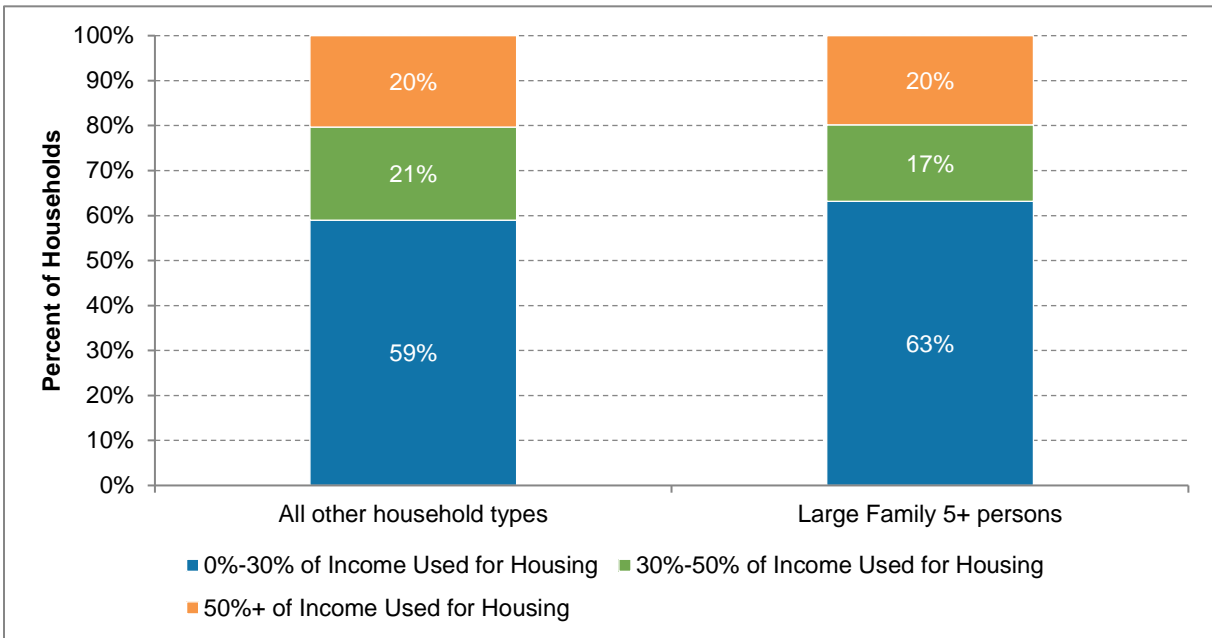
Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Large family households more often struggle to find housing due to a lack of availability of adequately sized, affordable housing. The higher costs of larger homes with multiple bedrooms can result in a disproportionate cost burden for larger families than the rest of the population and can increase the risk of housing insecurity.

Larger families in Novato, however, are not more likely to be cost-burdened than all other household types. In Novato, 17.1 percent of large family households experience a cost burden of 30 to 50 percent, while 19.8 percent of households spend more than half of their income on housing. Some 20.7 percent of all other households have a cost burden of 30 to 50 percent, with 20.3 percent of households spending more than 50 percent of their income on housing (see Figure A-49).

**Figure A-49: Cost Burden by Household Size, City of Novato**



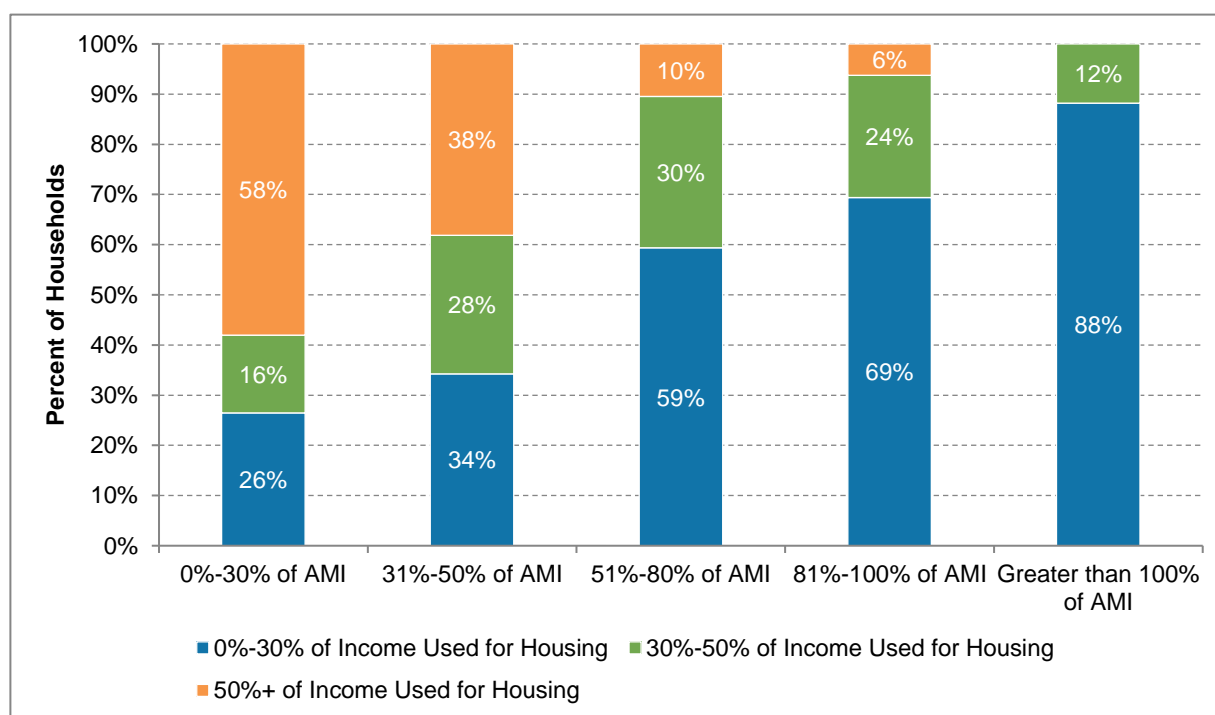
Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Displacement is a particular risk for cost-burdened seniors who are no longer able to make mortgage payments or pay rent. Understanding how seniors are cost-burdened is important, particularly for low-income seniors. 58 percent of seniors making less than 30 percent of AMI are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 88.2 percent are not cost-burdened and spend less than 30 percent of their income on housing (see Figure A-50). In total, 41.3 percent of seniors are cost-burdened.

**Figure A-50: Cost-Burdened Senior Households by Income Level, City of Novato**



Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

## Housing Costs Compared to Ability to Pay

The ability to pay for housing is a function of housing cost and other essential living expenses in relation to household income. Given market conditions, above-moderate income households have fewer problems locating affordable units. Affordable units are frequently defined as those reasonably priced for households that are low- to moderate-income.

Table A-20 shows the 2021 income limits for Marin County and compares these income limits to affordable (no more than 30 percent of gross income) rent and purchase prices. The median gross rent in Novato (\$1,950) is generally affordable for three-person households earning 30 to 50 percent of Marin County median income (\$135,258). The median purchase price of a home in Novato (\$916,143) is generally affordable for three-person households earning more than 120 percent of AMI.

**Table A-20: 2021 Marin County Ability to Pay for Housing and Fair Market Rent and Purchase Prices**

	Number of Persons in Household			
	1	2	3	4
<b>Extremely Low (0-30% AMI)</b>				
Annual Income Limit	\$38,400	\$43,500	\$49,350	\$54,8000
Monthly Income	\$3,200	\$3,625	\$4,113	\$4,567
Max. Monthly Gross Rent <sup>1</sup>	\$960	\$1,008	\$1,234	\$1,370
Max. Purchase Price 5% down <sup>2</sup>	\$163,710	\$185,452	\$210,392	\$233,627
Max. Purchase Price 20% down <sup>3</sup>	\$194,373	\$220,188	\$249,799	\$277,386
<b>Very Low (30-50% AMI)</b>				
Annual Income Limit	\$63,950	\$73,100	\$82,250	\$91,350
Monthly Income	\$5,329	\$6,092	\$6,854	\$7,613
Max. Monthly Gross Rent <sup>1</sup>	\$1,599	\$1,828	\$2,056	\$2,284
Max. Purchase Price 5% down <sup>2</sup>	\$272,636	\$311,645	\$350,654	\$389,450
Max. Purchase Price 20% down <sup>3</sup>	\$323,701	\$370,016	\$416,332	\$462,394
<b>Low (50-80% AMI)</b>				
Annual Income Limit	\$102,450	\$117,100	\$131,750	\$146,350
Monthly Income	\$8,538	\$9,758	\$10,979	\$12,196
Max. Monthly Gross Rent <sup>1</sup>	\$2,561	\$2,928	\$3,294	\$3,659
Max. Purchase Price 5% down <sup>2</sup>	\$436,772	\$499,229	\$561,686	\$623,929
Max. Purchase Price 20% down <sup>3</sup>	\$518,580	\$592,735	\$666,890	\$740,792
<b>Median (100% AMI)</b>				
Annual Income Limit	\$104,700	\$119,700	\$134,650	\$149,600
Monthly Income	\$8,725	\$9,975	\$11,221	\$12,467
Max. Monthly Gross Rent <sup>1</sup>	\$2,618	\$2,993	\$3,366	\$3,740
Max. Purchase Price 5% down <sup>2</sup>	\$446,364	\$510,313	\$574,049	\$637,785
Max. Purchase Price 20% down <sup>3</sup>	\$529,969	\$605,896	\$681,569	\$757,243
<b>Moderate (80-120% AMI)</b>				
Annual Income Limit	\$125,650	\$143,600	\$161,550	\$179,500
Monthly Income	\$10,471	\$11,967	\$13,463	\$14,958
Max. Monthly Gross Rent <sup>1</sup>	\$3,141	\$3,590	\$4,039	\$4,488
Max. Purchase Price 5% down <sup>2</sup>	\$535,680	\$612,205	\$688,731	\$765,257
Max. Purchase Price 20% down <sup>3</sup>	\$636,013	\$726,872	\$817,731	\$908,590
<b>(120-150% AMI)</b>				
Annual Income Limit	\$157,050	\$179,550	\$201,975	\$224,400
Monthly Income	\$13,088	\$14,963	\$16,831	\$18,700
Max. Monthly Gross Rent <sup>1</sup>	\$3,926	\$4,489	\$5,049	\$5,610
Max. Purchase Price 5% down <sup>2</sup>	\$669,546	\$765,470	\$861,074	\$956,677



**Table A-20: 2021 Marin County Ability to Pay for Housing and Fair Market Rent and Purchase Prices**

	Number of Persons in Household			
	1	2	3	4
Max. Purchase Price 20% down <sup>3</sup>	\$794,953	\$908,843	\$1,022,354	\$1,135,864
<b>(150-180% AMI)</b>				
Annual Income Limit	\$188,460	\$215,460	\$242,370	\$269,280
Monthly Income	\$15,705	\$17,955	\$20,198	\$22,440
Max. Monthly Gross Rent <sup>1</sup>	\$4,712	\$5,387	\$6,059	\$6,732
Max. Purchase Price 5% down <sup>2</sup>	\$803,456	\$918,564	\$1,033,288	\$1,148,013
Max. Purchase Price 20% down <sup>3</sup>	\$953,944	\$1,090,612	\$1,226,825	\$1,363,037
<b>(180-200% AMI)</b>				
Annual Income Limit	\$209,400	\$239,400	\$69,300	\$299,200
Monthly Income	\$17,450	\$19,950	\$5,775	\$24,933
Max. Monthly Gross Rent <sup>1</sup>	\$5,235	\$5,985	\$1,733	\$7,480
Max. Purchase Price 5% down <sup>2</sup>	\$892,728	\$1,020,627	\$295,445	\$1,275,570
Max. Purchase Price 20% down <sup>3</sup>	\$1,059,938	\$1,211,791	\$350,782	\$1,514,486
<sup>1</sup> 30% of income devoted to maximum monthly rent or mortgage payment, including utilities, taxes, and insurance.				
<sup>2</sup> Assumes 95% loan (i.e., 5% down payment) @ 3% annual interest rate and 30-year term.				
<sup>3</sup> Assumes 80% loan (i.e., 20% down payment) @ 3% annual interest rate and 30-year term.				

Source: Department of Housing and Community Development, 2021

## A.5.4 At-Risk Housing Assessment

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

Government Code Section 65583 requires the Housing Element to identify and analyze units that are at-risk of converting from affordable to market-rate within 10 years of the beginning of the planning period. If units are found to be at-risk, the Housing Element must estimate the total cost of replacing and preserving these units and include a list of entities with the capacity to acquire multifamily developments at-risk.

The data below in Table A-21 comes from the California Housing Partnership's Preservation Database, the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the State, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table.

There are 816 assisted units in Novato in the Preservation Database. Among these units, six are at moderate risk of being converted to market-rate housing by 2033. These six units are

subsidized, deed-restricted efficiency units within Stonehaven House, a group home for people with developmental disabilities owned by Stonehaven House Inc. (see Table A-22). The restrictions on these units are set to expire by May 2032. The remaining 810 assisted units have estimated affordability end dates from 2038 to 2070 and thus are not at-risk of conversion within 10 years of the beginning of the planning period.

**Table A-21: Assisted Units at Risk of Conversion, City of Novato**

Risk of Conversion	Novato	Marin County	Bay Area
Low	810	2,368	110,177
Moderate	6	0	3,375
High	0	56	1,854
Very High	0	17	1,053
Total Assisted Units in Database	816	2,441	116,459

While California Housing Partnership's Preservation Database is the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the State. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Housing Partnership uses the following categories for assisted housing developments in its database:

Very-High Risk: Affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

High Risk: Affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: Affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Low Risk: Affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Source: California Housing Partnership, Preservation Database (2022)

**Table A-22: Assisted Units at Risk of Conversion by 2033, City of Novato**

Project Name	Address	Assisted Units			Type of Subsidy	Current Owner	Earliest Date of Expiration	Risk Level
		Type	Non-Elderly	Elderly				
Stonehaven House	2 Stonehaven Ct.	Disabled	6	0	HUD (202/162) <sup>1</sup>	Stonehaven House Inc.	May 2032	Moderate

<sup>1</sup> See 24 Code of Federal Regulations Part 891 Subpart E - [Section 202 Projects for the Nonelderly Handicapped Families and Individuals—Section 162 Assistance](#)

Source: California Housing Partnership Preservation Database (2022); California Housing Partnership Affordable Housing Map & Benefits Calculator (2023)

The establishment of Stonehaven House was sponsored by Lifehouse Inc. (a non-profit social service provider) but is owned by a separate corporation (Stonehaven House Inc.) per HUD requirements. The Stonehaven corporation receives rent from Lifehouse and from clients through HUD subsidy, while Lifehouse provides staffing and other services.<sup>13</sup> According to the California

<sup>13</sup> Lifehouse, [Consolidated Financial Statements and Independent Auditor's Report \(2021-2022\)](#).

Housing Partnership's Affordable Housing Map & Benefits Calculator, Stonehaven House benefits from Section 202/162 subsidy, which provides a direct loan to non-profit organizations for project development and rent subsidy for the development of units for physically handicapped, developmentally disabled, and chronically mentally ill residents.

In the 5th Cycle Housing Element, Stonehaven House was reported as being an at-risk project with Section 202/811 HUD subsidies expiring in 2015. At the time, Lifehouse anticipated renewing its federal subsidy contracts and was successful in doing so. As Lifehouse is a non-profit dedicated to providing affordable housing for its clients in the long term, it is unlikely that it will fail to renew its contract.

## Preservation and Replacement Cost Analysis

The following section provides an analysis of the estimated cost to preserve or replace the units that are at risk of conversion to market-rate. The analysis compares the costs of providing rent subsidies, acquiring and rehabilitating the units, and constructing new units.

Rent subsidies are a potential option for preserving affordable housing units. Rent subsidies function similarly to housing choice vouchers (Section 8), which fund the difference between the affordable rent and the fair market rent. If the City were to fund rent subsidies, it could leverage a variety of sources to do so. Table A-23 shows that the estimated total rent subsidy to preserve the six at-risk units is \$54,144 per year. Assuming the difference between the affordable rents and fair market rents remains constant, then the total cost to maintain the units for the next 55 years would be \$2,977,920 (\$496,320 per unit).

**Table A-23: Estimated Rent Subsidies**

Unit Size	Units	Very Low-Income Rent	Fair Market Rent	Monthly Subsidy/Unit
Efficiency	6	\$1,598 <sup>1</sup>	\$2,350 <sup>2</sup>	\$752
<b>Total Annual Subsidy</b>				<b>\$54,144</b>
<sup>1</sup> Calculated based on 30% of the 2021 Marin County Very Low Income (50% AMI) limit for a one-person family.				
<sup>2</sup> Calculated based on the 2021 Fair Market Rent in Marin County for an efficiency unit.				

Source: [HCD 2021 Income Limits for Marin County](#); [HUD FY 2021 Fair Market Rent by Unit Bedrooms](#)

Purchasing and transferring the ownership of at-risk units to be managed by a non-profit or for-profit housing organization is another potential method for preserving the units' affordability status. Acquired assisted units, particularly older units, may also require rehabilitation to update the units and extend the life of their use. The estimated costs for acquiring and rehabilitating at-risk units are shown in Table A-24. According to recent California Tax Credit Allocation Committee (CTCAC) applications in Marin County, the average per-unit cost for acquisition and rehabilitation is \$573,066. The total cost to acquire and rehabilitate the six at-risk units would be \$3,456,396.

**Table A-24: Estimated Acquisition and Rehabilitation Costs**

Project Name	City	CTCAC Application Year	Units	Total Development Cost	Cost per Unit
Mackey Terrace	Novato	2016	50	\$25,217,815	\$504,356
Walnut Place	Point Reyes Station	2016	25	\$13,171,372	\$526,854
Piper Court Apartments	Fairfax	2017	27	\$17,391,225	\$644,119
Bennett House	Fairfax	2019	70	\$42,251,232	\$603,589
Centertown Apartments	San Rafael	2021	60	\$35,184,716	\$586,411
Average Cost Per Unit					\$573,066
Note: Cost estimates are based on applications approved by governing bodies and are not certified total development costs.					

Source: [CTCAC Annual Reports \(2016-2021\)](#)

Constructing new units could also replace the at-risk units. Table A-25 shows the estimated cost of new construction of below market-rent units. Based on recent CTCAC applications in Marin County, the average cost to build a new assisted unit is \$668,882. Using this per-unit estimate, the total replacement cost for the six at-risk units would be \$4,013,292.

**Table A-25: Estimated Replacement Costs**

Project Name	City	CTCAC Application Year	Units	Total Development Cost	Cost per Unit
Victory Village	Fairfax	2018	54	\$28,606,885	\$529,757
Vivalon Healthy Aging Campus	San Rafael	2021	67	\$47,504,043	\$709,016
Drake Avenue Apartments	Sausalito	2022	74	\$56,822,593	\$767,873
Average Cost Per Unit					\$668,882
Note: Cost estimates are based on applications approved by governing bodies and are not certified total development costs.					

Source: [CTCAC Annual Reports \(2018-2022\)](#)

Table A-26 compares the costs of the preservation and replacement methods and shows that building new units is the most expensive option. Providing rent subsidies is the least expensive method; however, this option does not allow for physical updates to the units and does not allow for the leveraging of private-sector financing. It is also important to note that none of the estimates are precise calculations and are only intended to demonstrate the relative magnitude of need.

**Table A-26: Summary of Preservation and Replacement Costs**

Method	Estimated Cost per Unit	Total Estimated Cost
Rent Subsidy	\$496,320	\$2,977,920
Acquisition and Rehabilitation	\$573,066	\$3,456,396
New Construction	<u>\$668,882</u>	\$4,013,292

Source: LWC

## Qualified Entities to Acquire and Manage Affordable Housing

There are several non-profit and for-profit organizations in the region that could facilitate the acquisition and management of assisted units. HCD maintains a list of pre-approved organizations that are interested in the acquisition and management of assisted units. As of December 2021, there are six qualified organizations in Marin County (Table A-27).

**Table A-27: HCD Qualified Entities in Marin County**

Organization	Address	City
Marin Housing Authority	4020 Civic Center Drive	San Rafael
Canal Community Alliance	91 Larkspur St	San Rafael
Affordable Housing Foundation	P.O. Box 26516	San Francisco
Northern California Land Trust, Inc.	3122 Shattuck Avenue	Berkeley
Volunteers of America National Services	1108 34th Avenue	Sacramento
L + M Fund Management LLC	1877 Palmer Ave	Westchester, NY

Source: HCD (2021)

## Funding Sources to Preserve or Replace Assisted Units

Potential funding sources to preserve or replace assisted units are provided in the list below. These resources include federal, state, and local funding programs and are described in Appendix G (Housing Resources).

- HOME Investment Partnerships Funds
- Community Development Block Grant Program (CDBG)
- Section 108 Loan Guarantee Program
- Housing Choice Voucher (Section 8) Program
- Low Income Housing Tax Credits (LIHTC)
- Section 811 Project Rental Assistance Program
- California Housing Finance Agency (CalHFA)
- Marin County Affordable Housing Trust Fund

# Appendix B: Housing Capacity Analysis and Methodology

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## Section B.1 Introduction

### B.1.1 Overview and Purpose

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According to California Government Code [Section 65580-65589](#), the Housing Element must include an inventory of adequate sites that are zoned and available within the planning period to meet the jurisdiction's fair share of regional housing needs across all income levels. The sites inventory, in addition to projected accessory dwelling units (ADUs) and entitled or in-process development projects, assists in determining whether the jurisdiction has enough developable land to meet its Regional Housing Needs Allocation (RHNA), given its current regulatory framework and market conditions. This Appendix details the sites inventory and supporting analysis methodology and assumptions.



### B.1.2 Regional Housing Needs Allocation

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Jurisdictions must provide sufficient land to accommodate enough housing for all economic segments of the community. Compliance is determined by the jurisdiction's ability to provide adequate development capacity through appropriate development regulations and land use policies. The number of new units that must be accommodated is established through each jurisdiction's share of the region's projected housing needs for the planning period. This share for each jurisdiction is called the Regional Housing Needs Allocation (RHNA).

The Association of Bay Area Governments (ABAG), a regional planning agency, is responsible for distributing the RHNA to each jurisdiction within its nine-county region. The RHNA is distributed by income category.

For the 2023-2031 Housing Element update, Novato is allocated a RHNA of 2,090 units as follows:

- Extremely Low and Very Low Income (less than 50 percent of AMI): 570 units (27 percent)
- Low Income (50 to 80 percent of AMI): 328 units (16 percent)
- Moderate Income (80 to 120 percent of AMI): 332 units (16 percent)
- Above Moderate Income (greater than 120 percent of AMI): 860 units (41 percent)

For the 6<sup>th</sup> Cycle Housing Element planning period, January 31, 2023 through January 31, 2031, the City must ensure the availability of adequate residential sites to accommodate these units. This Appendix provides an overview of the methodology used to evaluate the adequacy of sites within Novato and identifies such sites for future residential development to fulfill the City's share of regional housing needs.

### B.1.3 Data

The sites inventory analysis used data provided by the City, such as GIS data and building permit/entitlement information. The following is an overview of the data used:

- City GIS data, including Base Zoning Districts, General Plan Land Use designation, Existing Use, Assessor Parcel Number (APN), and parcel size, etc.;
- ADU applications and permit approval history;
- Entitled projects and projects in the entitlement phase;
- Prior Housing Element site inventories;
- Annual Progress Reports to HCD during the 5<sup>th</sup> Cycle; and,
- Zoning Code allowed density and floor area ratio standards (FAR).

## Section B.2 Future Residential Development Potential

### B.2.1 Accessory Dwelling Units

State laws in effect since January 1, 2018 have significantly eased the development standards and streamlined the approval process for ADUs. As a result, the City has experienced an increasing trend in ADU building permit issuance and production in recent years. Table B-1 shows the number of building permits issued for ADUs in Novato from 2018 through 2021.

**Table B-1: Permitted ADUs – Building Permits Issued**

Year	Permitted ADUs
2018	6
2019	10
2020	16
2021	27
<b>Total</b>	<b>59</b>
<b>Annual Average</b>	<b>14.75</b>

*Source: City of Novato, Annual Progress Reports (APRs) 2019-2021*

In 2022, the City adopted updated Zoning Code [Section 19.34.030](#) (Accessory Dwelling Units) and [Section 19.34.031](#) (Junior Accessory Dwelling Units) to comply with recent State laws, correcting multiple inconsistent or prohibited provisions. The City issued an average of 14.75 ADU permits per year during a four-year period from 2018 through 2021. Based on this annual average, the City is projecting that 118 ADUs will be permitted over the eight-year planning period. The



Housing Element includes Program 1.B to continue to incentivize ADU production to help meet the City's RHNA. Furthermore, the City will monitor ADU production and affordability throughout the planning period and implement additional actions if target ADU numbers are not being met.

ABAG conducted [a regional ADU affordability analysis](#) to provide local governments in the region with assumptions for ADU affordability that can be used to assign projected ADUs to income categories. The ADU affordability assumptions identified in the ABAG technical guidance memo were applied to ADUs projected over the planning period and are listed in Table B-2.

**Table B-2: Affordability per ABAG ADU Survey**

Income Level	Percent	ADU Projections
Extremely Low/Very Low	30%	35
Low	30%	36
Moderate	30%	35
Above Moderate	10%	12
Total		118

Source: ABAG, [Using ADUs to Satisfy RHNA](#), 2022

## **B.2.2 Entitled and Proposed Developments**

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Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have received a certificate of occupancy between July 1, 2022 and January 31, 2031 can be credited toward the RHNA. This includes housing developments that are proposed or received entitlement and are expected to be issued a certificate of occupancy no later than January 31, 2031. Table B-3 lists those projects that meet those criteria and can be credited toward the 6<sup>th</sup> Cycle RHNA.

As indicated in Table B-3, these projects are all either already entitled (approved) or currently under review. Though ultimate construction of units is a decision that the developer/owner makes, these projects all have the ability to be completed within the 6<sup>th</sup> Cycle planning period.

Table B-3: Entitled and Proposed Development Pipeline <sup>1</sup>

APN	Address	Status	Vacant/Existing or Previous Use	Units by Income Level <sup>2</sup>				
				Very Low	Low	Moderate	Above Moderate	Total Net New
124-282-18	200 San Marin Dr.	Approved	Vacant	–	–	6	–	6
125-180-49	8161 Redwood Blvd.	Approved	Vacant	–	40	40	–	80
125-202-03, 125-202-04, 125-202-05	773-777 San Marin Dr.	In review	Vacant office	130	130	–	1,040	1,300
125-180-23, 125-180-38	North Redwood Dr. & Pinkston Rd.	Approved	Vacant	49	8	12	61	130
141-201-12, 141-201-48	1787 Grant Ave.	In review	Vacant commercial	4	4	27	–	35
141-261-29	1316-1320 Grant Ave., 1020 Fourth St.	In review (SB 35)	Offices, residential	23	158	46	–	227
141-262-14, 141-262-13	1212-1214 Grant Ave.	In review (SB 35)	Offices	7	46	14	–	67
141-282-07, 141-282-04	1107-1119 Grant Ave.	In review (SB 35)	Vacant commercial	20	138	40	–	198
143-011-05, 143-011-08	7506 & 7530 Redwood Blvd.	In review	Vacant	18	7	40	113	178
143-151-06	Bahia Dr. & Topaz Dr.	Approved	Vacant	–	–	–	5	5
153-162-70	101 Landing Ct.	Approved	Commercial, RV storage lot	4	3	25	–	32
157-690-37, 157-690-53	115 San Pablo Ave.	Sold to developer; application pending	Former Hamilton Air Base	–	36	–	55	91
153-170-56	200 Landing Ct.	In review	Vacant	–	3	3	22	28
157-970-07	826 State Access Rd.	Under Construction	Former Hamilton Air Base	50	–	–	–	50
157-980-05	970 C St.	In review	Former Hamilton Air Base	–	3	29	–	32
Total				305	576	282	1,296	2,459

<sup>1</sup> Per project applications; current as of January 2024.

<sup>2</sup> Any low- or moderate-income units are or will be deed-restricted to the identified income level.

Source: City of Novato

## **Project Pipeline – Approved or Under Construction**

Projects in this category have received their development approvals and are either under construction or in a pre-construction phase of development.

### **124-282-18 | 200 San Marin Dr. | Comstock Commons**

This project consists of six live/work units on a 25,700 square foot infill parcel in the San Marin neighborhood of Novato. Due to its size, the project is exempt from the City's inclusionary housing requirement to provide affordable units on site, but is subject to paying in-lieu affordable housing fees; these fees are leveraged by the City to support other affordable housing projects such as



the Habitat for Humanity and Homeward Bound of Marin projects described below. Because of the unit size and type, as well as the project location, the units are assumed to serve moderate-income households.

The applicant requested a zone change from Planned District to General Commercial and a condominium map, all of which were approved by the City on March 22, 2022.

### **125-180-49 | 8161 Redwood Blvd. | Habitat for Humanity**

This 80-unit residential project was proposed by Habitat for Humanity of Greater San Francisco (Habitat). The project is required to deed-restrict 100% of the units as affordable housing with 40 low-income and 40 moderate-income units. It is located on a 13.5-acre property donated to Habitat by Pacific Gas & Electric.

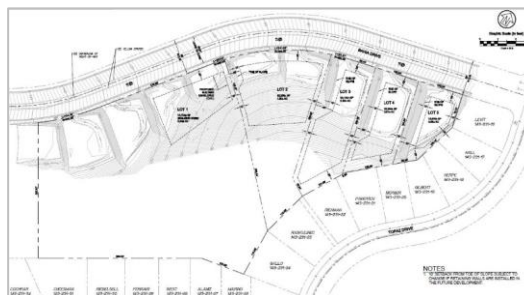


The property was formerly zoned for Light Industrial Office (LIO). A General Plan amendment and zone change, as well as all other needed entitlements, were approved by the City on January 11, 2022. In addition, the City granted tax and fee waivers totaling \$1,482,876 for the project, as well as two separate grants of \$350,000 and \$160,902 for a cumulative City contribution to the project of \$1,993,778. Habitat was able to leverage the two City grants via a three-way City-County-State program, which increased public funding of the project by another \$700,000 and \$321,804, respectively.

The project was issued a grading permit in November 2022 and is currently in plan review for building permitting.

### **143-151-06 | Bahia Dr. (east of Cerro Crest Dr., west of Topaz Dr.) | Bahia River View**

This project is a 5-lot subdivision of a vacant lot located in the Bahia neighborhood of Novato. The applicant requested a zone change from PD to R1-10 and tentative subdivision map in order to develop five single family homes. The City approved the requests in March 2022. The final map process to record the subdivision is currently in progress. The property and entitlements are currently for sale and have generated interest from residential builders.



### **153-162-70 | 101 Landing Ct. | AHO #2 (Former RV Storage Lot)**

This project site was one of the City's 5<sup>th</sup> Cyle Affordable Housing Opportunity (AHO) sites. This project redevelops a former RV, boat, and trailer storage lot into 32 townhomes. Because the site was an AHO site, it is required to deed-restrict 20 percent, or seven units, for lower-income households, set aside as four very low- and three low-income units. Because of the project location and size, the remaining units are assumed to serve moderate-income households.

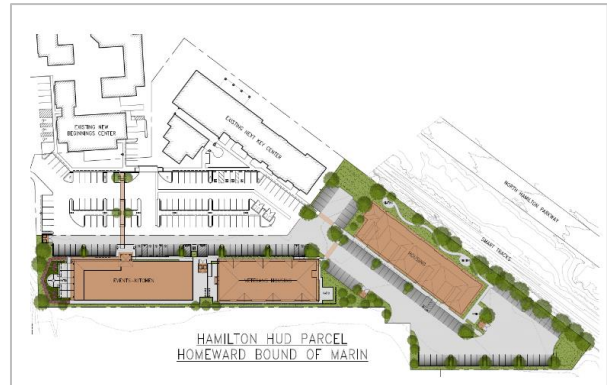


The City approved a vesting tentative map, density bonus (granting of waiver/reduction), and all other needed approvals on December 8, 2020. The property and entitlements were sold by the original project applicant to Affordable Housing Land Consultants, a limited liability corporation affiliated with AMG & Associates, a professional residential development firm. Construction of the project is pending submittal of construction detail plans and issuance of a building permit.

On July 25, 2023 the applicants submitted a revised development application that would include 350 residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

### **157-970-07 | 826 State Access Rd. | Homeward Bound of Marin Veteran's and Workforce Housing**

This project is located on a parcel at the former Hamilton Army Air Base. The property was transferred to the City of Novato by the federal government in the late 1990's and will be leased to Homeward Bound for \$1/year for the purposes of veteran's and workforce housing and jobs training. Homeward Bound is the primary operator of homeless shelters and services provider in Marin County.



The project consists of 26 workforce apartments and 24 one-bed units reserved for formerly homeless military veterans, as well as a 10,800 square foot commercial kitchen and event/dining space. The facility will house a culinary training program for residents of the new development as well as the neighboring Next Key Center. The workforce/veteran's housing will complete Homeward Bound's Hamilton campus. The campus includes Next Key, 29 studio apartments set aside for formerly homeless residents completing jobs trainings programs, and New Beginnings, an 80-bed shelter which opened in 2000, set aside for single adults and offering onsite employment skills training. The City approved the project in August 2022, along with a grant of \$750,000 to assist with development. The project pulled its first building permit in November 2022 and is currently under construction.

### **Project Pipeline – In Review**

Projects in this category are currently under active review by the City of Novato.

### **123-202-03, -04, -05 | 773-777 San Marin Dr. | Fireman's Fund**

The 777 San Marin project is proposed at the former Fireman's Fund office campus and is located in the North North Redwood Boulevard Focus Area (Site 7) of Novato General Plan 2035. General Plan 2035 was adopted in October 2020 and includes Land Use Policy 27, describing the City's perspective on future land uses and development in this focus area. In particular, Land Use Policy 27 acknowledges the City's interest in considering General Plan and zoning amendments for a mixed-use redevelopment (commercial and residential) of Site 7 if proposed by the owner. The property was purchased by San Marin Owner, LLC (Applicant), an affiliate of Bay West Development.



The City received an application for Design Review from the Applicant on July 7, 2021, together with all required forms and a deposit of \$7,206. The Applicant submitted a plan set for review by staff and the City's Design Review Commission.<sup>1</sup> Excerpts from their plan set follow:



Since that time, approximately 90 hours of City staff time and 75 hours of City consultant time have been spent working with the Applicant on redevelopment of the former Fireman's Fund Insurance campus to a mixed-density housing development. This time does not include significant staff time spent engaging the Applicant and their legal counsel in pre-property purchase and pre-application discussions prior to their formal application, including conversations about amending Novato General Plan 2035 to recognize a full residential redevelopment of the property. Based on these conversations, the Applicant subsequently purchased the property with an understanding there was staff support for a residential redevelopment proposal and an understanding of the application requirements and process to realize such development.

The Applicant filed their application prior to the City initiating its Housing Element update work. Once the update began, they requested to be brought into the Housing Element process. The Applicant was advised their proposal would be recognized in the Housing Element as a "pipeline project." Additionally, the City agreed to incorporate the project into the CEQA analysis needed for the Housing Element update to relieve the Applicant from covering the cost of separate CEQA documentation for the project.

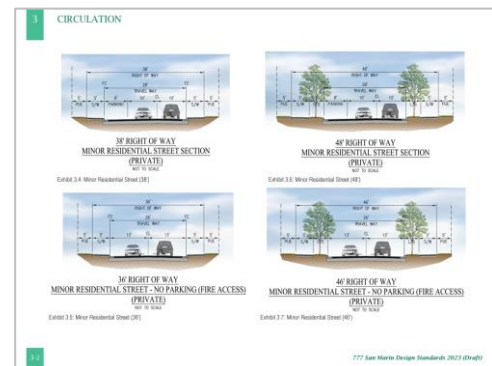
4 ARCHITECTURAL OBJECTIVE STANDARDS - SINGLE FAMILY	
Contemporary	
	<b>DEFINING CHARACTERISTICS include all, unless otherwise noted:</b> <ul style="list-style-type: none"> <li>One primary roof form</li> <li>Subsidiary roof forms, and/or dormers smaller than primary roof form</li> <li>Gable, Shed or Flat roofs (Max. 2)</li> <li>0-18° Eaves</li> <li>0-18° Pitch</li> </ul>
	<b>For pitched roofs only choose one of the following (does not apply to flat roofs):</b> <ul style="list-style-type: none"> <li>Max. 40 year dimensional composition roof shingles</li> <li>Flat Concrete Roof Tiles</li> </ul>
	<b>Exterior Finish (Max. 2)</b> <ul style="list-style-type: none"> <li>Horizontal Lap Siding with 4" exposure</li> <li>Horizontal or Vertical T&amp;B Siding</li> <li>Block or Stone Veneer</li> <li>Stucco</li> <li>Smooth, smooth or fine dash finish</li> </ul>
	<b>Windows and Doors</b> <ul style="list-style-type: none"> <li>Recessed windows (min. 2") or enhanced window trim (min. 2" deep at front elevations, enhanced elevations, and 2nd story windows or exterior elevations visible from a street or common open space)</li> <li>Garage Doors - flat (no panels) or rectangular recessed panels (no benefit). Any windows to be square or rectangular</li> </ul>
<b>Trim and Accents</b> <ul style="list-style-type: none"> <li>Trim shall match adjacent material</li> <li>No more than 3 wall colors, or combination of colors and brick/stone veneer per building</li> <li>No more than 3 accent colors for trim, decorative elements, and doors per building</li> </ul>	
<b>ADDITIONAL UNLAWFUL ELEMENTS (2 required):</b> <ul style="list-style-type: none"> <li>Standing beam metal roof</li> <li>Decorative metal or wood railings</li> <li>Male serrated or windows or doors</li> <li>Wood brackets or kickers</li> <li>Wood Porch Posts</li> <li>Wood or Smooth Foam Trim</li> <li>Rectangular Square or Round columns and pilasters - minimum of 4" width in any direction</li> <li>Flush entry doors with no panels. Any glazing to be square or rectangular</li> </ul>	
777 San Martin Design Standards 2023 (Draft)	

During conversations about the project's relationship to the Housing Element, staff observed that the proposal requires a particular mix of product types and densities, some of which are below State "Mullen densities" and some that are above densities allowed by the City's existing zoning

<sup>1</sup> City staff are aware that a consultant working on this project has provided comments to HCD. The particular comment was that they did not have an application on file. This comment appears to be in stark contrast to the application materials, deposit monies, staff work, and public meetings associated with this project and this property.

designations. Staff also advised the Applicant that objective standards would be applied to the project consisting of the standards being developed for City-wide application to residential development in Novato (see Program 3.C).

The Applicant expressed concern about applying the City's draft standards given some of the physical characteristics of the project site, such as existing utility and drainage easements and roadway network. The Applicant desired standards with more flexibility than that offered by the City's draft objective standards. As a result, the Applicant requested to work collaboratively with City staff on the development of objective design standards specific to this development proposal and carry those standards through the City's design review process. Since that time, the Applicant has developed a 68-page set of objective design standards for the entirety of the project site and its components, including residential unit types, circulation (streets) types and locations, and open space locations and configurations.



On January 23, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, 44-acres of the property is now assigned the High-Density Multiple Family Residential (R20) land use designation of Novato General Plan 2035. This designation permits a density range of 20.0 to 30.0 dwelling units per acre, representing development potential of up to 1,300 dwelling units. The balance of the property is now designated as Open Space (OS); this area is constrained by steep slopes, oak woodlands, drainage channels, and wetlands. The City Council's action also included adopting an ordinance establishing a site-specific master plan/ precise development representing the zoning regulations applicable to future residential development projects at the property. The master plan/ precise development incorporates the objective design standards developed by the Applicant and recommended by the City's Design Review Commission. Of note, the master plan/precise development plan includes a provision requiring a minimum of 25% of the single-family residences proposed at the property to include a junior accessory dwelling units, representing the potential for an additional 40 to 60 dwelling units.

## 125-580-23, 125-180-38 | North Redwood Dr. & Pinkston Rd. | Valley Oaks

This proposed residential development includes 61 attached and detached single family homes with 42 attached junior accessory dwelling units (JADUs) and 20 townhome-style condominium units on a 37.6-acre site. The site has been laid out to avoid oak woodland habitat and creek crossings and has been sensitively designed around one of the City's other AHO sites from the 5<sup>th</sup> Cycle (the area shown in gray in the graphic and labeled "Land Use: BPO, Zoning: PD)."



Similar to the Fireman's Fund site at 777 San Marin (above), this project included a mix of densities and housing products. The City worked with this developer to design project-specific objective design standards for the build-out of the proposed project's housing units, streets, parking areas, and open space. The site-specific objective design standards were recommended for approval by the Design Review Commission on April 19, 2023. The developer has notified City staff that he has successfully negotiated a purchase deal with a builder and the project could complete permitting before the end of 2024 and be under construction.



The project will provide 16 to 20 units affordable to low- and moderate-income households in order to comply with the City's inclusionary ordinance. These units will be guaranteed through deed restrictions. In addition, the 49 JADU units are assumed to serve very low-income households due to their size and situation. The remaining units are assumed to serve above moderate-income households.

On January 9, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, portions of the property are now assigned the High-Density Multiple Family Residential (R20; 20- to 30- units per acre), Medium Density Residential (R5; 5.1 to 10.0 units per acre), and Open Space (OS) land use designations of Novato General Plan 2035. The City Council's actions also included adopting an ordinance establishing a site-specific master plan/precise development representing the zoning regulations applicable to future residential development projects at the property, as well as a tentative subdivision map. The master plan/precise development incorporates the objective design standards developed by the Applicant and recommended by the City's Design Review Commission.



### **141-201-12, -48 | 1787 Grant Ave. | AHO Site #1**

This residential project proposal is for 35 new attached single-family homes on two parcels, totaling 2.15 acres. The site was formerly occupied by Bridgepoint Academy, a private preschool facility. The site includes several constraints, including a creek and floodway easement, making more density difficult to achieve. This site was one of the City's AHO sites in the 5<sup>th</sup> Cycle and will need to meet the more stringent affordability levels of the AHO sites. Four units will be deed-restricted for very low-income households while another four will be deed-restricted for low-income households. Based upon the project's location and project density, the remaining 27 units are assumed to serve moderate-income households.



### **141-261-29 | 1316-1320 Grant Ave., 1020 Fourth St. | AMG #1**

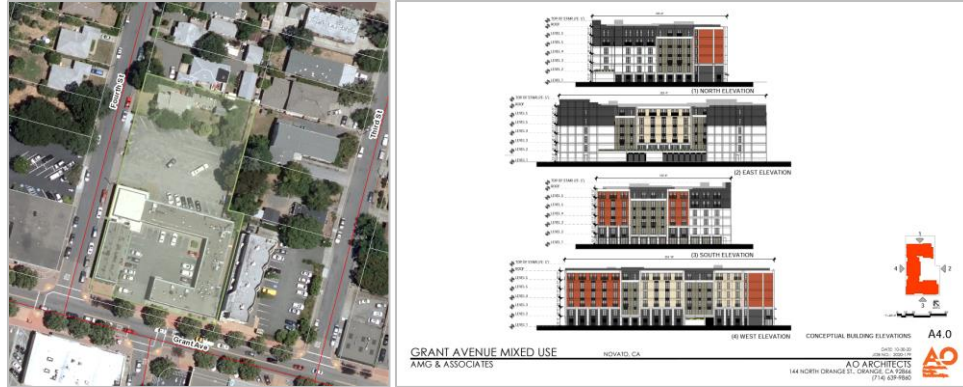
This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020.<sup>1</sup> This project is referred to as AMG #1 (City case file #P2020-038).

The proposed project is located on two parcels in Downtown Novato which combine to 1.2 acres and are currently improved with single story medical and dental office buildings and a single-family home. These improvements would be demolished to accommodate the proposed project. The applicant proposed a 75 percent density bonus project based on proximity to the City's Sonoma-Marín Area Rail Transit (SMART) station for a total of 225 units and 41 parking spaces. The developer's Notice of Intent (dated 10/30/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units (23 units) at 50% AMI for Marin County
- 10% of affordable units (23 units) at 60% AMI for Marin County
- 60% of affordable units (133 units) at 80% AMI for Marin County
- 20% of affordable units (46 units) at 110% AMI for Marin County.

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<sup>1</sup> City staff are aware that AMG & Associates has communicated to HCD about what they perceive to be an unwarranted amount of time spent in the AB 168 tribal consultation process. It is the City's perspective that the State legislature, through enacting AB 168, has confirmed that Native American tribes have a right to consult with developers and it is the City's role to facilitate that consultation process. The City has followed all applicable laws regarding these required consultations. Several of the consultation outcomes have been the sole decision of the developer or were the result of the developer's actions.



The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

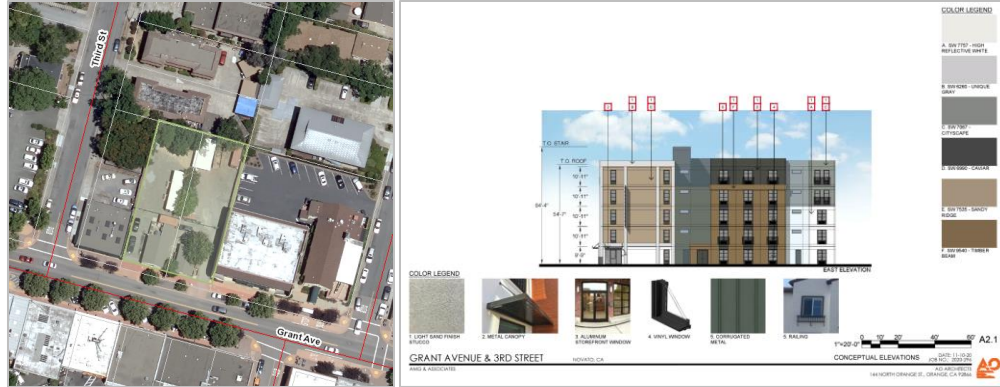
On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

#### **141-262-13, -14 | 1212-1214 Grant Ave. | AMG #2**

This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020. This project is referred to as AMG #2 (City case file #P2020-013).

The proposed project is located on two parcels in Downtown Novato which are occupied by two small, single-story structures which currently house small service and retail businesses, including a travel agency. These improvements would be demolished to accommodate the proposed project. The two parcels combine to just over one-third of an acre (0.37 acres). The developer proposed an 80 percent density bonus project based on proximity to the City's SMART station for a total of 67 units; no parking is included. The developer's Notice of Intent (dated 11/11/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units at 50% AMI for Marin County
- 10% of affordable units at 60% AMI for Marin County
- 60% of affordable units at 80% AMI for Marin County
- 20% of affordable units at 110% AMI for Marin County.



The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

### 141-282-04, -07 | 1107-1119 Grant Ave. | AMG #3

This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020. This project is referred to as AMG #3 (City case file #P2021-012).

The proposed project is located on two parcels in Downtown Novato which are occupied by a vacant building formerly occupied by Pini Hardware and its adjacent parking lot. These improvements would be demolished to accommodate the proposed project. The two parcels combine to just less than an acre (0.85 acres) and are one of the largest underutilized holdings Downtown. The applicant proposed an 80 percent density bonus project based on proximity to the City's SMART station for a total of 198 units and 32 parking spaces. The developer's Notice of Intent (dated 11/10/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units at 50% AMI for Marin County
- 10% of affordable units at 60% AMI for Marin County
- 60% of affordable units at 80% AMI for Marin County
- 20% of affordable units at 110% AMI for Marin County



The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

#### **143-011-05, -08 | 7506 & 7530 Redwood Blvd. | Village at Novato**

This project is a proposed mixed-use development of 178 new residential units and 14,00 square feet of retail space located along Redwood Boulevard, the City's major north/south arterial. It will be developed in one 3-story and two 4-story buildings on a currently vacant site which was designated as AHO Site #4 in the City's 5<sup>th</sup> Cycle Housing Element.



The applicant requested a density bonus with six requests for waivers or concessions. The identified affordability is based on the density bonus request of 46.25 percent in exchange for a very low-income unit contribution of 14.75 percent of the base yield of 122, or 18 units. The development will provide another seven units restricted for low-income households in order to meet the City's inclusionary requirements. These units will be guaranteed by deed restriction. In addition, the AHO designation carries a density of 20-23 units/acre, with a 20 du/acre minimum. At this density range and based on unit size, staff estimated 40 units will be rented to moderate-income households and the remaining 113 units would serve above moderate-income households.

On January 23, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, portions of the property are now assigned the Mixed Use (MU; 20- to 30- units per acre) and Affordable Housing Overlay (AHO) land use designations of Novato General Plan 2035. The City Council's actions also included rezoning the property to Mixed Use (MU) and approving a design review and density bonus request (additional units, concessions, and waivers) to support the project.

#### **157-690-37, -53 | 115 San Pablo Ave. | Bachelor Officers' Quarters and Officer's Club**

This project is the adaptive reuse of the historic Bachelor Officers' Quarters of the former Hamilton Army Airfield, together with the non-historic Officers' Club building and the non-historic Hamilton



Gym. The total site holdings are approximately nine acres. The property is currently being remapped for sale, so size is approximate. The City offered the parcels for sale through the Surplus Land Act process and has successfully negotiated a deal with a developer experienced with the renovation of historic properties. That developer has entered into a Purchase and Sale Agreement with the City and is in the process of developing their project plans.

The developer's plan is to renovate the Officers' Quarters and replace both the Officers' Club and Gym. Though early in the process, the developer has projected 91 total units and is anticipating setting aside no less than 40 percent of those units (or 36) for low-income households. This high percentage is the result of their particular funding sources. The remaining 55 units are assumed to accommodate above moderate-income households due to the project location, site, and amenities.



The developer has committed to timelines through the sales agreement which would result in the units being produced within the 6<sup>th</sup> Cycle planning period.

### **153-170-56 | 200 Landing Ct. | The Pavilions Eco Village**

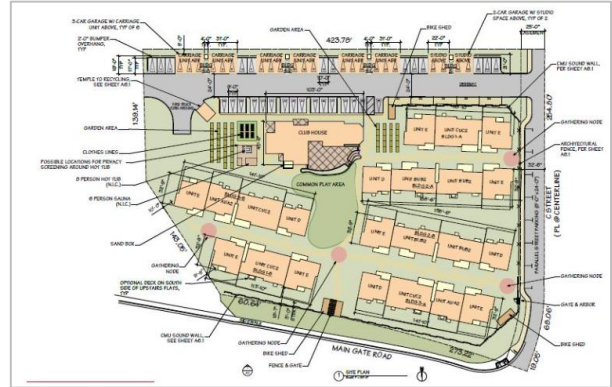
The subject site consists of a single parcel and is currently vacant and undeveloped. Surrounding uses and zones are mixed, with R1 and R4 single-family residential neighborhoods to the north and west, and parcels zoned General Commercial (GC) to the south and southeast. Immediately east of the property is Highway 101. One of the nearby GC parcels (101 Landing Ct.) is in the project pipeline and described above.

The site is considered feasible for a live/work development of 28 residential units of three affordability categories: three low-, and three moderate-, and 22 above moderate-income. Approximately two acres of the site area nearest to the existing street are considered developable. The remainder of the site has considerable slope, which has been difficult to design around. The plan shown to the right illustrates the development footprint that is feasible for development.

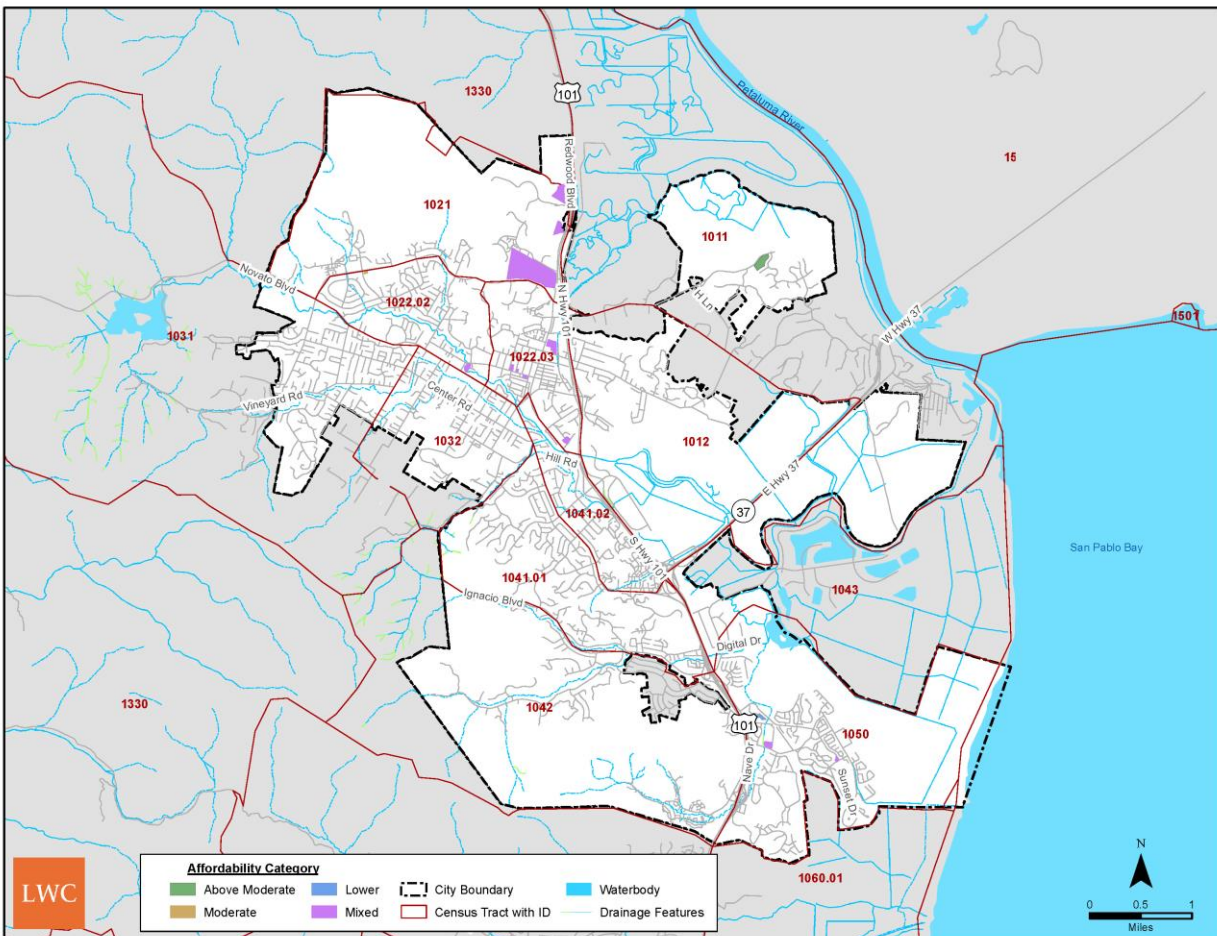
This neighborhood has been generally attractive for development/redevelopment as evidenced by the neighboring site with approval for residential development. This market evidence, together with the property owner's interest in residential zoning, proximity to amenities, and transit combine to make this site attractive for residential development.

### **157-980-05 | 970 C St. | C Street Village**

This proposed project is a co-housing development of 32 townhomes and flats, together with a 3,738 square foot clubhouse for community activities, located on a 2.68-acre parcel in Novato's Hamilton neighborhood. The project will be required to meet the City's 20 percent inclusionary requirement which would result in seven units being set aside for low- (4) or moderate- (3) income households. The unit sizes range from 840 to 1818 square feet. This project applicant is the actual group of buyers who will eventually own the housing units. They will essentially be acting as owner/builders and eliminating the typical mark-up that would come from a builder. Based upon this fact, as well as the unit sizes, the project density, and the project location, the remaining 25 units were also assumed to accommodate moderate-income households.



**Figure B-1: Entitled and Proposed Developments by Income Affordability Category**



### B.2.3 Density and Capacity Assumptions

Table B-4 identifies the maximum allowed densities for zoning districts that allow residential uses. Novato does not have any minimum density standards in any of the following zones.

**Table B-4: Maximum Density for Zones that Allow Residential Development**

Zoning District		Max Density
<b>Residential Districts</b>		
RR	Rural Residential	0.49 du/ac
RVL	Very Low Density Residential	1 du/ac
R1	Low Density Residential	5 du/ac
R4	Medium Density Detached Residential	7 du/ac
R5	Medium Density Residential	10 du/ac
R10	Medium Density Multi-Family Residential	20 du/ac
R20	High Density Multi-Family Residential	30 du/ac
<b>Commercial and Industrial Districts</b>		
BPO	Business and Professional Office	—
CN	Neighborhood Commercial	20 du/ac
CDR	Downtown Core Retail	23 du/ac
CDB	Downtown Core Business	23 du/ac
<b>Special Purpose Districts</b>		
MU	Mixed Use	20 du/ac
CF	Community Facilities	20 du/ac
REI	Research/Education-Institutional	— <sup>1</sup>
<b>Overlay Districts</b>		
D	Downtown Novato Specific Plan Overlay District	— <sup>2</sup>
H	Historic Overlay District	— <sup>2</sup>
AHO	Affordable Housing Opportunity Overlay District	23 du/ac
<sup>1</sup> Maximum number of dwellings upon final buildout shall not exceed 130 residential units. <sup>2</sup> May be combined with any primary zoning district.		

Source: City of Novato General Plan 2035, Chapter 2 (Great Places)

### Realistic Capacity and Development Trends

Recent projects approved in Novato are an important indicator of realistic residential capacity for future projects in the community. Table B-5 summarizes assumptions for realistic residential

development capacity based on recent development trends from in process, approved, entitled, and/or permitted projects within Novato.

**Table B-5: Realistic Residential Development Capacity Assumptions**

Zone <sup>1</sup>	Projects Proposed, Approved, Permitted, and/or Built	Average Development Trends Capacity	Realistic Capacity Assumption
<b>R1-10</b>	- Bahia River View (0.73 du/ac; above moderate income)	0.7 du/ac (14.6% max density)	14.6% max density (0.7 du/ac)
<b>R-10</b>	- Springbrook Green Homes (7.03 du/ac; above moderate income)	7.0 du/ac (35.2% max density)	35% max density (7.0 du/ac)
<b>MU</b>	- Village at Novato (30.43 du/ac; mixed income)	30.4 du/ac (132% max density)	70% max density (4.3 du/ac)
<b>-AHO</b>	- 7711 Redwood Blvd. Residences (20.0 du/ac; lower income) - Grant Ave. Residences (16.7 du/ac; mixed income) - Landing Court Homes (16.2 du/ac; mixed income)	17.6 du/ac (76.6% max density)	75% max density (17.3 du/ac)
<b>PD</b>	- Bahia Heights (1.1 du/ac; above moderate income) - Atherton Place (14.0 du/ac; above moderate income) - Hamilton Cottages (10.7 du/ac; mixed income) - Comstock Commons (10.7 du/ac; moderate income) - Habitat Redwood Blvd. (5.9 du/ac; mixed income) - Fireman's Fund (36.1 du/ac; mixed income) - Valley Oaks (3.2 du/ac; mixed income) - Bachelor Officer's Quarters/Office's Club (9.1 du/ac; mixed income) - Homeward Bound of Marin – Workforce and Veteran Housing (18.9 du/ac; very low income) - C Street Village (12 du/ac; mixed income)	12.2 du/ac (57.4% max density) <sup>2</sup>	12.2 du/ac
<b>CDR</b>	- 1301 Grant Ave. Mixed Use and HenHouse Brewing Company (21.4 du/ac; above moderate income) - Grant Ave. & 3 <sup>rd</sup> St. (181.1 du/ac; mixed income) - Grant Ave. Mixed Use Project (189.2 du/ac; mixed income) - AMG 3 (232.9 du/ac; mixed income)	156.2 du/ac (678.9% max density)	75% max density (17.3 du/ac)
<b>CF</b>	- Hamilton Village (16.0 du/ac; above moderate income)	16.0 du/ac (80% max density)	75% max density (15 du/ac)

<sup>1</sup> No sites are located in the A, C, RR, RVL, R1, R4, R5, BPO, CN, CG, CDR, CDB, CI, LIO, CF, REI zoning districts, nor are any sites within the D or H overlay districts.

<sup>2</sup> Percentage of maximum density calculated from proposed, approval, permitted, and/or built projects on parcels whose underlying General Plan land use designation possessed a maximum density (i.e., R1, R10, MU, CN, CF). This percentage calculation excluded the following projects: Comstock Commons, Habitat Redwood Blvd., Fireman's fund, Valley Oaks.

Source: City of Novato

The realistic capacity assumptions identified in Table B-5 are conservative, reflecting densities in-line or slightly lower than demonstrated trends, though there are instances in which development has been proposed above 100 percent of maximum allowed density. For example, the Village at Novato project (currently in review, as described above in Table B-3) proposes 25 lower-income,



40 moderate-income, 113 above moderate-income housing, as well as 14,000 square feet of ground floor retail/commercial space. This higher density and the number of affordable units are the result of the property being within the Affordable Housing Opportunity (AHO) Overlay, a requested zoning amendment from General Commercial (CG) to Mixed-Use (MU), and the applicant requesting a density bonus pursuant to State law.

Of the recently proposed, approved, and/or entitled projects in these zones (see Table B-5), no projects requested densities below the density assumptions for the sites inventory (see Table B-7).

Projects that are below maximum density are constrained by various factors, including but not limited to the City's hillside lot regulations, design standards/guidelines, and the Design Review process. As discussed in Appendix C, [Division 19.26](#) (Hillside and Ridgeline Protection) of the Zoning Ordinance will be evaluated and modified to reduce ambiguities in hillside regulations and streamline their application to relevant parcels (Program 3.B). Additionally, [Section 19.42.030.E \(Design Criteria\)](#), which describes the findings required during the Design Review process, will be replaced with objective design standards in compliance with SB 330 (Program 3.C) and the Design Review process as a whole will be streamlined to reduce average processing time (Program 3.D). Also, market forces in Novato influence housing development to keep density lower than in other parts of the Bay Area region.

## **B.2.4 Methodology**

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To create the Housing Element sites inventory in compliance with State law, the City of Novato developed a comprehensive, iterative methodology to screen parcels for near-term development. The methodology is comprised of several phases described below.

### **Phase 1: Vacant Residential Parcels**

The City analyzed vacant sites in multi-family and mixed-use zoning districts identified in the 5<sup>th</sup> Cycle Housing Element to determine which are still available for development. Each vacant parcel was identified to potentially be able to accommodate a specific income category given its maximum allowable density standards. Income level determinations are identified in Table B-6. The lower-income category threshold is consistent with the default density for Novato pursuant to Government Code Section 65583.2(c)(3).

**Table B-6: Income Levels by Density**

Density Allowed by Zone	Income Level
< 10 dwelling units/acre	Above moderate
10 – 19 dwelling units/acre	Moderate
≥ 20 dwelling units/acre	Lower

Source: HCD

## **Phase 2: Screening for Potential Lower-Income Sites**

Per Government Code Sections 65583.2(c)(2)(A) and (B), sites accommodating lower-income housing should be between 0.5 and 10 acres. All sites originally considered for lower income housing capacity but whose lot size is smaller than 0.5 or larger than 10 acres were categorized for moderate income housing capacity.

## **Phase 3: Site-by-Site Assessment**

Following the screening analysis, a site-by-site assessment and refinement of sites was conducted using additional information from direct observation or firsthand experience from City staff. During this analysis, some potential sites were found to have other conditions (e.g., irregular shape, accessibility issues/landlocked, etc.) that could preclude them from the site inventory. This analysis included an evaluation of environmental and infrastructure constraints, described in Appendix C, Section C.4. There are no known environmental, infrastructure, contamination, easement, or property condition constraints to the development of housing on the identified sites in the sites inventory during the planning period.

## **Phase 4: Parcels in Prior Housing Elements**

Vacant parcels from both the 4th and 5th Cycles and non-vacant parcels from the 5th Cycle can be reused in this Housing Element (the 6th Cycle) to accommodate lower-income housing, but they must be rezoned to allow projects with at least 20 percent of the units affordable to lower income households to be by-right. Figures B-2 and B-3 below show all 6<sup>th</sup> Cycle sites and identify any site previously identified as a site in the 5<sup>th</sup> Cycle. All 6<sup>th</sup> Cycle sites currently allow multi-family housing by-right at densities adequate to accommodate lower-income housing based on the City's General Plan and Zoning Code; therefore, no additional rezoning is required.

## **Phase 5: Rezone Site Selection**

The preliminary evaluation of existing residential capacity showed the need to identify additional sites to accommodate the RHNA. Based on statements of interest and local knowledge, the City prepared an initial list of potential rezone areas/parcels. The sites were narrowed to those found to be most suitable for housing development based on environmental impact, property owner interest, likelihood of development, and affirmatively furthering fair housing (see Appendix F). The

potential rezone sites and associated evaluation were presented and discussed at the Planning Commission and City Council. The City Council considered input from the public and Commission before approving the rezone areas/parcels for inclusion in the Housing Element. Based on this direction, this Housing Element includes Program 1.A (Rezone for RHNA Shortfall).

Table B-7 lists the parcels in the City's housing sites inventory with unit capacity by income category, excluding parcels identified for rezoning.

Table B-7: Sites Inventory

Location		Current Designation		Density (du/ac)		Acres	Existing Use	Infra.	Publicly Owned	Identified in Past HE Cycles	Unit Capacity			Income Categories		
Address/ Intersection	APN	GP	Zoning	Min.	Max.						Max	Density Assumption	Realistic Net	Lower	Mod.	Above Mod.
1110 Olive Ave.	141-234-10	R10	R10-4.5	–	20	0.49	Vacant	Current	No	Yes, Last 2	9.80	35%	3	–	3	–
1017 4th St.	141-253-09	R10	R10-4.5	–	20	0.17	Vacant	Current	No	Yes, Last 2	3.46	35%	1	–	1	–
Vallejo Ave. & 1st St.	141-263-30	MU	MU	–	20	0.31	Vacant	Current	No	Yes, Last 2	6.26	70%	4	–	4	–
Total														0	8	0

Source: City of Novato

## Section B.3 Adequacy of Residential Sites in Meeting RHNA

### B.3.1 Summary

Table B-8 summarizes the City's methods for satisfying the majority of its RHNA and outlines the City's unit capacity based on projected ADUs, approved/entitled projects, and available sites (described above in Tables B-1 B-3, and B-7). Based on these sources, the City has excess capacity in the lower and above moderate- income categories, but a shortfall of 14 units in the moderate-income category. The City has identified potential parcels for rezoning to address the RHNA shortfall, which would result in surplus capacity for all income levels (Table B-9 and Program 1.A).

**Table B-8: Residential Development Potential and RHNA**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>	<b>See Very Low</b>	<b>570</b>	<b>328</b>	<b>332</b>	<b>860</b>	<b>2,090</b>
ADUs	–	35	36	35	12	118
Proposed/Approved/Entitled Projects	–	305	576	282	1,296	2,459
Sites Inventory	–	–	–	8	–	8
<b>Remaining RHNA</b>	<i>See Very Low</i>	-54		7	-448	-495
<b>Surplus / (Shortfall)</b>		<b>54</b>		<b>(7)</b>	<b>448</b>	<b>495</b>

Source: City of Novato, LWC

**Table B-9: Residential Development Potential and RHNA (With Rezoning Program)**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>	<b>See Very Low</b>	<b>570</b>	<b>328</b>	<b>332</b>	<b>860</b>	<b>2090</b>
ADUs	–	35	36	35	12	118
Proposed/Approved/Entitled Projects	–	305	576	282	1,296	2,459
Sites Inventory	–	–	–	8	–	8
<b>Remaining RHNA</b>	<i>See Very Low</i>	-54		7	-448	-495
<b>Surplus / (Shortfall)</b>		<b>54</b>		<b>(7)</b>	<b>448</b>	<b>495</b>
Potential Rezoning		–		42	–	42
<b>Final Surplus / (Shortfall) with Rezoning</b>		<b>54</b>		<b>35</b>	<b>448</b>	<b>537</b>

Source: City of Novato, LWC

The City will monitor development during the 6<sup>th</sup> Cycle planning period (2023-2031), and will identify additional sites for housing development, if needed, to maintain availability of adequate sites (Program 1.E).

AB 725 requires at least 25 percent of the above moderate income RHNA be met on sites that allow four or more units, and at least 25 percent of the moderate income RHNA be met on sites that allow four or more units, but not more than 100 units per acre. The City's residential potential through the entitled/proposed projects pipeline and sites inventory complies with these requirements.

### **B.3.2 Rezoning Program**

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The City has specifically identified two rezone sites in order to make up and exceed its moderate income RHNA shortfall and to ensure a surplus or buffer to help maintain its inventory to satisfy its “no-net loss” obligations under SB 166 throughout the planning period. The two rezone sites are as follows:

1. North Redwood
2. Baywood Center Offices

The owners of the two rezone sites have indicated interest in redeveloping these parcels for housing during the planning period (i.e., prior to January 31, 2031). In addition, the City has taken a conservative approach in estimating realistic capacity at each rezone site given unique parcel size, shape, slope, and other geographic characteristics, as well as the density and capacity assumptions described earlier. Please see the individual rezone site profiles below for a more detailed discussion of each.

#### **Market Conditions for Nonvacant Properties**

Of the City's two rezone sites, only Site #2 (also called Baywood Center Offices or 1682 Novato Blvd.) is nonvacant. However, the existing use (office building) is not considered an impediment to residential development given the property owner's interest in discontinuing this use and redevelopment of the site during the planning period.

Redevelopment potential of Site #2 is supported by recent development trends. As demonstrated in Table B-3, three of the City's pipeline projects include nonvacant sites with underutilized office space being redeveloped into multi-family residential developments representing a variety of project scales and levels of unit affordability (see project narratives for Fireman's Fund, AMG #1, and AMG #3 above). The declining trend of brick-and-mortar retail coupled with COVID-19 pandemic impacts has dramatically impacted the viability of many commercial uses – as demonstrated in Table B-3, even several fully-occupied commercial properties and properties with other low-intensity uses are being converted into multi-family and residential mixed-use projects

in Novato. These conversions are occurring based on the strong demand for housing and lack of vacant land.

Redevelopment potential of Site #2 is further supported by recent market data. According to a report by real estate firm Cushman and Wakefield, the regional North Bay office vacancy rate increased in the second quarter of 2023 to 14.2 percent, just below the 14.4 percent vacancy rate observed at the close of the fourth quarter of 2022 – the highest level seen since 2012.<sup>1</sup> The Northern Marin sub-region (which includes Novato and San Rafael) had the highest vacancy rate at 17.2 percent. This decreasing demand for office space serves as additional evidence that existing office uses are not impediments to the redevelopment of housing.

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<sup>1</sup> Cushman & Wakefield, [San Francisco North Bay MarketBeat Report, Office Q2 2023](#). (July 2023)

## Site 1 – North Redwood

<b>Location</b>	<b>Meadow Crest Rd. and Wood Hollow Dr.</b>
<b>APN</b>	<b>125-202-12</b>
<b>Current General Plan Designation</b>	<b>Business &amp; Professional Office (BPO)</b>
<b>Proposed General Plan Designation</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Current Zoning District</b>	<b>Planned Development (PD)</b>
<b>Proposed Zoning District</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Lot Size</b>	<b>8.36 acres</b>
<b>Estimated Housing Units</b>	<b>20 moderate-income units, based on realistic site capacity</b>



### Background and Description:

The subject site is an undeveloped parcel located in the San Marin Commerce Park Master Plan area. The site was originally designated for office development in 1979 and has remained vacant despite approval of an office development in 2000.

Surrounding development includes existing single- and multi-family residences, a to-be-constructed hotel, an 80-unit townhome project under construction on a site rezoned through Novato's 5<sup>th</sup> cycle Housing Element, and an existing office building. There are two pending housing development proposals on separate parcels adjacent to the property. The site is within a half-mile of the San Marin SMART commuter rail station.

### Key Considerations and Feasibility for Site Development:

The site is located in an area of Novato transitioning from prospective office use to housing development given a long-standing lack of demand for new office space. This assessment was corroborated by the property owner, who independently approached the City with a desire to rezone for residential development, even given topographic conditions requiring compliance with the City's hillside development regulations.

Although the site is relatively large in acreage, it is irregularly shaped, steeply sloped in many areas, and hosts stands of oaks trees and open grassland. Despite these characteristics, the site is considered feasible for residential development on the basis of the City's decision in 2000 to approve a 24,000 square-foot office building on the site, which was found to meet Novato's hillside development requirements. Accordingly, the site is projected to accommodate approximately 20 multi-family residences constructed within the same development envelope, building footprint, floor area, and height of the previously approved office building. Such a housing development could potentially consist of one- and two-bedroom apartments or small condominiums in a stacked-flat configuration with surface parking.



## Site 2 – Baywood Center Offices

<b>Location</b>	<b>1682 Novato Blvd.</b>
<b>APN</b>	<b>141-291-32</b>
<b>Current General Plan Designation</b>	<b>Business &amp; Professional Office (BPO)</b>
<b>Proposed General Plan Designation</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Current Zoning District</b>	<b>Business &amp; Professional Office (BPO)</b>
<b>Proposed Zoning District</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Lot Size</b>	<b>1.41 acres</b>
<b>Estimated Housing Units</b>	<b>22 moderate-income units, based on realistic site capacity</b>



### Background and Description:

The subject site consists of a single parcel developed with a three-story, 32,531 square-foot office building with on-site surface parking. Owners of the property requested the City consider this site for potential redevelopment with housing.

The area surrounding the site is developed with commercial uses, single-family homes, and multi-family residences. The site is within easy walking distance to bus stops, restaurants, retail outlets, public parks and facilities (i.e., library, gymnastics, and teen centers), and other commercial services.



### Key Considerations and Feasibility for Site Development:

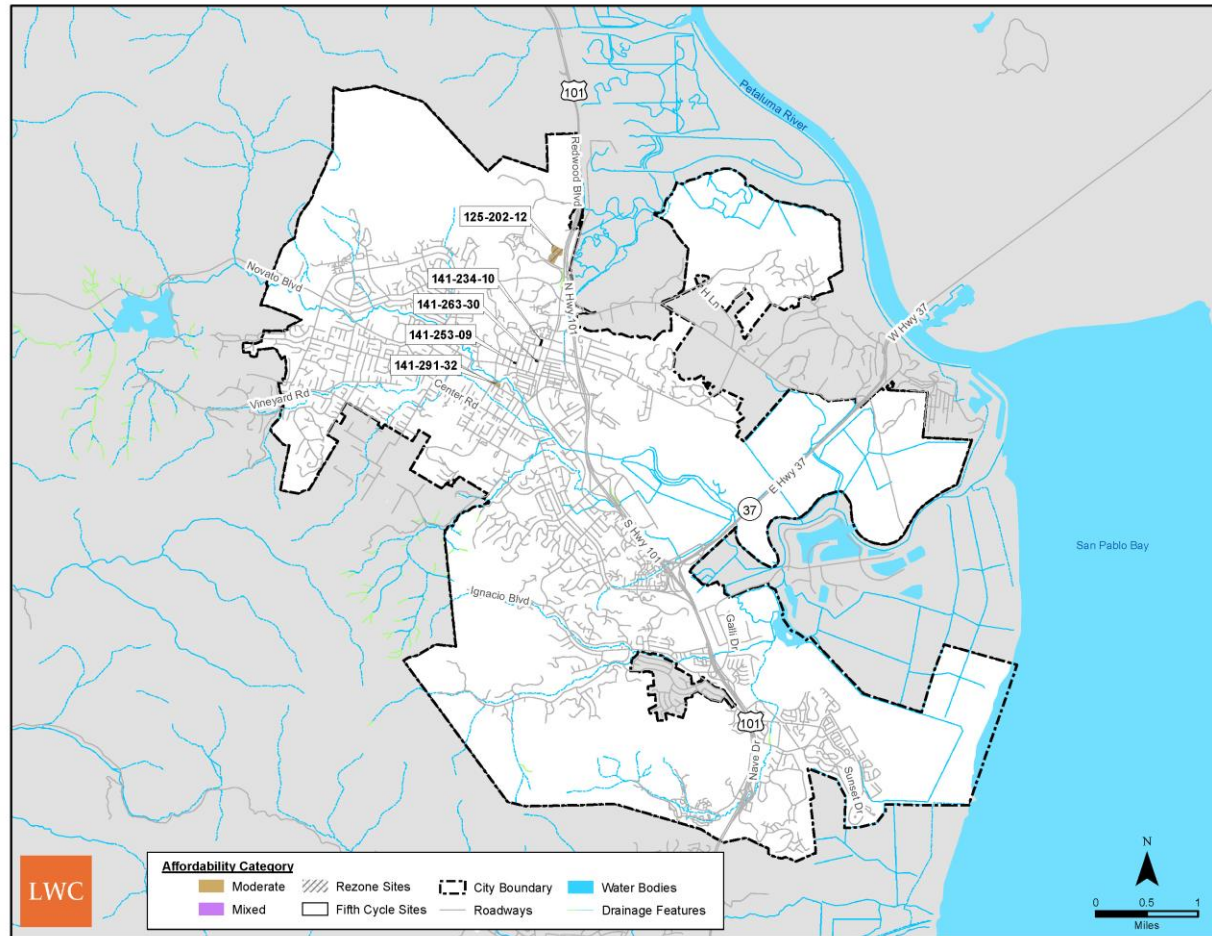
The site is considered to be feasible for housing development of up to 22 residential units through the conversion of the existing building to one- and two-story apartments or small condominiums or redevelopment with a new apartment or condominium development. The site is located in the AO flood zone, but is otherwise free of any known physical constraints that would impair conversion of the existing building to housing or the construction of a new building(s) for housing. New development would need to conform to special design regulations published by the Federal Emergency Management Agency due to the flood zone designation and there are numerous examples in the City of housing developments meeting such standards.

The high vacancy rate of the existing office building, as reflective of the overall office market in Novato, prompted the property owner to request the City consider this site for redevelopment with housing units. Notwithstanding the owner's expressed interest in housing, this site is considered to be generally attractive for redevelopment with multi-family housing given its proximity to downtown Novato, public transit, public parks and facilities, and commercial services.

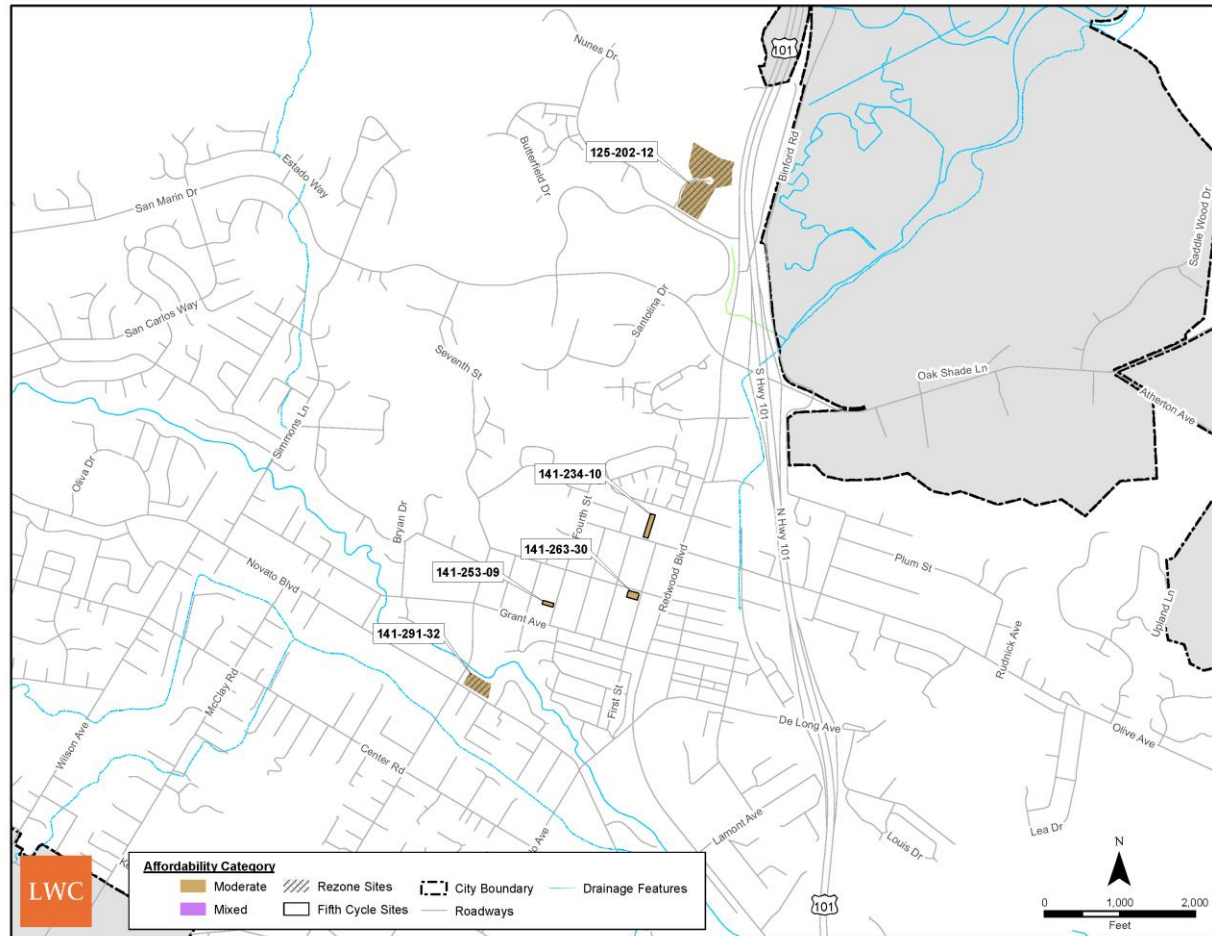
### B.3.3 Housing Sites Map

Figures B-2 and B-3 show the sites inventory and rezone sites by anticipated income affordability category.

**Figure B-2: 6<sup>th</sup> Cycle Housing Element Sites Inventory and Rezone Sites by Income Affordability Category (City View)**



**Figure B-3: 6<sup>th</sup> Cycle Housing Element Sites Inventory and Rezone Sites by Income Affordability Category (North View)**



### B.3.4 Housing Sites Table

Table B-9 lists the parcels in the City's housing sites inventory with unit capacity by income category. All sites are subject to rezoning.

**Table B-10: Rezone Sites**

Address	APN	Parcel Size (Acres)	Existing Use	Current		Proposed		5 <sup>th</sup> Cycle Site	Income Category	Gross Max. Units <sup>1</sup>	Realistic Units
				General Plan	Zoning	General Plan	Zoning				
—	125-202-12	8.36	Vacant	BPO	PD	R20	R20	No	Moderate	133	20
<b>1682 Novato Blvd.</b>	141-291-32	1.41	Offices	BPO	R10	R20	R20	No	Moderate	22	22
<b>Total</b>										<b>155</b>	<b>42</b>
<sup>1</sup> Assumes 20 dwelling units per acre, multiplied by 0.80 to account for non-habitable space, and rounded down.											

Source: City of Novato, LWC

# Appendix C: Housing Constraints

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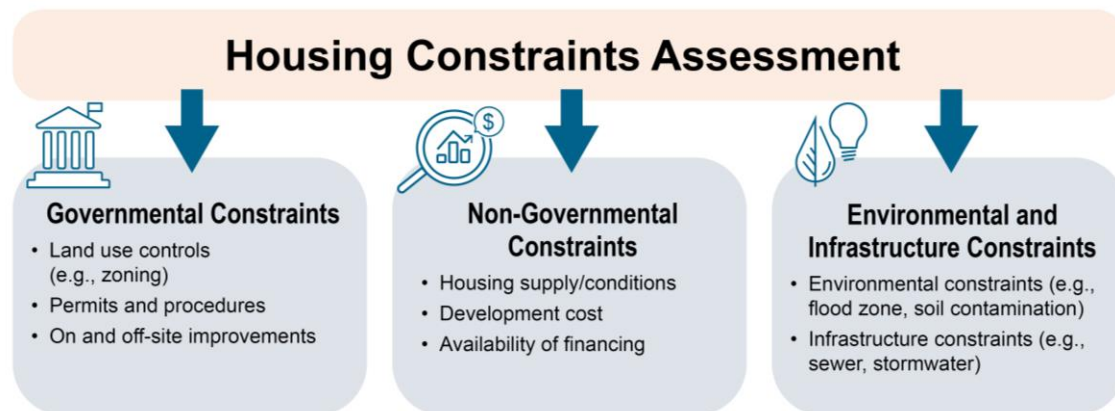


## Section C.1 Introduction and Summary

### C.1.1 Introduction



This Appendix covers local governmental, non-governmental, environmental, and infrastructure constraints to housing production in Novato.



### C.1.2 Summary

City policies and regulations, such as the Zoning Ordinance, and market factors outside of the City's control affect the quantity and type of residential development that occurs in Novato. The following summarizes key governmental and non-governmental constraints to housing development as detailed in this Appendix:

- Definitions within the City's hillside protection regulations are not objective and need to be revised. In addition, ordinance language regulates parcels based on the site's average slope and not the slope of areas proposed for development.
- The design review process has not yet been comprehensively revised to comply with State requirements for objective design standards and streamlined processing. Currently, it includes a sequenced process with land use approval that lengthens the review timeline.
- Due to recent legislative updates, zoning provisions for certain residential uses are not consistent with State law (e.g., Low Barrier Navigation Centers, employee/farmworker housing, density bonus, etc.).
- The City's calculation of density bonus units does not include units designated to satisfy affordable housing inclusionary requirements, which is prohibited by State law.
- Economic conditions in Novato reflect a competitive housing market for both for-sale and rental housing, although comparatively lower land costs facilitate more affordable housing development relative to the rest of the Bay Area.

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## Section C.2 Governmental Constraints

### C.2.1 Introduction

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Since governmental actions can constrain the development and the affordability of housing, State law requires the housing element to "address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Government Code [Section 65583\(c\)\(3\)](#)).

The primary policies and regulations that affect residential development and housing affordability in Novato include the General Plan, the Zoning Ordinance (the Ordinance), development processing procedures and fees, on- and off-site improvement requirements, and the California Building and Housing Codes. In addition to a review of these policies and regulations, this Section includes an analysis of the governmental constraints on housing production for persons with disabilities.

### C.2.2 Land Use Controls

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The following provides an overview of the City's land use controls and their relation to the City's housing supply.

#### **General Plan Land Use Designations**

The City adopted General Plan 2035 on October 27, 2020. Chapter 2 (*Great Places*) addresses State requirements, usually fulfilled by a Land Use Element, including sections on land use, community character, and housing, which direct the location and form of future development.

The General Plan includes 19 land use designations that allow a range of residential development types at a variety of densities (see Table C-1). Density is used for residential land use designations and is described by dwelling units per net acre (du/ac). For primarily non-residential designations, intensity is also used, expressed as the floor area ratio (FAR), which is the total gross floor area of all buildings on a lot relative to the total land area of that lot.

**Table C-1: General Plan Land Use Designations Allowing Residential**

FAR= floor area ratio   du = dwelling unit   ac = acre			
General Plan Designation	Max. Residential		Description
	Density (du/ac)	Intensity/FAR	
Residential			
Rural Residential (RR)	0.49	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses in rural, low-density settings. Additionally, certain agriculture, recreation, education, resource, assembly, lodging, day care, and utility uses may be allowed.
Very Low-Density Residential (RVL)	0.5 - 1	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses on larger lots. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Low-Density Residential (R1)	1.1 - 5	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Detached Residential (R4)	4.1 - 7	–	Applies to areas appropriate for single family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Residential (R5)	5.1 - 10	–	Applies to areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single and two-family homes, either detached or attached, and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Multi-Family Residential (R10)	10.1 - 20	0.6 <sup>1</sup>	Applies to areas appropriate for single family, two-family and multi-family homes and related accessory residential uses. Additionally, certain education, assembly, lodging, day care, and utility uses may be allowed.
High Density Multi-Family Residential (R20)	20.1 - 30	0.6 <sup>1</sup>	Applies to areas appropriate for multifamily housing and related accessory residential uses. Additionally, certain education, assembly, lodging, day care, and utility uses may be allowed.
Commercial and Mixed-Use Designations			
Mixed-Use (MU)	10 - 20	0.4 - 0.8 <sup>2</sup>	Appropriate for sites where the surrounding area is currently developed with a mix of commercial and residential land uses. Certain retail, office, research and development, service, live-work <sup>3</sup> , recreation, assembly, education, and utility facilities may be allowed. Housing development may be permitted only in conjunction with commercial and/or office uses.
Neighborhood Commercial (CN)	10 - 20	0.4 - 0.6 <sup>2</sup>	Applied to neighborhood shopping areas including a mix of retail, service, office, and utility uses. Additionally, certain recreation, assembly, education, and residential uses may be allowed.
General Commercial (CG)	–	0.4	Applied to areas appropriate for a broad range of retail, service, research and development, office, recreation, assembly, education,



**Table C-1: General Plan Land Use Designations Allowing Residential**

FAR= floor area ratio   du = dwelling unit   ac = acre			
General Plan Designation	Max. Residential		Description
	Density (du/ac)	Intensity/FAR	
			and live-work <sup>3</sup> uses. Additionally, certain manufacturing and utility uses may be allowed.
<b>Downtown Core (CD)</b>	10 - 23	1.2 or 2 <sup>2</sup>	Applied to the downtown area suitable for a mix of retail, service, office, recreation, assembly, and education uses. Additionally residential (mixed use and live-work <sup>3</sup> ) and utility uses may be allowed.
<b>Business and Industrial Designations</b>			
<b>Commercial/Industrial (CI)</b>	–	1	Applied to areas suitable for intensive commercial land uses, including certain manufacturing, processing, warehousing, retail, service, office, research and development, recreation, education, utility, and live-work <sup>3</sup> uses.
<b>Business and Professional Office (BPO)</b>	–	0.4	Applied to areas appropriate for a variety of office, research, and education activities. Additionally, certain limited retail, service, residential (live-work <sup>3</sup> ), and utility uses may be allowed.
<b>Research/Education-Institutional (REI) <sup>3</sup></b>	1	0.2	Applied to areas suitable for a mix of medical research, educational and laboratory uses, with related multi-family residential, recreation, office, and commercial uses in a campus setting.
<b>Light Industrial/Office (LIO)</b>	–	0.4 - 0.6	Applied to areas appropriate for light industrial and manufacturing uses, including warehousing, office, retail, live-work <sup>3</sup> and utility uses that will not create objectionable noise, smoke, odor, dust, and other nuisances. Additionally, service, education, and recreation uses may be allowed.
<b>Community and Natural Resource Designations</b>			
<b>Conservation (CON)</b>	1 du/10ac - 1 du/60ac	–	Applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.
<b>Agriculture (AG)</b>	1 du/60ac	–	Applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.
<b>Community Facilities, Public Utilities, and Civic Uses (CF)</b>	10.1 - 20	0.8 <sup>2</sup>	Applied to areas suitable for public land uses, including certain open space and recreation uses may be allowed. Additionally, education, assembly, medical, research and development, service, residential and utility uses may be allowed.
<b>Affordable Housing Opportunity Combining Designation (AHO)</b>	20 – 23 <sup>4</sup>	–	Applied to multi-family dwellings, accessory retail and service uses, recreation, home occupations, community facilities, and other similar uses to serve residents of multi-family dwellings, or any land use normally allowed in the primary land use designations.
<sup>1</sup> Residential care facilities for the elderly. <sup>2</sup> Mixed-use projects must comply with both the FAR and the allowable density range. <sup>3</sup> Live-work projects consist of an integrated housing unit and working space, occupied and utilized by a single household in a commercial or industrial structure which has been designed or structurally modified to accommodate joint residential occupancy and work activity, which includes complete kitchen space and sanitary facilities and working space reserved for and regularly used by one or more occupants of the unit. A live-work unit is not a multi-family dwelling or mixed-use development. <sup>4</sup> Multi-family housing.			

Source: City of Novato General Plan 2035, Chapter 2 (Great Places)

## **Downtown Specific Plan**

The City's [Downtown Specific Plan](#) (DSP) was adopted in 1998 and last amended in 2013. The DSP envisions Novato's Downtown as a multi-faceted hub of economic, social, and cultural activities which attracts pedestrian-oriented commerce while maintaining its small-town character. Limited residential development is allowed on upper floors or towards the rear of sites, but is discouraged along Redwood Boulevard in recognition of its auto-oriented nature. As part of the General Plan 2035 update, the DSP was evaluated to determine which policies and programs were still relevant and which needed to be updated. The decision was made to retain and update policies and programs which remained relevant in the Land Use Element of the General Plan as a Focus Area. The DSP as a separate policy document was repealed with the adoption of General Plan 2035 in 2020.

When amended in 2013, the Affordable Housing Opportunity Combining Designation (AHO) (see Table C-1) was added to the DSP and assigned to 7506 Redwood Boulevard, which is in the process of being developed as a 178-unit mixed-use project.

## **Northwest Quadrant**

The [Northwest Quadrant](#) is a residential neighborhood of older single-family residences and mid-size apartments buildings in close proximity to Downtown restaurants, shopping, services, and transit. The predominant land use designation is Medium Density Multi-Family Residential (R10).

A neighborhood plan prepared and adopted in 1977 sought to stem the development of apartment buildings in the area and included a policy that an existing single-family dwelling in "sound condition" could not be demolished and replaced by a multi-family building (three or more units). As described in Appendix F (Affirmatively Forwarding Fair Housing), the Census tract which contains the Northwest Quadrant now presents some of the most meaningful fair housing issues of any other City neighborhood due to its high proportion of non-white, lower-income, and/or tenant households with a high (9.3 percent) overcrowding rate.

In response to community feedback during the General Plan 2035 planning process, seven recommended updates to the original neighborhood plan were proposed and included as policy LU 28 (Northwest Quadrant Neighborhood). This policy includes programs to consider adoption of new form-based zoning regulations (LU 28b), revision of zoning regulations for non-conforming apartments (LU 28c), and land use redesignation of several sites (LU 28d, LU 28e). Housing Element Program 6.D is proposed to continue implementation of recommended updates to the Northwest Quadrant.

## **Zoning Districts**

The Zoning Ordinance is Chapter 19 of the Municipal Code. The Zoning Ordinance and Zoning Map are available on the City's website, consistent with Government Code [Section 65940.1\(a\)\(1\)\(B\)](#). This Section analyzes the Zoning Ordinance and the zones that allow

residential development. The City has 19 zoning districts which allow residential uses in some capacity. Table C-2 lists the zones that allow residential development with a description of each.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>Agricultural and Resource Districts</b>		
<b>A</b>	<b>Agricultural</b>	Applied to lands that are to be protected and maintained in agricultural use, with allowable non-agricultural uses being related to and supportive of the continuing primary agricultural use. The A zoning district is consistent with the Agricultural land use designation of the General Plan.
<b>C</b>	<b>Conservation</b>	Intended to maintain privately-owned, unimproved land to conserve natural resources. The C zoning district is consistent with the Conservation land use designation of the General Plan.
<b>Residential Districts</b>		
<b>RR</b>	<b>Rural Residential</b>	Intended for areas appropriate for rural, low density residential living. The RR zoning district is consistent with the Rural Residential land use designation of the General Plan.
<b>RVL</b>	<b>Very Low Density Residential</b>	Intended for areas appropriate for the development of single-family homes. The RVL zoning district is consistent with the Very Low-Density Residential land use designation of the General Plan.
<b>R1</b>	<b>Low Density Residential</b>	Intended for areas appropriate for the development of single-family homes. The R1 zoning district is consistent with the Low-Density Residential land use designation of the General Plan.
<b>R4</b>	<b>Medium Density Detached Residential</b>	Intended for areas appropriate for the development of single-family homes. The R4 zoning district is consistent with the Medium Density Detached land use designation of the General Plan.
<b>R5</b>	<b>Medium Density Residential</b>	Intended for areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single- and two-family dwelling units, either attached or detached. The R5 zoning district is consistent with the Medium Density Residential land use designation of the General Plan.
<b>R10</b>	<b>Medium Density Multi-Family Residential</b>	Intended for areas appropriate for a variety of medium density dwelling units, including multi-family, two-family, and single-family residences, either attached or detached. The R10 zoning district is consistent with the Medium Density Multiple Family Residential land use designation of the General Plan.
<b>R20</b>	<b>High Density Multi-Family Residential</b>	Intended for areas appropriate for high density multi-family dwelling units. The R20 zoning district is consistent with the High Density Multiple-Family Residential land use designation of the General Plan.
<b>Commercial and Industrial Districts</b>		
<b>BPO</b>	<b>Business and Professional Office</b>	Applied to areas appropriate for a variety of office activities, including medical and professional offices and office campuses. The BPO zoning district is consistent with the Business and Professional Office land use designation of the General Plan.
<b>CN</b>	<b>Neighborhood Commercial</b>	Applied to neighborhood shopping areas to meet the retail and service needs of nearby residents. The CN zoning district is consistent with the Neighborhood Commercial land use designation of the General Plan.
<b>CG</b>	<b>General Commercial</b>	Applied to areas appropriate for a range of community serving commercial, regional retail, and service land uses. The CG zoning district is consistent with the General Commercial land use designation of the General Plan.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>CDR</b>	<b>Downtown Core Retail</b>	Applied to part of the downtown area and is intended to allow for a mix of commercial, office, and residential land uses with predominantly retail, entertainment, and personal services on the ground floor street frontage to encourage pedestrian activities. The CDR zoning district is consistent with the Downtown Core land use designation of the General Plan.
<b>CDB</b>	<b>Downtown Core Business</b>	Applied to part of the downtown area and is intended to allow for a broad range of commercial, office, and residential land uses. The CDB is consistent with the Downtown Core land use designation of the General Plan.
<b>CI</b>	<b>Commercial/Industrial</b>	Applied to areas suitable for intensive commercial land uses, including automobile repair shops, construction related businesses, and similar uses. The intent of the CI zoning district is to encourage the maintenance and improvement of existing businesses in this zoning district and is consistent with the Commercial/Industrial land use designation of the General Plan.
<b>LIO</b>	<b>Light Industrial/Office</b>	Applied to areas appropriate for light industrial and manufacturing uses including manufacturing, warehousing, offices and assembly uses, involving a limited generation of nuisances. Land uses in the LIO zoning district encompass uses that will not create objectionable noise, smoke, odor, dust, noxious gases, glare, heat, vibration, and industrial wastes. This designation is consistent with the Light Industrial/Office land use designation of the General Plan.
<b>Special Purpose Districts</b>		
<b>MU</b>	<b>Mixed Use</b>	Applied to areas surrounded by land currently developed with both commercial and residential land uses. Commercial and/or office land uses are permitted. Housing development may be permitted only in conjunction with either commercial and/or office uses. The MU zoning district is consistent with the Mixed-Use land use designation of the General Plan.
<b>CF</b>	<b>Community Facilities</b>	Applied to areas suitable for public land uses including government offices, meeting halls, schools and libraries, and other related municipal uses. The CF zoning district is consistent with the Community Facilities, Public Utilities, and Civic Uses land use designation of the General Plan.
<b>REI</b>	<b>Research/Education-Institutional</b>	The REI zoning district was created by Section III of the "1995 Citywide Initiative Measure to Enact Regulations that Will Allow Development of the Buck Center for Research in Aging Project". The REI zoning district is consistent with the Research/Education-Institutional land use designation of the General Plan and zoning that was enacted by that initiative. Allowable land uses, permit requirements, and development standards for the REI zoning district are determined by Section 19.14.050.
<b>Overlay Zoning Districts</b>		
<b>D</b>	<b>Downtown Novato Specific Plan Overlay District</b>	Applied to areas covered by the Downtown Novato Specific Plan, to provide standards for development and new land uses that recognize, protect, and enhance the desired character of the downtown area. The D overlay may be combined with any primary zoning district and in practice is combined with the CG, CDR, CDB, CI, MU, CF, and PD zoning districts.
<b>H</b>	<b>Historic Overlay District</b>	Intended to protect areas and structures identified by the community as historically significant elements that contribute to Novato's cultural, social, economic, political, aesthetic, architectural heritage, identity, and character. The H overlay may be combined with any primary zoning district and in practice is combined with the CDR, CDB, CF, and PD zoning districts.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>AHO</b>	<b>Affordable Housing Opportunity Overlay District</b>	Applied to the five housing opportunity sites identified in the 5 <sup>th</sup> Cycle Housing Element, with an affordable housing/multi-family residential overlay zoning designation (AHO) that may be activated at the time of property development/redevelopment. The AHO overlay may be combined with any primary zoning district and in practice is combined with the R1-7.5, R10, GC, and BPO zoning districts.

*Source: City of Novato General Plan 2035, Chapter 2 (Great Places)*

## Development Standards

Development standards can constrain new residential development if they make it economically infeasible or physically impractical to develop a particular lot, or when it is difficult to find suitable parcels to accommodate development meeting the criteria for building form, massing, height, and density in a particular zoning district.

Through its Zoning Ordinance, the City enforces minimum site development standards for new residential uses. Table C-3 summarizes the basic standards for the City's zoning districts that allow residential development.

**Table C-3: Development Standards in Zoning Districts that Allow Residential Development**

sf = square feet   ft = feet   FAR = floor area ratio   du = dwelling unit   ac = acre													
Base Zoning Districts	Sub-Zone	Max. Density		Min. Lot Size			Min. Setbacks (ft)				Max. Lot Coverage (%)	Max. Height (ft) <sup>3</sup>	Max. (FAR)
		du/sf	du/ac	Area (sf)	Width (ft)	Depth (ft)	Front	Side	Street side	Rear			
A		–	1/60 ac <sup>1</sup>	60 ac	150	150	30	25	–	30	–	30	–
C		–	1/10 ac <sup>1</sup>	10 ac - 60 ac <sup>2</sup>	10 ac - 60 ac <sup>2</sup>	10 ac - 60 ac <sup>2</sup>	30	25	–	30	–	30	–
RR		–	1	80,000	150	150	30	25	25	30	20	30	–
RVL	RVL-80	–	1	80,000	150	150	30	25	20	30	20	30	–
	RVL-40	–	1	40,000	150	150	30	20	20	30	20	30	–
R1	R1-40	–	1	40,000	150	150	30	20	20	30	40	30	0.5
	R1-20	–	1	20,000	100	100	30	15	15 <sup>4</sup>	30	40	30	0.5
	R1-10	–	1	10,000	75	100	25	10	10 <sup>4</sup>	25	40	30	0.5
	R1-7.5	–	1	7,500	60	100	25	6	10 <sup>4</sup>	20 <sup>5</sup>	40	30	0.5
R4		1/6,000	7.3	6,000	50	75	25	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	0.5
R5	R5-7.5	1/7,500	5.8	7,500	50	75	20	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	–
	R5-4.5	1/4,500	9.7	4,500	50	75	20	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	–
R10	R10-4.5	1/4,500 <sup>7</sup>	9.7	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-3.5	1/3,500 <sup>7</sup>	12.4	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-2.5	1/2,500 <sup>7</sup>	17.4	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-2.2	1/2,200 <sup>7</sup>	19.8	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
R20	R20-2.0	1/2,000 <sup>7</sup>	21.8	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R20-1.8	1/1,800 <sup>7</sup>	24.2	10,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R20-1.5	1/1,500 <sup>7</sup>	29	10,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
BPO		–	–	10,000	Determined through subdivision process		25	– <sup>10</sup>	–	– <sup>11</sup>	40	35	0.4
CN		–	–	–			–		40		35	0.4-0.6 <sup>12</sup>	
CG		–	–	–			–		40		35	0.4	
CDR		–	–	–			–		–		100	35 <sup>13</sup>	1.2/2.0 <sup>14</sup>
CDB		–	–	–			–		–		100	35 <sup>13</sup>	1.2/2.0 <sup>14</sup>
CI		–	–	–			–		–		40	35	1.0
LIO		–	–	–			–		–		60	35	0.4 <sup>15</sup>
MU		–	–	–	–	–	20	0-10 <sup>16</sup>	–	0-15 <sup>17</sup>	40	35 <sup>13</sup>	0.4-0.8 <sup>18</sup>
CF		–	–	–	–	–	–	0-10 <sup>16</sup>	–	0-10 <sup>16</sup>	–	35 <sup>13</sup>	0.8

**Table C-3: Development Standards in Zoning Districts that Allow Residential Development**

sf = square feet   ft = feet   FAR = floor area ratio   du = dwelling unit   ac = acre													
Base Zoning Districts	Sub-Zone	Max. Density		Min. Lot Size			Min. Setbacks (ft)				Max. Lot Coverage (%)	Max. Height (ft) <sup>3</sup>	Max. (FAR)
		du/sf	du/ac	Area (sf)	Width (ft)	Depth (ft)	Front	Side	Street side	Rear			
<b>REI</b>		–	130	1	150	150	30	20	–	30	–	30	–
<sup>1</sup> Maximum number of dwellings allowed per gross acre in a single-family subdivision. The actual number of units allowed is determined through the applicable subdivision or land use permit process, and there is no guarantee that the maximum density may be achieved. <sup>2</sup> The Zoning Map designations include a suffix denoting the minimum lot area in acres for the Conservation zone. For example, CON-20 requires a minimum lot area of 20 acres. The density suffix shall be applied to property as part of the rezoning process. <sup>3</sup> Maximum allowed height of structures. See also Section 19.20.070 (Height Limits and Exceptions), and Division 19.26 (Hillside and Ridgeline Protection). <sup>4</sup> 20 ft. minimum for a garage using the side street for access, or when the building exceeds 20 ft. in height. <sup>5</sup> 10 ft. setback allowed for an attached single story building element (e.g., room addition, patio cover) if it does not occupy more than 25% of the required rear setback. <sup>6</sup> 20 feet minimum for a garage using the side street for access. <sup>7</sup> Allowable density shall be reduced by 20% for lots less than 7,500 sq. ft. or width less than 60 ft. <sup>8</sup> 10 ft. minimum when building height exceeds 20 ft. <sup>9</sup> 20 ft. minimum when the rear property line abuts a single-family zone. <sup>10</sup> If adjacent to SFR zone, 6 ft. If building is over 20 ft. in height at setback line and adjacent to SFR zone, 10 ft. <sup>11</sup> If adjacent to SFR zone, 10 ft. If building is over 20 ft. in height at setback line and adjacent to SFR zone, 20 ft. <sup>12</sup> CN zoning district - FAR may be increased to 0.60 if additional floor area is used for housing, or for residential care facilities for the elderly (RCFE). <sup>13</sup> Within the Downtown Overlay zone, the height limit may be increased by 30% up to a maximum of 45 ft. for the habitable floor area (excluding roof) with Design Review approval in accordance with Section 19.20.070. <sup>14</sup> Higher value FAR applies if housing is incorporated in a mixed-use project. <sup>15</sup> Except for the Novato Industrial Park and Hamilton Hangar area, the maximum FAR shall be 0.6. <sup>16</sup> 6 ft. is required if setback is adjacent to a single-family residential zone; 10 ft. is required if structure is over 20 ft. in height and setback is adjacent to a single-family residential zone; no setback required otherwise. <sup>17</sup> 10 ft. is required if setback is adjacent to a single-family residential zone; 15 ft. is required if structure is over 20 ft. in height and setback is adjacent to a single-family residential zone; no setback required otherwise. <sup>18</sup> Higher value FAR may be allowed where additional floor area is used for housing.													

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Article 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards)



## **Planned Development Zoning District**

In addition to the Residential, Commercial, and Special Purpose districts above, the City also provides flexibility from conventional development standards through the use of a Planned (PD) zoning district. The PD district is intended to enable the long-term development of large parcels and requires the adoption of a Master Plan or Precise Development Plan by the City Council, following the requirements described in [Section 19.42.060](#) (Master Plans and Precise Development Plans).

The Ordinance does not specify development standards for parcels zoned PD, and instead indicates that standards shall be determined as part of the approval process based on General Plan density, proposed housing type, City and developer objectives, opportunities to increase density and affordability, neighborhood considerations, and environmental constraints. Where a Master Plan or Precise Development Plan is silent on a specific use or development standard, the standards from the most compatible zoning district apply.

Master Plan and Precise Development Plan procedures and decision-making criteria are discussed in greater detail below in Section C.2.4 (Permits and Procedures).

## **Hillside Lot Regulations**

Novato has areas of steep slopes which are valued as scenic resources and subject to additional regulations to reduce the potential for hazards and environmental degradation related to slope failure, increased erosion, etc. Standards for hillside development on parcels with an average slope of 10 percent or greater (including permit application requirements, development standards, and design criteria/findings) are provided in [Division 19.26](#) (Hillside and Ridgeline Protection).

Hillside development standards are provided in [Section 19.20.050](#) (Hillside Project Development Standards). Residential development is regulated in terms of density, lot configuration, structure placement, and building size/height. Basic development standards include the following:

1. Max. building size: 4,000 square feet
2. Min. building size: 2,000 square feet
3. Max. garage/ADU floor area: 500 square feet
  - Combined square footage of garage/ADU in excess of 500 square feet is allowed, but will be counted against the maximum allowed FAR listed in Table C-4

Residential density is subject to limitations based on a lot's average slope and General Plan land use designation; the maximum number of units allowed is determined by calculating the combined sum of the area of each slope category, which have been multiplied by the corresponding reduction factor as shown in Table C-4.



**Table C-4: Allowable Residential Density and Building Intensity FAR Based on Site Slope**

LU Designation	Avg. Slope Range	% Reduction in Allowable Units or FAR/sf	Reduction Factor
RVL	0-10%	—	—
	10-25%	—	—
	>25%	100%	0
R1, R4, R4, R10, R20	0-10%	—	—
	10-25%	60%	0.4
	>25%	100%	0
BPO, CN, CF, CI, LIO, MU	0-10%	—	—
	10-25%	20%	0.8
	>25%	100%	0

Source: City of Novato Municipal Code, Division 19.26 (Hillside Project Development)

Single-family residential building size is limited to ensure homes are compatible with hillside conditions and the scale of community development. Residential building sizes for new homes and additions are limited by FAR, utilizing a sliding scale based on the average slope of the lot and lot size. As the average slope of a lot increases by one percent, the allowable floor area ratio is decreased by one percent. New residential lots created after January 13, 2004 (Ordinance No. 1480) are not permitted in areas where the average slope exceeds 25 percent.

## Development Standards Analysis

### *Single-Family Zoning Districts*

Table C-3 shows development standards in single-family zoning districts (i.e., A, C, RR, RVL, R1, R4, and R5). The basic development standards in Novato allow a moderate amount of density and intensity for residential development. Large-lot, single-family districts (RR, RVL, R1) are found throughout the City, consisting of approximately 90 percent of all residential zoning. The R4 Zoning District is appropriate for small-lot single-family residential uses, while the R5 Zoning District is designed for both small-lot single-family homes and duplexes. Opportunities for denser housing are primarily located adjacent to the Downtown core and along the Highway 101 corridor.

The residential districts that allow single-family uses allow densities ranging from approximately one to 29 units per acre. The MU zoning district allows single-family dwelling, however there is no density range established. Of these zones, the R1 and MU zoning districts are the only zoning district which requires an FAR (0.5 and 0.4 – 0.8, respectively).

### *Multi-Family Zoning Districts*

Table C-3 shows development standards in multi-family zoning districts (i.e., R10, and R20). These zoning districts allow densities ranging from 10.1 to 30 units per acre depending on subzone (e.g., R10-4.5 or R20-1.8). Five of these subzones have a minimum lot size of 6,000 square feet, with the two higher-density subzones (R20-1.8 and R20-1.5) having minimum lot sizes of 10,000 square feet. The R10 and R20 zoning districts development standards do not have a maximum FAR for residential uses but do establish a maximum height of 35 feet and a maximum lot coverage of 40 percent. The 35-foot height limit accommodates three-story

construction and, given the maximum density of up to 29 units per acre in the R20-1.5 subzone, is appropriate and supported by other development standards. Projects eligible for density bonuses may request waivers to enable additional height if needed. Though the 40 percent lot coverage area is somewhat low, it has not been observed to limit project feasibility in the City.

For example, in 2020, the Springbrook Green Homes project was approved in the R10 Zoning District, achieving 35 percent of maximum density (7 units per acre) for the zone. Because the project site featured an average slope exceeding 10 percent, the City's Hillside Ordinance required the maximum residential density allowed under the General Plan land use designation (20 units per acre) to be reduced by 60 percent. The resulting project density was thus 98 percent of the maximum allowed density for the site (12 units per acre). As described below, the City will implement a program to revise the Hillside Ordinance to consider the difference between gross site area and a site's realistic development area, enabling higher maximum densities in future, similar projects. (Program 3.B).

Another example is the Novato Village development, which resulted in a 48-unit senior apartment community located on a 1.65-acre. The project included nine affordable units for very low- and low-income households as a result of the City's inclusionary housing ordinance. The project was consistent with the R20 Zoning District development standards but entitled as a PD in order to assist the project by accommodating an existing drainage easement on the site. The resulting development achieved a density of 29 units per acre, or 96 percent of maximum density (30 units per acre) allowed under the R20 land use designation, even with the site's unique physical constraints. Novato Village demonstrates that the development standards of the R20 Zoning District have not constrained the feasibility of multifamily projects nor the ability to achieve maximum densities.

During the public engagement process, feedback received from for-profit and nonprofit housing developers who work in Novato did not indicate that development standards in multi-family zoning districts were a constraint to residential development (see Appendix E, Section E.2.3).

### *Commercial and Mixed-Use Zoning Districts*

The commercial (i.e., CN, CDR, and CDB) and mixed-use (i.e., MU and CF) zoning districts do not establish densities in the Zoning Ordinance but do implement General Plan land use designation which allow densities for residential units in mixed-use development ranging from 10 to 23 dwelling unit per acre. Maximum FARs are established by these zoning districts and are increased for projects which include residential uses (ranging from 0.6 to 2.0, see Table C-3 footnotes above). Recently completed or approved projects within these districts include 1301 Grant Avenue (21.4 units per acre) and 802 State Access Road (16 units per acre).

In 2021, the 1301 Grant Ave. Mixed Use project was approved in the CDR Zoning District, achieving a density of 21.4 units per acre. This was 93 percent of the maximum allowed density, taking advantage of the 2.0 FAR allowed for mixed-use projects in the CDR District and reduced parking requirements within the Downtown Novato Specific Plan (D) Overlay District.

Cumulatively, these regulations facilitate housing along commercial corridors and in the Downtown area.

There are also three SB 35 applications currently under review for projects in the CDR Zoning District (and within the D Overlay District) which would achieve densities 132 percent, 787 percent, and 1,013 percent of maximum density by utilizing State density bonus law and regulatory concessions. These projects, if developed as proposed, would result in a total of 492 units affordable to lower- and moderate-income households and indicate strong demand for continued residential development Downtown at densities sufficient to accommodate affordable housing.

#### *Planned (PD) Zoning District*

The City also provides flexibility from conventional development standards through the PD Zoning District and the preparation of a Master Plan and/or Precise Development Plan. The Zoning Ordinance does not specify any development standards for projects in the PD District, and instead indicates that standards be created on a case-by-case basis based on General Plan density, proposed housing type, and other considerations. The City has been able to approve developments with higher overall densities, exceptions to certain development standards, and include a greater number of affordable housing units through the PD District than would have been possible with conventional zoning, especially when combined with the Affordable Housing Overlay (AHO) District. An analysis of the PD Zoning District and related procedures is included in Section C.2.4 (Permits and Procedures).

While the PD Zoning District allows flexibility based on site-specific opportunities and constraints and has resulted in higher density housing development, it requires discretionary review in the form of a required Master Plan and/or Precise Development Plan; there may be cases where base zoning district land use and development standards would suffice in lieu of standard PD procedures. Program 3.I is proposed to revise Division 19.24 (Special Purpose Zoning Districts) to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed. In concert with the adoption of objective design standards (Program 3.C), projects proposed in the PD Zoning District will be able to pursue a process that serves strictly as a conformance review at the discretion of the applicant.

#### *Hillside Lot Regulations*

Hillside lot regulations were raised as a potential constraint to housing development by both market rate and affordable housing developers during community engagement for the Housing Element Update. Reports were received that the ordinance was deficient in ways that complicated the development of suitable portions of potential sites and made consistent interpretation difficult for City staff.

These observations were corroborated by [a City white paper written in January 2015](#) which analyzed [Division 19.26](#) (Hillside and Ridgeline Protection) as part of the Novato General Plan 2035 update. Though Planning staff report that “the density/intensity reduction portions of the

ordinance, when applied to new development, has achieved the goal of limiting development on steep hillsides and designing projects that fit much better with the topography of the site,” major difficulties persist when applying the Hillside Ordinance to existing and infill residential homes located on hillsides. Staff also note the need for greater clarity on standards related to lot configuration, siting and height limitations, and exceptions to the maximum size limit of new or expanded single-family dwellings.

Importantly, local developers noted that the application of the Hillside Ordinance to all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent, inhibits residential development and can make projects infeasible. For this reason, Program 3.B is proposed to revise Division 19.26 to reduce ambiguities in hillside regulations and streamline their application to relevant parcels, taking into account the difference between gross site area and a site’s realistic development area.

## Parking Requirements

Required parking rates for residential uses are shown in Table C-5.

**Table C-5: Residential Parking Rates**

Land Use Type	Required Number of Spaces	Downtown (D) Overlay
<b>Single-family dwellings</b>	2 <sup>1</sup>	2
<b>ADUs <sup>2</sup></b>	1	1
<b>Duplexes</b>	2	1
<b>Mobile home parks <sup>3</sup></b>		
Per mobile home unit	2	2
Per two units (for guest parking)	1	1
<b>Multi-family dwellings, condos, and other attached dwellings <sup>4, 5</sup></b>		
Studio	1.2/unit	1/unit
1-bed unit	1.5/unit	1/unit
2-bed unit	2/unit	1.5/unit
3-bed unit	2.2/unit	2/unit
Guest parking	1 per 3 units	1 per 4 units
<b>Senior housing projects</b>		
Per unit	1	1
Guest parking	1 per 10 units	1 per 10 units
<sup>1</sup> One space in a garage. Three enclosed spaces maximum unless approved through Design Review. For any unit which is located farther than 150 feet from a street designed to accommodate parking, 4 spaces per unit. <sup>2</sup> On-site parking is not required for an accessory dwelling unit in any of the follow instances: 1. Located with one-half mile of a public transit facility. 2. Located within an architecturally and historically significant district. 3. Part of the existing primary residence or an existing accessory structure meeting the development standards applicable to an ADU as stipulated in Section 19.30.040 (Number of Parking Spaces Required). 4. When on-street parking permits are required but not offered to the occupant of the ADU. 5. When there is a car share vehicle facility located within one block of the ADU.		

**Table C-5: Residential Parking Rates**

Land Use Type	Required Number of Spaces	Downtown (D) Overlay
<sup>3</sup> RV parking shall be provided at the rate of 1 space for every 5 units. <sup>4</sup> At least 1 space per unit shall be covered (i.e., within a garage or carport). <sup>5</sup> Parking for multi-family residential uses in the AHO Overlay shall be provided as follows: 1. Studio and 1-bed units: 1 onsite parking space/unit. 2. 2- and 3-bed units: 2 onsite parking spaces/unit. 3. 4-bed+ units: 2.5 parking spaces/unit.		

Source: City of Novato Municipal Code, Division 19.30 (Parking and Loading), [Section 19.30.040](#) (Number of Parking Spaces Required)

## Parking Requirements Analysis

The City typically requires two spaces per single residential dwelling unit, with reduced requirements for ADUs, multi-unit dwellings, and uses that serve residents with low vehicle ownership rates (e.g., senior housing). Reduced parking rates apply in the Downtown Overlay and AHO Overlay.

The City provides a limited number of alternatives to satisfying minimum parking requirements in [Section 19.30.050](#) (Adjustments for Parking Requirements), primarily focused on non-residential uses. For all uses (including residential), the review authority for land use or development permit applications may reduce the number of required parking spaces if the applicant can quantitatively prove the need for fewer spaces. Additionally, off-site parking within the Downtown Overlay is allowed in an off-site parking facility when approved by the review authority. In the AHO Overlay, flexibility is allowed in parking configuration; a development may provide onsite parking through tandem parking or uncovered parking, and covered parking is not required.

Covered parking is required for single-family dwellings (i.e., one-car garage), duplexes, and multi-family dwellings, condos, and other attached dwellings (i.e., one-car garage or carport). For residential uses, [Section 19.30.070.D.1](#) (Residential) requires parking spaces within carports and garages to have minimum dimensions of 20 feet in length and by 10 feet in width. [Section 19.30.090](#) (Bicycle Parking and Support Facilities) provides provisions for bicycle parking for multi-family projects. The Zoning Ordinance requires bicycle parking spaces for multi-family projects equal to a minimum of 10 percent of the required vehicle spaces unless separate secured garage space is provided for each unit.

The City's parking rates are appropriate, provide reasonable flexibility, and do not pose a constraint to the development of housing. However, to further facilitate the development of affordable multi-family housing, Program 3.G directs the City to align the required number of parking spaces for three-bed units citywide with those applied within the Downtown Overlay, reducing it from 2.2 spaces per unit to two spaces per unit *and* assess and reduce parking rates for studios and one-bed units.

## **Design Standards and Guidelines**

Design standards and guidelines are evaluated as they have the potential to increase development costs and extend the permitting process. Senate Bill 330 (Housing Accountability Act, Government Code [Section 65589.5](#)) precludes jurisdictions from denying or reducing the permitted density of a housing development project based on subjective development and design standards.

[Section 19.42.030.E](#) (Design Criteria) establishes the criteria the review authority should consider when reviewing an application for design review and establishing conditions for project approval. These criteria include a 16-point list which mentions the height and bulk of buildings, site layout, landscaping, orientation to natural amenities, articulation, the location of windows, and more. Nearly all of these criteria are described in general terms, with no specific dimensions for applicants to apply to projects.

For example, the review authority is directed to consider “articulation in building facades, exterior architectural design details, quality of materials, variation of textures, and harmony of colors,” to support “good quality architectural and site design.” Guidelines such as these are subjective, only providing vague direction on building design. The lack of specificity could lead to a protracted approval process and potentially a denial based on guideline interpretation. A program to adopt objective design standards is included as Program 3.C.

Outside the Zoning Ordinance, the City has one other design guideline manual related to housing development: the [Hamilton Central Design Concepts and Design Guidelines](#). The Hamilton Guidelines were adopted in 1994 for the New Hamilton Partnership (NHP) Master Plan area, part of the broader redevelopment of the Hamilton Army Airfield in the City’s southeast. The parcels identified as being subject to the Hamilton Guidelines are built-out, and the City’s standard design criteria would apply to future development.

## **Provisions for a Variety of Housing**

The City has adopted provisions in the Zoning Ordinance that facilitate a range of residential product types. Table C-6 provides a list of residential uses and the zoning districts in which they are allowed, require a conditional use permit, or are not allowed.

**Table C-6: Residential Uses Permitted by Zoning District**

P = Permitted   UP = Use Permit required   – = Use not allowed																		
Land Use	Zoning Districts																	
	A	C	RR	RVL/R1	R4/R5	R10	R20	BPO	CN	CG	CDR	CDB	CI	LIO	MU	CF	REI	PD
ADUs/JADUs	P	P	P	P	P	P	P	–	P	–	P	P	–	–	P	P <sup>1</sup>	–	–
Congregate care/group facilities	–	–	–	–	–	–	–	UP	–	UP	–	–	–	–	–	–	–	–
Farm labor housing	UP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Group homes, 6 or fewer persons	P	–	P	P	P	P	P	–	–	–	–	–	–	–	–	–	–	–
Group homes, 7 or more persons	UP	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Live/work projects	–	–	–	–	–	–	–	P	–	P	P	P	P	P	P	–	–	–
Mobile home parks	–	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Multi-family dwellings	–	–	–	–	–	P	P	–	–	–	–	–	–	–	–	–	–	–
Multi-family dwellings and duplexes, in a mixed-use project	–	–	–	–	–	–	–	–	UP	–	UP <sup>2</sup>	UP <sup>2</sup>	–	–	UP	UP	P	–
Residential care facilities for the elderly (RCFE)	–	–	–	–	–	UP	UP	–	UP	–	–	–	–	–	–	–	–	–
Rooming and boarding houses	–	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Single-family dwellings	P	P	P	P	P	P	P	–	–	–	–	–	–	–	P	–	–	–
Supportive housing	P	P	P	P	P	P	P	P	P	–	P	P	–	–	P	P	P	–
Transitional housing	P	P	P	P	P	P	P	P	P	–	P	P	–	–	P	P	P	–
Two-family dwellings, two single-family dwellings	–	–	–	–	P	P	P	–	–	–	–	–	–	–	–	–	–	–
Emergency shelter	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	P <sup>3</sup>
<sup>1</sup> Only ADUs are permitted in the CF zoning district; JADUs are prohibited. <sup>2</sup> Use allowed only on upper floors or rear of site, with ground floor street frontage reserved for retail, entertainment, and personal services uses. <sup>3</sup> Emergency shelters are only permitted by-right in the Novato Industrial Park as set forth in the Novato Industrial Park Precise Development and Master Plan (NIPDM) and Zoning Ordinance Section 19.34.072 (Emergency Shelters). See below for analysis.																		

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Article 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards)

## Multi-Family

The City defines multi-family dwellings as housing three or more families living independently of each other in the same structure, including triplexes, fourplexes, apartments, townhouse developments, and senior citizen multi-family housing.

Multi-family dwellings are permitted by-right in the R10 and R20 zoning districts, as well as on any property to which the AHO Overlay applies, provided they meet the site development standards described in Table C-3. They are also permitted by-right (in conjunction with research, development, and laboratory facilities) in the REI special purpose zoning district.

In the CN, CDR, and CDB zoning districts, multi-family dwellings are permitted subject to a Use Permit. They are also permitted with a Use Permit in the MU and CF special purpose zoning districts. In the CDR and CDB districts, multi-family dwellings are required to be located on upper floors or at the rear of a site.

Multi-family developments are subject to the development standards summarized in Table C-3. The maximum height for all zoning districts which permit multi-family dwellings is 35 feet, except for the REI zoning district which establishes a maximum height of 30 feet. The R10, R20, MU, CF, and REI zoning district establish front, side, street side, and rear setback standards for multi-family dwellings. The CN, CDR, and CDB zoning districts are subject to setback standards only if the property is adjacent to single-family dwellings. The R10, R20, and REI zoning districts are not subject to FAR requirements. The CN, CDR, CDB, MU, and CF zoning districts range in allowed FAR from 0.4 to 2.0. Additionally, the CDR and CDB zoning districts permit projects to increase FAR if housing is incorporated into a mixed-use project. The R10, R20, CN, and MU zoning districts establish a maximum lot coverage of 40 percent and the CDR and CDB zoning districts have a maximum lot coverage of 100 percent. The CF and REI zoning districts do not provide maximum lot coverage. These development standards for all zoning districts which permit multi-family dwellings are reasonable and do not inhibit constraints on housing development in the City.

Additionally, [Section 19.34.124](#) of the Zoning Ordinance (Multi-Family Dwellings) establishes use-specific standards for multi-family dwellings, including:

1. Each dwelling unit within a multi-family project shall be designed to have at least two exterior walls that are not common to any other enclosed space. Each of the required exterior walls shall have no dimension less than eight feet; and,
2. Multi-family projects shall provide usable open space as follows:

Zoning Districts	Min. Open Space Area per Unit (sf)
R10-4.5	500
R10-3.5	400
R10-2.5 and 2.2	300
R20-2.0	200
R20-1.5 and 1.8	150



Half of the required minimum open space must be immediately available to and private for the occupants of each dwelling unit, while the remainder may be combined in common areas available to other residents of the project. The open space area may include a deck or balcony having no dimension less than six feet. Front yard setbacks are only permitted as common open space areas, except for allowed deck projections. Furthermore, Division 19.28 of the Zoning Ordinance (Landscaping) establishes limited landscape area requirements and standards for residential projects. Section 19.28.020 (Applicability) established new single-family subdivisions and multi-family residential projects shall provide landscaping in compliance with the Division. Section 19.28.030 (Landscape Area Requirements) provides reasonable requirements, such as requiring setback, outdoor use, and open space areas to be landscaped as required by the Zoning Ordinance and setting forth minimum dimensions and safety requirements for landscaped areas. These required open space and landscaping standards are reasonable and do not unnecessarily constrain housing development.

Outside the Zoning Ordinance, Municipal Code [Chapter 4](#) (Building and Housing) contains several sections focused on maintaining health, safety, and equity in multi-family housing. [Section 4-14](#) (Apartments and Hotels; Periodic Housing Inspection Program and Caretaker Requirements) establishes an annual inspection program for apartments (and hotels) to ensure proper maintenance and compliance with all applicable City ordinances related to housing. [Section 4-15](#) (Tenancing, Management and Safety for Multi-Family Housing) establishes a requirement that, prior to the issuance of a building permit and certificate of occupancy, all new or expanded multi-family housing developments of 16 units or more shall submit a management plan. Lastly, though not focused solely on multi-family housing, [Section 4-16](#) of the General Plan (Income-Based Rental Housing Discrimination) establishes local prohibitions on income-based financial discrimination in rental housing, with violators subject to both civil and criminal action.

### **Accessory Dwelling Units (ADUs)**

In Government Code [Section 65852.150](#), the California Legislature found and declared that, among other things, allowing ADUs in zones that allow single-family and multi-family uses provides additional rental housing, and are an essential component in addressing California's housing needs. In recent years, ADU law has been revised to improve its effectiveness at creating more housing units by streamlining approval processes and expanding capacity to accommodate the development of ADUs and JADUs.

In Novato, ADUs and JADUs are permitted by-right in the A, C, RR, RVL, R1, R4, R5, R10, and R20 zoning districts. [Section 19.34.030](#) (Accessory Dwelling Units) and [Section 19.34.031](#) (Junior Accessory Dwelling Units) provide supplemental development standards for ADUs and JADUs respectively. These standards were most recently updated in 2022 by [Ordinance No. 1676](#) to reflect current State law.

### **Emergency Shelters/Low Barrier Navigation Centers**

The Zoning Ordinance defines an emergency shelter as follows:

A residential facility, other than a community care facility, operated by a provider which provides temporary accommodations to persons or families with low income. The term "temporary accommodations" means that a person or family will be allowed to reside at the shelter for a time period not to exceed 180 days. For the purpose of this definition, a "provider" shall mean a government agency or private non-profit organization which provides or contracts with recognized community organizations to provide emergency or temporary shelter, and which may also provide meals, counseling and other services, as well as common areas for residents of the facility. Such a facility may have individual rooms but is not developed with individual dwelling units. (Zoning Ordinance [Section 19.60.020](#))

This definition concurs with the definition in Health and Safety Code [Section 50801](#), which defines an emergency shelter as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less. Additionally, Government Code [Section 65583\(a\)\(4\)](#) requires cities to identify a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones must also include sufficient capacity to accommodate the need for emergency shelters in the community.

The City allows "emergency shelters" as a permitted use without discretionary action exclusively in the Novato Industrial Park as set forth in the Novato Industrial Park Precise Development and Master Plan (NIPPDM) and Zoning Ordinance [Section 19.34.072 \(Emergency Shelters\)](#). However, the City allows a separate use, "residential shelters," as an allowed use in the CG zoning district, though does not provide a definition for the term in the Zoning Ordinance. Objective development and performance standards for "emergency shelters" are provided in the NIPPDM as follows:

1. On-site management and on-site security shall be provided during all hours when the emergency shelter is in operation at a ratio of one staff member for every 15 persons utilizing the shelter.
2. One office or cubicle intake area per 10 clients shall be maintained. An indoor onsite waiting area of no less than 275 square feet shall be provided.
3. External lighting shall be provided for security purposes as a minimum average of three foot candles at ground level. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of intensity compatible with the surrounding area.
4. Parking and outdoor facilities shall be designed to provide security for residents, visitors, employees and the surrounding area. On-site parking shall be provided at a ratio of one parking space for every four beds or persons.
5. A refuse storage area shall be provided that is completely enclosed with masonry walls not less than five feet high with a solid-gated opening and that is large enough to accommodate a standard-sized trash bin adequate for use on the parcel. The refuse enclosure shall be accessible to refuse collection vehicles.
6. The agency or organization operating the emergency shelter shall comply with the following requirements:

- Temporary shelter shall be available to residents for no more than 180 days in a calendar year. No individual or household may be denied emergency shelter because of an ability to pay.
  - Staff and services shall be provided to assist residents to obtain permanent shelter and income.
  - The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
7. No emergency shelter shall be located within 300 feet of another emergency shelter site.
  8. The maximum number of beds or clients permitted to be served (eating, showering and/or spending the night) shall not exceed 30 persons.

Within the NIPPDM, “emergency shelters” are otherwise subject to the same development standards (e.g., setbacks, lot coverage, etc.) as other commercial uses; residential uses are not permitted in the Park. The number of required parking spaces for an emergency shelter is lower compared to that required for multi-family uses elsewhere in the City; the NIPPDM does not otherwise specify parking requirements other than those in the Zoning Ordinance. However, parking spaces are not specifically set aside to accommodate staff working in an emergency shelter. Exterior changes to an existing building or buildings to establish an emergency shelter would be subject to design review.

Though existing land use standards and development regulations could facilitate the creation of new emergency shelters in the NIPPDM, the industrial parks do not allow residential uses and would not qualify as a compliant zoning designation under AB 2339. AB 2339 (Emergency Shelters Act of 2023), effective January 1, 2023, adds additional specificity on how jurisdictions must plan for emergency shelters in the Housing Element, including allowing emergency shelters in zones that allow for residential use. AB 2339 also requires that emergency shelters must be located near amenities and services that serve people experiencing homelessness. Thus, an additional zoning designation must be identified which allows residential uses where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit and that is suitable for residential uses.

The General Commercial (CG) District satisfies the requirements of AB 2339 in the following ways:

1. As shown above in Table C-6, the CG District allows uses such as congregate care/group facilities and live/work projects;
2. The CG District contains 31 parcels, seven of which are vacant or nonvacant and can be redeveloped for use as a shelter in the current planning period (see Table C-7 below); and
3. As a commercial zoning designation, parcels zoned CG are centrally located on or near Novato’s main thoroughfares and are near amenities and services that serve people experiencing homelessness. These are described in further detail in Table C-7.

**Table C-7: Potential Emergency Shelter Sites in the CG Zoning District**

APN	Address	Area			Capacity		Amenities in Proximity
		Existing Use	Acres	Square Feet	Developable Area (sf) <sup>1</sup>	Estimated Persons Served <sup>2</sup>	
141-244-03	7455 Redwood Blvd.	Vacant	0.36	15,769	6,307	32	Marin Transit Bus Routes 49, 57, 71 Novato SMART Station Within 0.5 mi. of the Novato Library, Novato DMV Within 0.5 mi. of urgent care center Within 0.5 mi. of retail and employment opportunities
141-244-12	1130 First St.	Car wash <sup>3</sup>	0.26	11,500	4,600	23	
141-244-17	First St.	Vacant	0.24	10,280	4,112	21	
143-011-08	7506 Redwood Blvd.	Vacant	1.76	76,709	30,684	153	
153-011-40	7426 Redwood Blvd.	Partially vacant	0.44	19,254	7,701	39	
141-303-06	935 Front St.	Vacant	0.89	38,943	15,577	78	Marin Transit Bus Routes 49, 57, 71 Within 0.75 mi. of South Novato Library Within 1 mi. of social services (Homeward Bound of Marin)
155-020-48	Marin Valley Dr.	Vacant	0.25	11,021	4,408	22	
<b>TOTAL</b>			<b>4.21</b>	<b>183,475</b>	<b>73,390</b>	<b>367</b>	

<sup>1</sup> Building coverage in the CG Zoning Districts limited to a maximum of 40% of site area. Here, "developable area" is calculated as 40% of total site area in square feet.

<sup>2</sup> AB 2339 amended State Housing Element law to provide the following calculation methodology for determining the sufficiency of sites available to accommodate emergency shelters – the square footage of the site divided by a minimum of 200 square feet per person. Here, "estimated persons served" divides the "developable area" (not the total square footage) of each site by 200, resulting in a more conservative estimate. (Government Code [Section 65583\(a\)\(1\)](#)).

<sup>3</sup> No occupiable structures present.

Source: City of Novato

According to the [2022 PIT Count](#), there were an estimated 265 persons experiencing homelessness in Novato, 115 sheltered and 150 unsheltered. From 2019 to 2022, homelessness increased by 8.4 percent across Marin County, with a 10.7 percent decrease in the sheltered population and a 17.2 percent increase in the unsheltered population. During this same period, homelessness in Novato decreased by 15.7 percent, with a 34.5 percent decrease in the sheltered population and a 2.0 percent increase in the unsheltered population.

As shown in Table C-7, the CG District contains five vacant and two underutilized/nonvacant parcels comprising approximately 4.21 acres. One nonvacant parcel (APN 141-244-12) is currently occupied by surface parking and a coin-operated car wash with no occupiable structures on site, providing opportunity for additional development, reuse, and/or redevelopment. The other nonvacant parcel (APN 153-011-40) is described as partially vacant due to the presence of a small restaurant and surface parking covering only approximately one-third of the site; the remainder of the site is wholly vacant.

Utilizing the calculation methodology established by Government Code [Section 65583\(a\)\(I\)](#), the above sites in the CG District are estimated to have capacity to accommodate emergency shelters serving 367 people. To provide a more conservative estimate, the maximum lot coverage allowed for parcels in the CG District (40 percent) is used. Other development standards in the CG District include a height limit of 35 feet and front/rear setbacks of six to 20 feet which only apply if adjacent to a single-family residential zone and/or a building is over 20 feet. These standards do not present a constraint to the development of emergency shelters

Under Program 4.A, the City would amend the Zoning Ordinance to accomplish the following:

1. Allow emergency shelters in the CG Zoning District as a permitted use without a conditional use or discretionary permit;
2. Subject emergency shelters only to the objective standards allowed by State law (Government Code Section 65583(a)(4)(B); and
3. Require emergency shelters to provide sufficient parking to accommodate staff in compliance with AB 139 (Emergency and Transitional Housing Act of 2019).

Additionally, the Zoning Ordinance does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code [Section 65660](#)). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multi-family uses provided they satisfy the provisions establish by AB 101 (see Government Code [Section 65662](#)). This would allow LBNCs in the CN, CDR, MU, and CF districts.

Under Program 4.B, the City would amend the Zoning Ordinance to allow LBNCs in the appropriate zones consistent with AB 101.

### **Transitional Housing and Supportive Housing**

In addition to emergency shelters, transitional and supportive housing are used to further facilitate the movement of homeless individuals and families to permanent housing. They can serve those who are transitioning from rehabilitation or other types of temporary living situations (e.g., domestic violence shelters, group homes, etc.).

Transitional housing is defined in Government Code [Section 65582](#) as 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 some predetermined point in the future, which shall be no less than six months. Health and Safety Code [Section 50675.14](#) defines supportive housing as housing with no limit on length of stay, that is occupied by a target population, and that is linked to an on-site or off-site service that assists residents in retaining the housing, improving their health, and maximizing their ability to live and (where possible) work in the community.

Transitional and supportive housing must be allowed in all zones that allow residential uses and subject to the same development standards that apply to other residential uses of a similar type within these zones. Furthermore, [AB 2162](#) (Government Code Section 65650-65656) requires supportive housing to be allowed by-right in zones where multi-family and mixed-uses are permitted, including nonresidential zones that allow multi-family uses, if the proposed development meets certain criteria (e.g., deed restricted for 55 years to lower income households, serving “target population” of homeless individuals, minimum area dedicated for supportive services, etc.).

The City adopted [Ordinance No. 1592](#) in 2014, adding supportive and transitional housing to the definition of “Dwelling, Dwelling Unit, or Housing Unit” contained within [Section 19.60.020](#) (Definitions of Specialized Terms and Phrases). As shown in Table C-6 (Residential Uses Permitted by Zoning District), supportive and transitional housing are permitted by-right in the A, C, RR, RVL/R1, R4/R5, R10, R20, BPO, CN, CDR, CDB, MU, CF, and REI zoning districts. Therefore, transitional and supportive housing are allowed and treated as a residential use in compliance with Government Code [Section 65651](#).

### **Farmworker (Employee) Housing**

State law provisions related to farmworker housing (also called employee housing) derive from Health and Safety Code [Section 17021.5](#) and [Section 17021.6](#). Section 17021.5 generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. Section 17021.6 generally requires that employee housing consisting of no more than 36 beds in group quarters designed for use by a single family or household to be treated as an agricultural use. No conditional use permits, zoning variances, or other zoning clearance are to be required.

The City defines “farm labor housing” as “temporary or permanent residential structures occupied by farm employees and their family members, who are employed on the commercial farm where the farm labor housing is located.” This use type is allowed in the Agricultural zoning district subject to a Use Permit ([Section 19.42.050](#)). As shown in the Needs Assessment (Appendix A, Figure A-10), there are 212 City residents employed in the Agriculture & Natural Resources industry, approximately 0.83 percent of all job holders.

However, requiring a Use Permit for farm labor housing is not consistent with the provisions of State law. The 5<sup>th</sup> Cycle Housing Element Update included Program 12.B (Health and Safety Code §17021.5 Compliance) to amend the Ordinance to ensure compliance with provisions of Health and Safety Code [Section 17021.6](#). This program was not completed and will be carried forward as Program 4.C.

### **Single-Room Occupancy (SROs)**

A single-room occupancy (SRO) unit is considered a small, affordable housing unit that can serve as an entry point into more stable or long-term housing for people who previously experienced



homelessness. They can also help jurisdictions meet their projected housing need for acutely and extremely low-income households.

The City does not explicitly permit SRO units in any zoning district, though it does define “rooming and boarding houses” as “the renting of individual rooms within a dwelling to two or more unrelated people, whether or not meals are provided.” Such dwellings are allowed with a Use Permit in the RR, RVL, R1, R4, R5, R10, and R20 zoning districts.

The 5<sup>th</sup> Cycle Housing Element included Program 7.C (Zone and Provide Appropriate Standards for SRO Units and Efficiency Apartments) to allow SRO units in the Mixed-Use, R10, and R20 zoning districts as a conditionally permitted use. The program did not result in the addition of standards related to SROs in the Zoning Ordinance, nor are SROs permitted with a Use Permit in the MU zoning district. This program will be modified and carried forward as Program 4.D, which directs the City to explicitly permit SRO projects by-right in the R10, R20, and MU zoning districts and provide appropriate parking, development, and management standards.

### **Manufactured and Mobile Homes**

Government Code [Section 65852.3](#) requires cities to allow and permit manufactured and mobile homes on a permanent foundation in the same manner and in the same zone as a conventional stick-built structure, subject to the same development standards that a conventional single-family home on the same lot would be subject to. As manufactured homes that meet certain requirements must be permitted in mobile home parks and are frequently regulated by jurisdictions together, they are discussed here jointly.

The City allows mobile home parks with a Use Permit in the RR, RVL, R1, R4, R5, R10, and R20 zoning districts. Development standards for mobile home parks are provided in [Section 19.34.120](#) (Mobile Home Parks and Mobile Home Subdivisions).

Requirements and development standards for mobile homes as single-family dwellings outside of mobile home parks are provided in [Section 19.34.110](#) (Mobile Homes). Additionally, the City’s definition of “single-family dwelling” in [Section 19.60.020](#) (Definitions of Specialized Terms and Phrases) includes a provision that “includes factory-built, modular housing units, constructed in compliance with the Uniform Building Code (UBC), and mobile homes/manufactured housing on permanent foundations.” Taken together, these provisions subject manufactured homes to the same development standards as a conventional single-family residential dwelling and are compliant with the requirements of State law.

### **Housing for Persons with Disabilities**

California Welfare and Institutions Code [Section 5115](#) declares that it is the policy of the State that persons with mental health disorders or physical disabilities are entitled to live in normal residential surroundings and should not be excluded from them due to their disability. Persons with disabilities have unique housing needs that include physical accessibility; access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive services.

[Section 5116](#) defines these alternate living arrangement as including state-authorized, certified, or licensed family care homes, foster homes, or group homes serving six or fewer individuals. It also includes hospices; nursing homes; convalescent facilities; and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addictions. Any such facility which provides care on a 24-hour-a-day basis to six or fewer individuals shall be considered a residential use and must be permitted in all residential zones, including but not limited to zones intended for single-family dwellings.

Health and Safety Code [Section 1502](#) defines community care facilities as “any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult daycare, or foster family agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children.” This definition includes a wide variety of facilities, including foster family homes, small family homes, and group homes.

Health and Safety Code [Section 1569.2](#) defines residential care facilities for the elderly” as “a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility. Persons under 60 years of age with compatible needs may be allowed to be admitted or retained in a residential care facility for the elderly.”

State law requires local governments to treat both facility types with six or fewer residents as a residential use and subject to the same development standards as a single-family dwelling. Furthermore, no conditional use permit, zoning variance, or other zoning clearance shall be required of a community/residential facility that serves six or fewer persons that is not required of a family dwelling of the same type in the same zone. The residents and operators of a residential care facility shall be considered a family for the purposes of any law or zoning ordinance that relates to the residential use of property. However, “six or fewer persons” does not include the operator, operator’s family, or persons employed as staff.

The City recognizes several land use types which could be considered community/residential care facilities as defined by the State, including “Group Homes,” “Congregate Care/Group Facilities,” and “Residential Care Facilities for the Elderly (RCFE).” However, only “Group Homes” are differentiated by number of residents (i.e., “six or fewer” and “seven or more”).

Group Homes qualify as community care facilities according to their definition in [Section 19.60.020](#). Group Homes that house six or fewer persons are permitted by-right in the A, RR, RVL, R1, R4, R5, R10, and R20 zoning districts and are subject to the same development standards as single-family dwellings. However, these smaller Group Homes are not allowed in the C and MU districts, where single-family dwellings are also permitted by-right. Group homes with seven or more persons are only allowed with a use permit.



The City's definition of RCFEs in [Section 19.60.020](#) matches that of the State, but also encompasses two sub-types: Assisted Living Facilities and Life Care Facilities. The City's treatment of RCFEs is not in compliance with State law, as these facilities are only allowed with a Use Permit in the CN zoning district, with no differentiation between small or large facilities.

The City also explicitly defines and regulates Congregate Care/Group Facilities, allowing them with a Use Permit in the BPO and CG zoning districts. However, [Section 19.60.020](#) defines Congregate Care/Group Facilities as equivalent to RCFEs without resolving the discrepancy in allowed zones.

Under Program 4.E, the City would amend the Zoning Ordinance to address the following with regard to Housing for Persons with Disabilities:

1. Permit Group Homes serving six or fewer persons by-right in the C and MU districts;
2. Resolve the discrepancy between Congregate Care/Group Facilities and RCFEs;
3. Permit RCFEs and Congregate Care/Group Facilities which serve six or fewer persons and seven or more persons by-right in the A, C, RR, RVL, R1, R4, R5, R10, R20, and MU district; and,
4. Require only the same development standards for community/residential care facilities as those required for single-family dwellings.

The City defines a "family" as "one or more persons occupying a premises and living as a single non-profit, domestic housekeeping unit." This definition does not require relation by blood or by marriage, and therefore does not unnecessarily limit the operation of community/residential care facilities.

Lastly, the City ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations and the Americans with Disabilities Act (ADA)) and federal requirements for accessibility.

### **Reasonable Accommodation**

Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws 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 reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the Zoning Ordinance to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

[Section 19.42.080](#) (Reasonable Accommodations) establishes a formal procedure for individuals with disabilities seeking equal access to housing to request a reasonable accommodation and criteria to be used when considering such requests. The Ordinance allows a reasonable accommodation request to be made by any person with a disability or their representative when

the rules, standards, and practices required for housing acts as a barrier to fair housing opportunities. The procedure is a ministerial process, subject to approval by the Director.

In recent years, the City has not received any reasonable accommodation requests.

## **Density Bonus**

Zoning Ordinance [Division 19.25](#) (Density Bonus) implements State Density Bonus law by cross-referencing to Government Code [Section 65915 et seq.](#), thus automatically complying with State law.

However, the preceding division, [Section 19.24.020.B](#) (Density Bonus) states that affordable dwelling units that qualify a housing development for a density bonus are in addition, and do not count toward satisfying the affordable housing requirements of [Division 19.24](#) (Affordable Housing Requirements). This provision is not in compliance with State law; Government Code [Section 65915\(o\)\(6\)](#) requires that the “total units” used for the calculation of a density bonus include units designated to satisfy a city’s inclusionary zoning requirements. Program 3.A would remove this provision from Division 19.24 to ensure both affordable housing and density bonus regulations are consistent and compliant with State law.

Additionally, the City grants a local Senior Density Bonus of 30 dwelling units per acre when an applicant for a Senior Citizen housing development seeks such a bonus for a project within the AHO Overlay District. [Section 19.25.050](#) (Local Senior Density Bonus) provides example calculations for total possible units when combining both local and State-mandated density bonuses.

## **Incentives for Affordable Housing**

The City adopted an AHO Overlay in November 2013, applied to properties designated as housing opportunity sites consistent with the 5<sup>th</sup> Cycle Housing Element. As a result, the AHO Overlay is currently assigned to five sites. The AHO Overlay permits multi-family uses on all or a portion of the site. To further incentivize the development of affordable housing, [Section 19.16.070](#) (Affordable Housing Opportunity (AHO) Overlay District) establishes development standards which eliminate minimum lot size, allow higher density (23 dwelling units per acre) than adjacent parcels, and lower parking requirements than are typically required for multi-family developments. Additionally, the AHO Overlay allows a maximum building height of 35 feet to allow construction of three-story buildings, as well as a height limit increase by a maximum of 20 percent with design review approval.

Since the City established the AHO Overlay in 2013, three of the five sites assigned to the AHO Overlay have been in the review process by the City, are currently in development, or have recently been built. In the AHO Overlay, a project at 7711 Redwood Boulevard was built with 80 housing units, 16 of which dedicated for very low- and low-income households. The project was built to a density of 87 percent (20 dwelling units per acre) of the maximum allowed density of 23 acres per unit. The City recently approved a project at 101 Landing Court, which will provide 32

housing units for very low-, low-, and moderate-income households. The project was built to a density of 70 percent (16.16 dwelling units per acre) of the maximum allowed density for the AHO Overlay. The City currently has a project under review at 1787 Grant Avenue that would provide 35 units of affordable housing, which will provide housing for very low-, low-, and moderate-income level households. The project was built to a density of 72 percent (16.67 dwelling units per acre) of the maximum allowed density for the AHO Overlay.

## Inclusionary Housing

The City provides for the development of affordable housing for lower-income households in Zoning Ordinance Division 19.24 (Affordable Housing Requirements). This division uses inclusionary housing policies, requiring affordable units as follows:

Residential Project Size	Percentage of Affordable Housing Units Required
3 – 6 units	10% or provide in-lieu fee
7 – 10 units	10%
11 – 19 units	11% – 19% <sup>1</sup>
20+ units	20%
<sup>1</sup> Percent units required increases on a 1-to-1 basis with residential project size.	

For rental projects, 50 percent of the required number of affordable units must be affordable to low-income households, with monthly rent not to exceed 1/12 of 30 percent of the maximum annual income for households earning 60 percent of AMI, less a monthly utility allowance. The other 50 percent of affordable units must be affordable to very low-income households, with monthly rent not to exceed 1/12 of 30 percent of the maximum annual income for households earning 50 percent of AMI, less a monthly utility allowance.

In for-sale projects, 50 percent of the required number of affordable units must be affordable to low-income households and 50 percent must be affordable to moderate-income households. [Section 19.24.030.A.2.a](#) (Affordable Sales Price Calculation) describes how to qualify affordable for-sale units to fulfill this requirement.

Alternately, developments of three to six housing units may pay an in-lieu fee of \$8,100 to \$28,000 per market rate unit, depending upon the size of the development. The requirement applies to single family development as well as multi-family projects. Second units and projects of one or two residential units are exempt. In recent years, very few residential development projects have resulted in the payment of in-lieu fees; in nearly all cases, the size of development has required units to be produced on-site.

## Inclusionary Housing Analysis

The City has implemented inclusionary housing requirements since 1999. Since that time, Novato has continued to experience new housing development, with 2,634 units (11.4 percent of the City's housing stock) built since 2000. Between 2015 and 2019, 266 housing units were issued permits in the City. Of these, 156 (59 percent) were above moderate-income units, 46 (17 percent)

were moderate-income units, 41 (15 percent) were low-income units, and 23 (8.6 percent) were very low-income units (see Appendix A, Housing Needs Assessment, Table A-18). This is an average of 53 residential units permitted per year.

As of 2021, the City has achieved all of its above moderate-income 5<sup>th</sup> Cycle RHNA of 167 units, but has not yet met the allocations in the very low-, low-, and moderate-income categories. The City's progress is 46 percent of very low-income, 38 percent of low-income, and 32 percent of moderate-income. Various programs are included in the Housing Plan (Section III) to facilitate production of housing for lower-income households.

Additionally, as part of the 6<sup>th</sup> Housing Element Cycle, the City is undergoing an analysis of Zoning Ordinance Division 19.24 (Affordable Housing Requirements) to amend the City's current inclusionary housing policies. The current analysis is reviewing the City's current policies, the relationship of inclusionary housing ordinances to other State housing laws, a financial feasibility analysis in of State-compliant inclusionary housing policies, and reviewing recommendations to update the City's Zoning Ordinance. Under Program 2.G, the City will amend and monitor the inclusionary housing requirements to determine how to apply inclusionary requirements, how to periodically reevaluate the feasibility of the requirements, and update the inclusionary requirement on rental residential and for-sale development projects.

## **Urban Growth Boundary**

The Urban Growth Boundary (UGB) is a line (generally following the City limits) adopted as a component of the General Plan that delineates the outer edge of land planned for future development at General Plan buildout. The UGB is included in Novato's General Plan and distinguishes areas generally suitable for urban development and the provision of urban facilities and services from areas considered more suitable for the long-term protection of natural and scenic resources (particularly ridgeline views) and open space uses such as large lot agriculture and grazing, and parks and recreation. The UGB also encourages efficient growth patterns that foster and protect the rural character of Novato while promoting appropriate economic development in accordance with the City's unique local conditions. The Marin Local Agency Formation Commission (LAFCO) and the County of Marin refer potential development outside the UGB, but within the City's Sphere of Influence, to the City for review and comment.

Originally enacted by the voters in 1997, Novato residents voted in 2017 to continue the UGB through the year 2042. The City Council may amend the UGB and annex new territory into Novato to comply with State law regarding the provision of housing for all economic segments of the community, provided that no more than 10 acres of land may be brought within the UGB in any calendar year.

## **Other Local Ordinances**

Municipal Code [Section 8-12](#) (Short-Term Rental Licensing Program) establishes regulations to prevent undesirable impacts associated with short-term rentals. The Ordinance does not

otherwise prohibit short-term rentals in any particular zoning district, but does prohibit the use of both ADUs and JADUs as short-term rentals in [Section 19.34.031.H](#) (Rental Period).

In February 2022, the City adopted objective standards applicable to urban lot splits ([Ordinance No. 1678](#)). These standards are consistent with SB 9 (Government Code Sections [65852.21](#) and [66411.7](#)).

### **C.2.3 Building and Housing Codes and Enforcement**

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Novato has adopted by reference Parts 2, 2.5, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 of the 2022 [California Building Standards Code](#) (Code of Regulations, Title 24) as the Construction Codes of the City of Novato. All codes mentioned here are referenced in [Chapter 4](#) (Building and Housing) of the Municipal Code. These standards are adopted at the State level and are mandatory Statewide minimums enacted to the safety of those occupying the structures.

As part of the ordinance adopting these technical codes, the City Council has made reasonable and necessary amendments to the California Building Standards Code because of local climatic, geographical, or topographical conditions. The majority of local amendments made are to respond to conditions in and around the City such as the Wildland Urban Interface, areas of localized flooding, and design standards for various climate factors such as wind speed, seismic activity, etc. These express findings are listed in [Section 4-1.2.E](#).

For example, the City amended the 2022 California Green Buildings Standards Code (Code of Regulations, Title 24, Part 11) to adopt mandatory energy efficiency standards for new construction (also called Tier 1 measures). These Tier 1 efficiencies have been adopted by the City since 2011 and are typical of most jurisdictions in the Region. Applying the higher efficiency standards to all new construction will help the City achieve greenhouse gas emission reduction goals. These standards may increase initial construction costs, but over time will benefit the health, welfare, and resilience of current and future residents and have not been observed as presenting constraints to housing supply and affordability. Other local amendments are proposed by the Novato Fire Protection District to the State Fire Code and Appendix A of the 2021 International Wildland-Urban Interface Code. These are proposed by the District, then ratified by the City Council. These amendments include requiring more fire resistive Class “A” roofing materials in line with the majority of neighboring jurisdictions and ensuring that wildland-urban interface upgrades apply only to the areas of building affected and retaining the current thresholds for fire sprinklers.

The City’s [Code Enforcement Division](#) is responsible for monitoring Code compliance. Code enforcement practices occur on when a complaint is made, during proactive inspections of multi-family buildings of three or more units (see Municipal Code [Section 4-14](#)).

### **C.2.4 Permits and Procedures**

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## Residential Entitlement Processing

The time required to process a residential development project, regardless of whether the proposal involves single-family or multi-family dwellings, varies from one entitlement to another and is contingent on a variety of factors, including, but not limited to the scale, location, complexity, and possible environmental impacts of a project, the physical constraints at and cultural resources sensitivity of a site, and the number of actions or approvals needed to complete the entitlement process. In Novato, where a residential project requires multiple entitlements, all required entitlements are processed concurrently. Accordingly, a package of entitlements for a given project will follow the timeline of the entitlement with the longest lead time. Where a project is subject to CEQA and/or tribal consultation, the process is started at the earliest possible time, usually within the initial completeness period specified in Government Code [Section 65943](#). In all instances, the City follows the various time frames applicable to a given project as specified in the Government Code (e.g., Government Code [Section 65943](#) and [Subdivision Map Act](#)) and the Public Resources Code (CEQA).

Based on the City's experience, project timelines are often impacted by the completeness and clarity of initial application submittals, the applicant's diligence in responding to application deficiencies and code/policy inconsistencies, the duration of consultations with local Native American tribes as may be necessary, the availability and lead times of CEQA consultants, and statutory public notice and comment periods. Typically, the City's actual "hands-on" processing time is a fraction of the total time elapsing between the submittal of residential development application and a decision on the project as many of the factors noted above are outside the City's control.

Table C-8 identifies approvals and/or permits that could be required for residential planning entitlements and their corresponding approval body. It should be noted that every project would not have to obtain each permit/approval.

**Table C-8: Review Authorities**

Type of Decision	Role of Review Authority <sup>1</sup>				
	Director/Staff	Zoning Administrator	Design Review Commission	Planning Commission	City Council
<b>Land Use Permits and Other Development Approvals</b>					
Minor Design Review	Decision <sup>2</sup>	–	Appeal	Appeal	Appeal
Major Design Review	–	–	Decision	Appeal	Appeal
Use Permits	–	Decision <sup>3</sup>	–	Appeal	Appeal
Variances	–	Decision <sup>3</sup>	–	Appeal	Appeal
Zoning Clearances	Decision <sup>3</sup>	–	–	Appeal	Appeal
Master Plan / Precise Development Plan	–	–	–	–	Decision
<b>Subdivisions</b>					
Land Divisions (4 or fewer lots)	Decision	–	–	–	Appeal



**Table C-8: Review Authorities**

Type of Decision	Role of Review Authority <sup>1</sup>				
	Director/Staff	Zoning Administrator	Design Review Commission	Planning Commission	City Council
Tentative Maps (5 or more lots)	–	–	–	Decision	Appeal
<sup>1</sup> "Decision" means that the Review Authority makes the final decision on the matter; "Appeal" means that the Review Authority may consider and decide upon appeals to the decision of an earlier decision-making body, in compliance with Division 19.54 (Appeals). <sup>2</sup> The Director may refer the matter to a Design Review Commission for the final decision. <sup>3</sup> The Director or Zoning Administrator may defer action on permit applications and refer the items to the Planning Commission for the final decision.					

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Division 19.40 (Permit Application Filing and Processing)

Table C-9 provides an estimate of the processing time for the types of development approvals and levels of environmental review typically required for single-family and multi-family residential development projects in Novato since these forms of housing have the same permitting requirements.

**Table C-9: Typical Approval Timelines**

Permit/Approval Type	Estimated Approval Timelines <sup>1</sup>	No. of Public Hearings
<b>ADUs/JADUs</b>	60 days or less	–
<b>Residential Developments</b>		
<i>Minor Design Review – CEQA Exempt</i>	60 days	On request or appeal only
<i>Major Design Review – CEQA Exempt</i>	90 days	1
<i>Use Permit – CEQA Exempt</i>	90 days	1
<i>Variances – CEQA Exempt</i>	90 days	1
<i>Planned District Master Plan / Precise Development Plan CEQA, Mitigated Negative Declaration</i>	9 – 12 months	4
<i>Planned District Master Plan / Precise Development Plan CEQA, Environmental Impact Report</i>	12 – 18 months	5 <sup>2</sup>
<sup>1</sup> Assumes site is designated for housing, one round of completeness review, and one resubmittal by the applicant. <sup>2</sup> EIR procedure adds additional public hearing on Draft EIR prior to consideration and certification of Final EIR.		

Source: City of Novato

## Single-Family Residential Project Process

A typical single-family residential project in Novato involves a request for a tentative map subdivision and Major Design Review assuming the proposal occurs on a site zoned for single-family residential use, involves four or more parcels, and is subject to the City's Hillside and Ridgeline Protection Ordinance. Both entitlement requests would be processed concurrently, with a focus on determining whether the subdivision and proposed residences comply with the provisions of the California Subdivision Map Act, the standards of Novato's local subdivision and zoning ordinances, and meets the findings necessary to approve the tentative subdivision map

and Design Review requests. The project would be concurrently reviewed for completeness pursuant to Government Code 65943 and introduced to the community through a neighborhood meeting hosted by the project sponsor. Additionally, staff would determine the appropriate level of CEQA review for the proposal and initiate environmental review or preparation of findings supporting an exemption.

Assuming the application is complete, the proposal would be presented to Novato's Design Review Commission for a public hearing to make a recommendation to the Planning Commission on the subdivision's conformance with applicable design standards and findings. Thereafter, the proposal would advance to the Planning Commission for a decision on the recommended CEQA determination, the tentative map, and the Major Design Review requests. The Planning Commission's decision would be final unless appealed to the City Council.

### **Multi-Family Residential Project Process**

Condominiums and townhomes are the most common form of multi-family residential development in Novato. Given this circumstance, a typical multi-family development follows an entitlement process matching that applicable to single-family residential developments, including a subdivision review. If a multi-family project does not involve a subdivision action, then a Major Design Review would be the only planning entitlement required for such a project assuming the proposal occurs on a site zoned for multi-family residential use. Under such a circumstance and assuming a complete application, the Design Review Commission would be the final decision maker unless the matter were appealed to Planning Commission.

### **Planned (PD) Development (Master Plans/Precise Development Plans) Process**

Novato's Planned Development (PD) Zoning District applies to a number of properties designated for single-family or multi-family residential development. The PD process, regardless of residential type, involves the review and approval of a Master Plan and Precise Development Plan. The Master Plan addresses the intensity of development of a project, whereas the Precise Development Plan covers the design and operational elements of the proposals. The PD process is coupled with Design Review and may involve a subdivision action assuming single-family dwellings or multi-family condominiums/townhomes are proposed. The PD process allows an applicant to propose a project that doesn't necessarily need to meet the uniform development standards that would otherwise be applied to a given project through a traditional zoning district. That is, an applicant can essentially propose a custom designed development.

All of the entitlements associated with a project proposed under PD zoning are processed concurrently just as is done for non-PD projects in Novato. The PD process begins with a neighborhood meeting hosted by the applicant to introduce the project to the community. Thereafter, the project is presented to the Design Review Commission for a Design Workshop at which the Commission will provide feedback regarding the project's site design, building height/massing, and conceptual architecture and landscaping. During this period, staff works to identify the appropriate level of CEQA review. The initial Design Workshop involves a review of



conceptual plans, as the intent is to provide design feedback without having an applicant invest significant time and money in fully developed project plans.

The next step of the PD process involves a return to the Design Review Commission for a public hearing to make a formal recommendation to the Planning Commission and City Council regarding the project's site design, building height/massing, and concept-level architecture and landscaping. The project design recommended by the Design Review Commission serves to inform the project description developed for the CEQA analysis, typically an initial study leading to a mitigated negative declaration. From this point, staff and the applicant coordinate to deliver the balance of documentation required for a Master Plan and Precise Development Plan and, as necessary, a tentative subdivision map.

Once the CEQA analysis is complete, the project is scheduled for consideration by the Planning Commission, usually at the end of the statutorily required public comment period for a mitigated negative declaration (either 20 or 30 days). The Planning Commission then considers the Master Plan, Precise Development Plan, Design Review, tentative map, and recommended CEQA determination at a public hearing. The Planning Commission makes a recommendation to the City Council to approve or disapprove the project based on the findings required for the noted entitlements and CEQA determination. Thereafter, the City Council conducts a hearing and decides on these items.

The PD process culminates with a return to the Design Review Commission to obtain a decision on the final architectural and landscaping details of the project. This final review is conducted after the City Council's action on the Master Plan and Precise Development Plan, so an applicant has the confidence of holding entitlement improvements before spending time and money preparing finer detailed architectural and landscape plans.

### **Representative Project Timeline**

Table C-10 below is a summary of the eight most recent residential projects in the City which have completed entitlements and obtained building permits. The table includes both entitlement processing times and the time between entitlement approvals and developer filing for building permits.

The table illustrates that there is a wide variance in the lapse of time between approvals and filing for building permits. There is very little correlation between complexity of the project and the time that elapses between approvals and filing for permits. The first two projects are two of the most complicated and yet filed for permits concurrently with entitlements (which the City allows) or within one month of completing entitlements which indicates the development team began work on their construction documents well in advance of their approvals. Conversely, the Springbrook Green and Misty Court projects were two of the simpler projects and had some of the longer timelines. Both of these projects were sold between entitlements to the builders who ultimately applied for and obtained permits. The Novato Village apartment site is located on the former Hamilton Air Base and soil remediation was required prior to obtaining building permits.

The table also reflects very little correlation between time involved to process entitlements and the complexity of entitlements. The majority of these sites were not anticipated as 5<sup>th</sup> Cycle housing sites; they came in as owner-initiated general plan amendments and rezones. The 7711 Redwood site was identified as an Affordable Housing Overlay site, but the owner wanted to include additional area in his application and so needed to process a General Plan Amendment and Rezone in order to accomplish that. Even with those additional actions, entitlement processing took less time than several of the other sites. The large variance in processing times of similar entitlements is due to the completeness and accuracy of plans submitted and the turnaround times for developer design teams.

These recent experiences were valuable to the City in identifying the extended processing times when properties were zoned “Planned Development.” These are the projects identified in Table C-10 as needing Master Plans or Master Plan Amendments and Precise Development Plans. Identification of this constraint led to development of Program 3.I, to rezone remaining properties designated “PD” with the zoning designation which most closely matches the property’s general plan land use designation. This program will further reduce entitlement processing times.

**Table C-10: Representative Project Timelines**

GPA = General Plan Amendment   MND = Mitigated Negative Declaration   MP = Master Plan   MPA = Master Plan Amendment PDP = Precise Development Plan   RZ = Rezone   TSM = Tentative Subdivision Map   Var. = Variance								
Project			Planning App.		Entitlement Processing Time	Building Permit App. Filed	Time from Entitlement to BP Filing	Entitlement Issued
Name	Units	APN/Address	Filed	Approved				
<b>7711 Redwood</b>	80 townhomes	125-580-16	4/12/16	12/17/19	8 months	9/30/219	Concurrent	GPA, RZ, TSM
<b>City Ventures</b>	75 townhomes	157-970-03 802 State Access Rd.	10/10/19	7/14/20	9 months	8/11/20	1 month	GPA, MPA, PDP, TSM, MND
<b>Homeward Bound</b>	50 supportive housing	157-970-07 826 State Access Rd.	7/9/19	8/23/22	37 months	12/14/22	4 months	PDP
<b>Hamilton Cottages</b>	16 senior townhomes	157-860-03, -04	9/21/15	10/25/16	13 months	6/21/17	8 months	MPA, PDP, VTM, DR, MND
<b>Oakmont Senior Living</b>	Assisted living facility	151-022-12 1461 S. Novato Blvd.	2/18/16	7/11/17	17 months	6/18/18	12 months	GPA, MP, PDP
<b>Springbrook Green</b>	9 townhomes	1602 Vallejo	5/30/19	1/27/20	8 months	3/22/21	14 months	Var., TSM, CEQA Exmptn.
<b>Misty Court</b>	9 single-family detached	143-272-07	11/3/15	3/27/18	26 months	9/17/19	18 months	MPA, PDP, TSM, MND
<b>Novato Village</b>	48 senior apartments	157-970-04 801 State Access Rd.	5/3/11	5/30/13	24 months	3/12/15	24 months	GPA, MPA, PDP, MND

## Approval Findings

The entitlements noted above in Table C-9 each have a specific set of findings that must be made by a review authority to grant a requested entitlement. Where a project requires multiple entitlements, it is necessary for the review authority to make the findings applicable to each entitlement to approve the proposal. The following is list of findings for each entitlement listed in Table C-9.

### *Design Review*

The City's Design Review process is outlined in [Section 19.42.030](#) (Design Review). This is an entitlement that simplifies the application process by allowing the applicant to consider the project's conformance with objective design standards. The Design Review process may begin with an optional Design Review Workshop. At the applicant's discretion, the Director will arrange an introductory workshop with the Design Review Commission (DRC) to review the project against the City's applicable objective design standards and guidelines. The Director will also provide courtesy noticing of property owners within 600 feet of the site. The threshold for whether the application warrants Minor Design Review (administrative action) or Major Design Review (DRC public hearing) are as follows:

1. Minor Design Review is an administrative process described in [Subsection 19.42.030.D.4](#) (Minor Design Review). Minor Design Review is required for:
  - Single-family/duplex developments of two or more stories;
  - Single-family/duplex developments on hillside parcels with an average slope of 10 percent or more;
  - Additions to single-family/duplex developments over 500 square feet; and,
  - Additions to multi-family developments that are 40 percent or less of existing building square footage (or are visible from the street).
2. Major Design Review is a public review process described in [Subsection 19.42.030.D.5](#) (Major Design Review). After the Director has determined an application is complete, a public hearing is scheduled before the DRC to make recommendations on a project's site plan. After DRC review, the project moves on to Use Permit review (described below). After the approval of the project's Use Permit, a second public hearing is scheduled before the DRC to review the design of buildings, architecture, landscaping, color, and materials. Major Design Review is required for:
  - Single-family/duplex developments of three or more adjacent units;
  - New multi-family developments;
  - Additions to multi-family developments greater than 40 percent of existing building square footage; and,
  - Any Minor Design Review application referred by the Director.

In September 2023, the City adopted objective design standards for residential development of more than two units and residential projects will now be referred to one meeting before the Design Review Commission in order to determine compliance with those objective standards. Note that

multi-family development in multi-family zones do not require Use Permits. Use Permits are only required for mixed use developments in commercial zones. The following programs are included to reform the Design Review process:

1. Program 3.C: Adopt objective design standards for multi-family housing.
2. Program 3.D: Design review and use permit process improvements.
3. Program 3.E: SB 35 processing and permit streamlining.

#### *Use Permits*

The City's Use Permit process is described in [Section 19.42.050](#) (Use Permits). The Zoning Administrator, a qualified City employee appointed by the City Manager (usually the Planning Manager or Community Development Director), determines whether the application warrants a public hearing by the Planning Commission rather than by the Administrator. Regardless of the final decision-making body, Use Permit approval is subject to the findings listed in Section 19.42.050.E. These are:

1. The proposed use is consistent with the General Plan and any applicable specific plan;
2. The proposed use is allowed with a Use Permit within the applicable zoning district and complies with all applicable provisions of this Zoning Ordinance and any relevant Master Plan and/or Precise Development Plan;
3. The establishment, maintenance or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;
4. The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City;  
and
5. The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

The discretion of the Zoning Administrator in determining whether they or the Planning Commission is the final decision-making body potentially lengthens processing times. Clear review thresholds, like those used in the design review process, are preferable to streamline project review. As an additional action under Program 3.D, the City would amend the Zoning Ordinance to establish clear thresholds for the review of Use Permit applications by the Zoning Administrator.

#### *Variances*

The City's variance process is described in Section 19.42.070 (Variances). Variance applications are reviewed and decided upon by the same review authority that is responsible for acting upon the primary land use permit required to authorize the use in question. Findings include:

1. Granting the Variance is consistent with the General Plan and any applicable specific plan;
2. Granting the Variance would not constitute a grant of special privileges inconsistent with the limitations on other properties in the vicinity and in the same zoning district;
3. There are special circumstances applicable to the property (e.g., location, shape, size, surroundings, topography, or other conditions), so that the strict application of this Zoning Ordinance denies the property owner privileges enjoyed by other property owners in the vicinity and under identical zoning districts or creates an unnecessary and non-self imposed, hardship or unreasonable regulation which make it obviously impractical to require compliance with the development standards;
4. Granting the Variance is necessary for the preservation and enjoyment of substantial property rights possessed by other property owners in the same vicinity and zoning district and denied to the property owner for which the Variance is sought; and
5. Granting the Variance would not be materially detrimental to the public interest, health, safety, convenience, or welfare of the City, or injurious to the property or improvements in the vicinity and zoning district in which the property is located.

### *Zoning Clearances*

The City's Zoning Clearance process is described in [Section 19.42.020](#) (Zoning Clearances). The Director shall issue the Zoning Clearance after determining that the request is consistent with the General Plan and any applicable specific plan and complies with all Zoning Ordinance provisions applicable to the proposed use (including applicable Master Plan and Precise Development Plans). No other findings are required.

### *Planned Development (PD) – Master Plans and Precise Development Plans*

As described in [Section 19.42.060](#) (Master Plans and Precise Development Plans), Master Plans and Precise Development Plans are a prerequisite to development on parcels in the PD zoning district. The PD process is used both for projects on sites that are designated and/or zoned for residential uses, and frequently for sites that are requesting either a zone change, General Plan amendment, or annexation into the City for the purposes of residential development.

The PD process requires the submission of a Master Plan, Precise Development Plan, or combined plan containing graphic documents and written statements which describe the development concepts for the project. Approval of a Master Plan, Precise Development Plan, or combined plan is subject to the following findings:

#### *For a Master Plan (Zoning Code Section 19.42.060.E.3):*

1. The proposed Master Plan development is in conformance with the applicable goals and policies of the General Plan and any applicable specific plan;

2. The proposed Master Plan development can be adequately, conveniently, and reasonably served by public conveniences, facilities, services, and utilities;
3. The proposed Master Plan development concepts are reasonably suited to the specific characteristics of the site and the surrounding neighborhood; and
4. The location, access, density/building intensity, size and type of uses proposed in the Master Plan are compatible with the existing and future land uses in the surrounding neighborhood.

*For a Precise Development Plan (Zoning Code Section 19.42.060.F.3):*

1. The proposed Precise Development Plan is consistent with the General Plan, any applicable specific plan, and the approved Master Plan;
2. The proposed Precise Development Plan would produce a comprehensive development of superior quality (e.g., appropriate variety of structure placement and orientation opportunities, appropriate mix of land uses and structure sizes, high quality architectural design, increased amounts of landscaping and open space, improved solutions to the design and placement of parking facilities, etc.) than might otherwise occur from more traditional development applications;
3. The design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle access and public services and utilities (e.g., drainage, fire protection, sewers, water, etc.), would ensure that the proposed development would not endanger, jeopardize, or otherwise be detrimental to the public health, safety, or general welfare, or injurious to the property or improvements in the vicinity and zoning district in which the property is located;
4. The proposed Precise Development Plan standards are reasonably suited to the specific characteristics of the site, and are compatible with the existing and future land uses in the surrounding neighborhood;
5. The subject site is:
  - Physically suitable for the type and density/intensity of development being proposed;
  - Adequate in shape and size to accommodate the use and all fences and walls, landscaping, loading, parking, yards, and other features required by the Zoning Ordinance; and
  - Served by streets and pedestrian facilities adequate in width and pavement type to carry the quantity and type of traffic expected to be generated by the proposed development.

The requirement that any development on a parcel zoned PD prepare a Master Plan and/or Precise Development Plan commits applicants to a discretionary process where existing land use

and zoning regulations may suffice. Under Program 3.I, the City will amend Zoning Ordinance Division 19.14 (Special Purpose Zoning Districts) to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed.

### **Approval Findings Analysis**

The findings above reflect the City's historic reliance on discretionary criteria for new single-family and multi-family housing developments. However, the City, consistent with current State housing law, has adapted its application of the noted entitlements and associated findings where a residential proposal is subject only to compliance with objective standards. For example, if a residential project requires a Design Review approval and may only be reviewed for compliance with objective standards, the review authority is advised of the limits of review applicable to the project, provided with references to the objective standards relevant to the project, and is asked to make the required findings where the review authority determines the project complies with the pertinent objective standards regardless of whether the findings contains subjective criteria. The City's review authorities have approved residential development projects under these circumstances without issue. As applied, the noted findings do not constrain the entitlement of new residential development.

The City recognizes that adapting the noted findings as described above is not ideal in the long-term from the perspective ensuring clarity in entitlement processes for residential development. As such, Housing Element Programs 3.C, 3.D, 3.E, and 3.I will, in part, necessarily involve developing new or modified findings specific to residential projects subject to objective standards only and/or streamlined review (e.g., SB 35).

Regarding variances, the City rarely processes requests for variances related to residential development projects. Generally, residential projects in Novato involve more than five dwelling units and include some level of affordability qualifying the development for a density bonus. As a result, developers utilize the provisions of State density bonus law to obtain relief from development standards.

### **SB 35 Processing**

Senate Bill 35 (SB 35) (Government Code [Section 65913.4](#)) became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing goals for above-moderate and lower-income levels to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process. The City complies with the requirements of SB 35 as part of project review as projects are proposed. The City will adopt local procedures consistent with SB 35 (see Program 3.E) to ensure continued compliance and to facilitate the review process.

### **Permit Streamlining Act Compliance**

The Permit Streamlining Act was enacted in 1977 in order to expedite the processing of permits for development projects (Government Code [Section 65921](#)). The Permit Streamlining Act achieves this goal by (1) setting forth various time limits within which state and local government agencies must either approve or disapprove permits and (2) providing that these time limits may be extended once (and only once) by agreement between the parties. The Permit Streamlining Act does not apply to legislative land use decisions or to ministerial permits.

The City adheres to the time limitations by providing completeness responses to applicants within 30 days of receiving a development application. When an application is received, the City establishes internal review times to be completed prior to the 30-day limit to ensure there is sufficient time to adhere to requirements of the Permit Streamlining Act. The completeness response provided to applicants includes a detailed list of missing items, if any, that were identified. Projects that are exempt from California Environmental Quality Act (CEQA) must be processed within 60 days of deeming the application complete. However, projects that require additional environmental analysis and disclosures to the public are granted additional time to prepare an initial study and circulate the environmental findings for public comments. The City adheres to streamlining requirements under CEQA pursuant to State law.

## Permit and Development Fees

The City processes development applications on a cost recovery basis, requiring payment of deposits for entitlement processing at the time of application and payment of development impact fees, generally at the time of building permit issuance. City fees/deposits are based on the City's costs of providing services and are reviewed and adjusted periodically. The City's permit and development fees are [available on the City's website](#) consistent with Government Code [Sections 65940.1\(a\)\(1\)\(A\) and 65940.1\(a\)\(1\)\(B\)](#).

## Planning Fees

Tables C-11 lists the City's planning deposits and fees.

**Table C-11: Planning and Development Fee Schedule**

Permit	Fee/Deposit
<b>Subdivision Actions</b>	
<i>Tentative Map (4 or Fewer Lots)/Amendment</i>	\$4,100
<i>Tentative Map (5 or More Lots)/Amendment</i>	\$6,150
<b>Use Permits</b>	
<i>Major (Planning Commission)</i>	\$4,100
<i>Minor (Zoning Administrator)</i>	\$2,460
<b>Variance</b>	\$1,640
<i>Major (Hearing Authority)</i>	\$4,100
<i>Minor (Director)</i>	\$2,460
<b>Design Review</b>	
<i>Major Residential (Hearing Authority)</i>	\$5,125
<i>Minor Residential (Director Review)</i>	\$2,460



Table C-11: Planning and Development Fee Schedule

Permit	Fee/Deposit
<b>Environmental Review</b>	
<i>Categorical/Statutory Exemption</i>	Cost of exemption review recovered via permit deposit/fee
<i>Initial Study/Negative Declaration/Mitigated Negative Declaration</i>	Initial deposit amount TBD based on consultant estimate
<i>Environmental Impact Report</i>	Initial deposit amount TBD based on consultant estimate
<b>Zoning Clearance</b>	\$410
<b>Streamlined Residential Review</b>	
<i>SB 35/AB 2162 (Streamlined Residential Development Review)</i>	\$13,325 <sup>1</sup>
<i>AB 168 (Notice of Intent/Tribal Consultation)</i>	\$2,460
<b>Density Bonus Request</b>	\$8,200
<b>ADU (Planning Permit)</b>	\$820
<b>Pre-Application Assistance Request</b>	
<i>Pre-Application Meeting (up to 1/2 hour)</i>	No charge \$500 for each additional meeting (up to 1 hour)
<i>Pre-Application Request for Information</i>	No charge \$205 for each additional hour (1 hour min.)
<i>Pre-Application Design Consultation (per plan submittal/response)</i>	\$205
<i>Technical Advisory Committee Review</i>	\$1,230
<b>Downtown Core Parking Waiver</b>	\$410
<b>Reasonable Accommodation Request</b>	\$820
<sup>1</sup> Streamlined processing means most work is completed in the first 30 to 60 days, resulting in a higher initial deposit to anticipate these costs. The deposit also includes covers a review of technical studies (due to CEQA exemption) and objective design standards, in addition to required reviews and public meetings.	

Source: City of Novato, 2022 Master Fee Schedule

The City requires processing deposits for SB 35/AB 2162, not a fee. A deposit is required to cover the City's costs to process applications for streamlined review under the noted bills, including staff time and legal counsel charges. The City's processing deposit is consistent with the Legislature's finding regarding reimbursement of local agencies pursuant to Section 6 of Article XIII B of the California Constitution as referenced in Section 7 of Senate Bill 35 and Section 5 of AB 2162, which state:

"No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution **because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act [emphasis added]**, within the meaning of Section 17556 of the Government Code."

Under the City's cost recovery approach, an applicant for a development entitlement, regardless of land use type, is charged for the City's direct costs related to processing their request based on staff and legal counsel billing rates and actual materials costs without mark-up. Charges are first applied to an applicant's deposit. If the full deposit is not required to process the application, then any remaining balance is refunded to the applicant. If the deposit is exhausted, then an

applicant receives an invoice requesting payment of the City's direct costs. This approach is uniform across all entitlements requiring a processing deposit.

The minimum deposit level established for SB 35/AB2162 represents the City's anticipated cost to process a typical SB 35 application. Reviewing and acting on an SB 35 application is not a checklist procedure, but involves significant staff time to: a) verify whether a proposal is eligible for treatment under SB 35, b) perform a detailed review of the proposal's compliance with a wide range of objective standards, c) coordinate with the City's legal counsel and other outside agencies, and prepare various writings (e.g., objective standards compliance letter, correspondence with the applicant, etc.). The City's current deposit of \$13,325.00 represents approximately 20 hours of combined staff and legal counsel time.

The required SB 35 processing deposit appears higher in comparison to the City's other deposit amounts (e.g., minor design review, major design review, use permit, etc.) because those deposits apply to many different project types (e.g., commercial, industrial, etc.), some of which do not require the level of review or legal assistance associated with an SB 35 proposal. Generally, the City sets its deposit amounts at the average expected processing cost, not the highest anticipated cost.

The City's initial deposit does not violate Government Code 65913.4(h)(1) as this provision is intended to prevent agencies from applying requirements, such setting exorbitant fees, to discourage applications for streamlined permitting and does not preclude an agency from recovering its reasonable costs. The City's initial deposit of \$13,325.00 is not considered to be exorbitant, recognizing SB 35 requests commonly involve developments with budgets in the tens of millions of dollars. Accordingly, it is unlikely developers of projects at this cost level would be dissuaded from submitting an SB 35 or AB 2162 application based on the City's required deposit. Again, an SB 35 applicant will only be charged for the City's actual direct costs to process their application consistent with the same procedure applied to all other entitlement applications.

## Building Permit Fees

Table C-12 lists the City's building permit fees. Novato charges building permit fees according to a sliding scale, in addition to plan check fees equal to 80 percent of the prescribed building permit fee.

**Table C-12 Building Permit Fees**

Valuation	Base Fee	Plus Incremental Fee
\$1 – \$2,000	\$164	–
\$2,001 – \$25,000	\$164 for the first \$2,000	\$19.61 for each additional \$1,000 up to and including \$1,000
\$25,001 – \$50,000	\$615 for the first \$25,000	\$18.04 for each additional \$1,000 to and including \$1,000
\$50,001 – \$100,000	\$1,066 for the first \$50,000	\$11.48 for each additional \$1,000 over \$100,000

**Table C-12 Building Permit Fees**

Valuation	Base Fee	Plus Incremental Fee
\$100,001 – \$500,000	\$1,640 for the first \$100,000	\$9.02 for each additional \$1,000 over \$500,000
\$500,001 – \$1,000,000	\$5,248 for the first \$500,000	\$7.87 for each additional \$1,000 over \$1,000,000
\$1,000,001 and up	\$9,184 for the first \$1,000,000	\$4.72 for each additional \$1,000 over \$1,000,000

Source: City of Novato, 2022 Master Fee Schedule

## Development Fees

Development fees are applicable to newly constructed buildings and additions, or whenever a change of use within an existing building creates additional impacts. Fees cover the costs of City services and facilities. Novato is also served by a variety of special districts (including the Novato Sanitary District, the North Marin Water District, and the Novato Unified School District (NUSD). to provide essential services such as water, sewer, and fire protection. These districts charge fees for their services, which are set by the various elected Boards of Directors.

Table C-13 lists the applicable development fees in Novato.

**Table C-13: Development Fees**

Impact Type	Fee Amount
<b>Outside Agency Impact Fees</b>	
<b>Novato Unified School District</b>	\$4.08/square foot
<b>Novato Sanitary District</b>	\$12,999 per dwelling unit
<b>Novato Fire District</b>	\$.0662/square foot
<b>North Marin Water District</b>	<b>Fee Per Dwelling Unit</b>
<i>Single-family detached and duplexes</i>	\$28,600
<i>Townhouses and condominiums (3 units or more)</i>	\$17,200
<i>Mobile home</i>	\$10,000
<i>Apartment houses (5 units or more)</i>	\$11,200
<i>ADU</i>	\$10,000
<b>City Impact Fees</b>	
<b>Residential Development Tax</b>	<b>Fee Per Bedroom</b>
<i>One</i>	\$490
<i>Two</i>	\$730
<i>Three</i>	\$900
<i>Four</i>	\$1,070
<i>Five</i>	\$1,240
<i>Each additional</i>	\$170

**Table C-13: Development Fees**

Impact Type	Fee Amount		
<b>Park Dedication and In-Lieu Fee <sup>1</sup></b>	<b>Fee Per Unit</b>		
<i>Single-Family Detached</i>	\$5,394		
<i>Single-Family Attached</i>	\$4,434		
<i>Duplex</i>	\$4,925		
<i>Apartment (3-4 units)</i>	\$4,681		
<i>Apartment (5+ units)</i>	\$4,422		
<b>Public Facilities Fees</b>	<b>Single-Family Dwellings</b>	<b>Multi-Family Dwellings</b>	<b>ADUs</b>
<i>Recreation/Cultural Facilities</i>	\$9,449.87	\$9,450.46	\$4,725.23
<i>Civic Facilities</i>	\$1,694.02	\$1,694.58	\$847.29
<i>General Government Systems</i>	\$735	\$735.07	\$367.54
<i>Open Space</i>	\$2,044.03	\$2,044.03	\$1,022.02
<i>Drainage</i>	\$4,023.30	\$1,161.35	\$580.68
<b>Traffic Impact Fees</b>	<b>Single-Family Dwellings</b>	<b>Multi-Family Dwellings</b>	<b>ADUs</b>
<i>Streets &amp; Intersections</i>	\$11,290.20	\$5,202.66	\$2,601
<i>Transit Facilities</i>	\$387.74	\$179.69	\$89.84
<i>Corporation Yard</i>	\$243.18	\$179.69	\$56.07

<sup>1</sup> Applicable to subdivisions (i.e., tract or parcel maps).

Source: City of Novato, NUSD, NSD, NMWD

## Fees Analysis

Table C-14 shows the total estimated planning and development fees for single-family and multi-family developments.

**Table C-14: Estimated Fees for Single-Family and Multi-Family Developments**

	Single-Family <sup>1</sup>	Multi-Family <sup>2</sup> (50 townhome units, market rate)
<b>Planning and Building Permit City Fees</b>		
Design Review	\$2,460	\$5,125
Tentative Map (5 or more lots)	–	\$6,150
<b>Development Impact Fees</b>		
Public Facilities Fees		
Recreation/Cultural Facilities	\$9,450	\$472,500
Civic Facilities	\$1,694	\$84,750
General Government Systems	\$735	\$36,750
Open Space	\$2,044	\$102,200
Drainage	\$4,023	\$58,050
Traffic Impact Fees		
Streets & Intersections	\$11,290	\$260,150
Transit Facilities	\$388	\$8,985
Corporation Yard	\$243	\$8,985
<b>Taxes and In-Lieu Fees</b>		
Residential Development Tax	\$900	\$36,500
Park Dedication and In-Lieu Fees	\$0	\$221,100
<b>Estimated Fees of Other Districts</b>		
Novato Unified School District	\$10,200	\$255,000
Novato Sanitary District	\$12,999	\$649,950
North Marin Water District	\$166	\$4,138
Novato Fire District	\$28,600	\$560,000
<b>Total Fees</b>	<b>\$85,192</b>	<b>\$2,770,332</b>
<b>Total Fees per Unit</b>	<b>\$85,192</b>	<b>\$55,407</b>
Total Estimated Development Cost	\$1,927,671	\$34,776,676
Total Estimated Development Cost per Unit	\$1,927,671	\$695,534
<b>Estimated Fee Cost as a Portion of Total Development Cost</b>	<b>4%</b>	<b>8%</b>
<sup>1</sup> Assumes a 3-bedroom, 2,500 square foot house with a 2-car garage.		
<sup>2</sup> Assumes 2-bedroom, 1,250 square foot units.		

Source: City of Novato, LWC

Planning and development fees add to the cost of housing and can constrain housing development if the cost of development exceeds the threshold for financial feasibility. The Novato Sanitary District, Novato Fire District, and Recreation/Cultural Facilities fees are the most

substantial fees required for residential development in Novato. However, as reviewed by the Turner Center in a March 2018 report, development fees typically represent reasonable costs.<sup>1</sup>

On a per-unit basis, fees on development in Novato are higher for single-family development than multi-family. However, development fees make up a greater portion of market-rate multi-family development costs because single-family houses are much larger than multi-family units as per-unit fees incentivize larger unit sizes. Therefore, the City will evaluate refining fees to be applied on a per square foot basis rather than per unit to encourage the development of smaller housing units, and encourage the various special districts to do the same (Program 3.F).

### **C.2.5 On and Off-site Improvements**

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New development is required to provide public improvements to serve new residents. Many development sites in Novato are individual vacant or underutilized lots with full utilities, street frontages, access, and services and require few public site improvements other than construction of utility connections to existing infrastructure in the adjacent public right-of-way. The availability of these on-site and off-site improvements increase the viability for development in Novato. Required street right-of-way widths are based on street classification and range from 25 feet (limited residential street) to 100 feet (arterial) (Municipal Code [Section 5-45](#)). While these types of requirements result in additional development costs, these improvements provide the necessary facilities and services for a safe and quality living environment, and the City offers reductions in these standards when appropriate.

The Housing Element does identify larger sites that require subdivision and the additional need for new blocks, public or private streets, curb and gutter replacement, sidewalks, tree planting, and similar onsite amenities which contribute to public health and safety. As discussed below in Section C.4.2 (Infrastructure Constraints), Novato does not experience issues with environmental constraints public infrastructure demands (electricity, gas, and telephone services), water district supply, and sewage and drainage systems, as these services have been determined to be stable and adequate for the foreseeable future.

The City has adopted engineering and design standards to inform developers of how these improvements should be constructed in [Chapter 5](#) (Development Standards) and [Chapter 9](#) (Land Subdivision). Therefore, the City's on and off-site improvement requirements are not considered regulatory barriers to affordable housing.

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<sup>1</sup> Turner Center for Housing Innovation, [\*It All Adds Up: The Cost of Housing Development Fees in Seven California Cities\*](#), March 2018.

## C.2.6 Summary

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Basic development standards and land use regulation in Novato allows for moderate density and intensity for residential development. However, hillside regulations need to be revised for ease of use and applicability and the design review process allows a degree of subjectivity and repetitive review that lengthens the development timeline. Additionally, several residential uses (e.g., emergency shelters, farmworker/employee housing, etc.) are not regulated in compliance with State law. Furthermore, amendments to the City's density bonus and inclusionary housing ordinances are necessary to resolve inconsistency with State law. The City's planning and development fees are reasonable, as are its requirements for on- and off-site improvements.

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## Section C.3 Non-Governmental Constraints

Local governments have limited control over market factors that can influence the development of housing. These market-related constraints include land costs, construction costs, and the availability of financing. An assessment of these non-governmental constraints informs strategies for mitigating the impacts of market factors on housing production.

### C.3.1 Housing Supply/Conditions

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#### Market Overview: For-Sale Development

As shown in the Needs Assessment (Appendix A, Figure A-39), the Region's home values have increased significantly since 2012, when they had reached a low point following the Great Recession (2009-2012). From 2012 to 2020, the median home value in the Bay Area increased by 117 percent. Since 2012, the typical home value in Novato has increased 87 percent, from \$490,952 to \$916,143.

Following the recovery from the Great Recession and until 2020, interest rates remained at low levels of 3.5 to 4.5 percent. When interest rates are low, capital investment and housing production generally increase, and more buyers are likely to take out a mortgage than when interest rates are higher. In addition, consumers are able to borrow more money for the same monthly payment. During the COVID-19 pandemic, national 30-year mortgage rates dropped to even lower levels, declining to as low as 2.65 percent in January 2021. However, interest rates began to increase in early 2022, to 5.3 percent by May 2022, the highest rate since June 2009.<sup>2</sup> The increase in home borrowing rates may impact the performance of the home buying market, but the severity of these impacts is uncertain due to the unusual conditions during the pandemic-

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<sup>2</sup> Federal Home Loan Mortgage Corporation (Freddie Mac), [Primary Mortgage Market Survey®](#)

recovery, including a shortage of housing supply, increased savings, and significant changes to how many Americans work and live.

### **Market Overview: Rental**

As shown in the Needs Assessment (Appendix A, Figure A-40 and Figure A-41), Novato rents have risen alongside rents in Marin County and are higher than those across the Region. According to U.S. Census data, the median rent in Novato in 2019 was \$1,950 per month and had increased by 45.4 percent in the past 10 years. In the same time period, median rent increased by 25.1 percent in Marin County and 54 percent in the Region.

Per the Needs Assessment (Appendix A, Figure A-43), homeowners are less cost-burdened than renters, who bear the brunt of an overall rise in housing costs without the benefit of fixed-rate mortgages. When looking at cost burden across tenure in Novato, 26.2 percent of renters spend 30 to 50 percent of their income on housing compared to 19.7 percent of those that own. Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing and are considered severely cost-burdened, while 14.8 percent of homeowners are severely cost-burdened. In total, 34.5 percent of homeowners and 54.8 percent of renters experience some level of cost burden in Novato.

## **C.3.2 Development Costs**

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### **Land Costs**

Due to the lack of undeveloped property in the City, a residual land value analysis was used to estimate the price of land in Novato. The analysis used comparable sales within the past two years (2021–2022). Individual lots ranged from \$96 to \$222 per square foot, or about \$4,179,877 to \$6,688,335 per acre. Lot sizes ranged from approximately 3,572 to 43,125 square feet. Residential multi-family land in and near the City is estimated to cost an average of \$167 per square foot, or about \$7,293,907 per acre.

There were very few recent raw land sales in Novato. The lack of undeveloped land is considered a constraint to development, as housing production will most likely occur on more expensive opportunity sites for redevelopment. Additionally, a developer will need to finance existing on-site improvements, as well as demolish existing structures, further driving up development costs.

### **Construction Costs**

According to a March 2020 report published by the Turner Center for Housing Innovation, construction costs for multi-family housing in California have climbed 25 percent between 2009



and 2018.<sup>3</sup> This increase is in part due to the higher cost of building materials, such as lumber, concrete, and steel, as well as prevailing wage requirements. According to RSMeans, construction costs (including materials and labor but excluding soft costs such as fees) for a small apartment complex in the Novato area ranged between \$191 to \$220 per square foot in 2022. Construction costs can vary depending on the type of development, ranging from more expensive steel-frame Type I construction to more affordable wood-frame Type V. Due to the smaller scale, single-family homes tend to be more expensive to construct on a per square foot basis than larger, multi-family developments. This cost can fluctuate depending on the type and quality of amenities to the property, such as expensive exterior and interior finishes, outdoor spaces, fireplaces, swimming pools, etc.

Soft costs are the costs that are not directly incurred by the physical construction of the development. These costs include services for architectural, engineering, environmental assessments, landscape design and legal services, as well as permitting requirements and impact fees. They generally range from 15 to 30 percent of total development costs but fluctuate depending on local fees and exactions. Please refer to the Permit and Development Fees section for a discussion of the City's required permit and development fees.

### **C.3.3 Availability of Financing**

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The availability of financing has a large impact on rates of homeownership. The ability to secure financing can be influenced by, creditworthiness, debt-to-income ratio, and the restrictiveness (or leniency) of mortgage lending standards. Reviewing data collected through the Home Mortgage Disclosure Act (HMDA) reveals the influence of the lending market on local home sales. Home purchase loans in 2020 are summarized in Table C-15 below.

In the City's zip codes, almost all traditional home loan applications (between government-backed and conventional) in 2020 were for conventional loans, for a total of 912 home loan applications across both types. This disparity could be driven by high home values in Novato, as government-backed loan programs typically have a maximum loan amount. The approval rate for conventional loans was 79 percent.

In competitive housing environments, where purchasing a new home may be out of reach for some, home renovations can be a desirable and more affordable way to add value to a property. There were 221 loan applications for home improvement in 2020. The approval rate for these types of applications was 58 percent.

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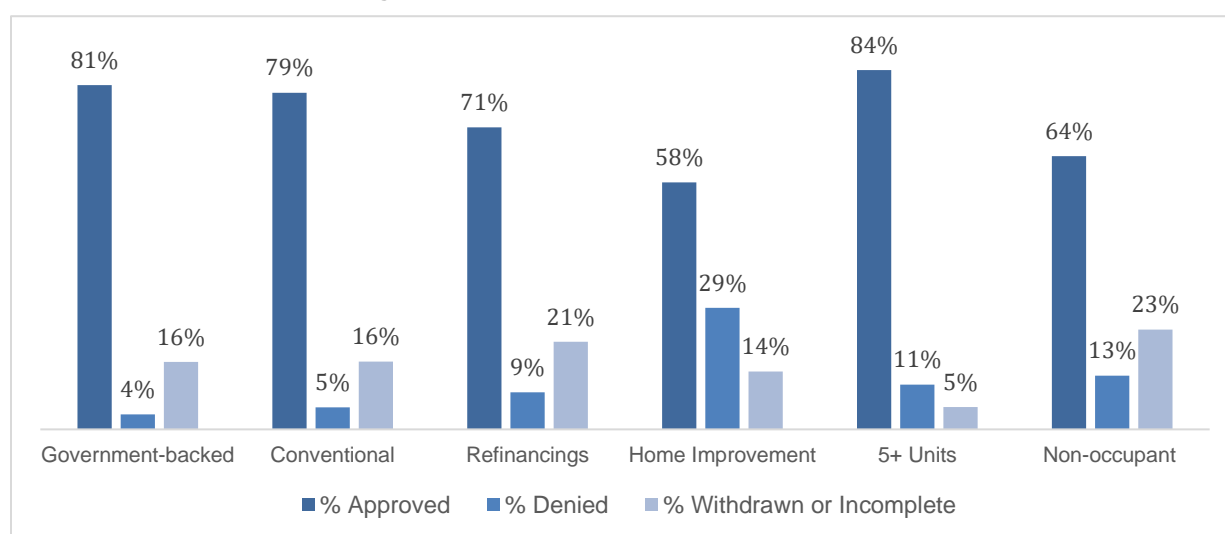
<sup>3</sup> Turner Center for Housing Innovation, [\*The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California\*](#), March 2020

**Table C-15: Total Home Loan Applications**

Type	Total Applications
Government-backed	57
Conventional	855
Refinancing	4,962
Home Improvement	221
5+ Units	19
Non-occupant	278

Source: HMDA, 2020

**Figure C-1: Home Loan Application Disposition**



Source: HMDA, 2020

### C.3.4 Achieved Housing Densities

Table C-16 below reflects the City's 5<sup>th</sup> Cycle inventory of sites identified as Affordable Housing Overlay, Multi-family, and Mixed-Use properties. (The following analysis does not include sites identified for single family detached development.)

Development has gone forward on several of these sites, with one completed (site 13/14), one currently under construction and nearly complete (site 3), and several more with applications on-file. The projects currently in process are identified as Pipeline Projects in the City's Cycle 6 inventory. Only one of these identified sites was approved with fewer number of units than anticipated in our 5<sup>th</sup> Cycle inventory. The vast majority of sites yielded the exact number of units assumed, or greater. The loss of four units on site 13/14 was due largely to losses in developable area due to internal street widths (fire lanes). There are large numbers of improved unit yields due to the types of projects proposed by developers vs what was anticipated and new tools

available to developers as a result of changes in state laws related to housing and proximity to transit.

**Table C-16 Achieved Housing Densities**

Site ID	APN	Property Name/Address	5 <sup>th</sup> Cycle Capacity (# of units)	Developed or App. Filed Since 5 <sup>th</sup> Cycle? Y/N	New Proposed Unit Count	Notes
<b>Affordable Housing Overlay (AHO) Sites</b>						
1	141-201-48 141-201-12	1787 Grant	35	Y	35	In entitlement process
2	153-162-59	101 Landing Ct.	30	Y	32	Entitled
3	125-202-18 125-580-16, -17	7711 Redwood	80	Y	80	New APNs assigned; under construction
4	143-011-08	ROIC	35	Y	178	In entitlement process; app. Incl. 143-011-05
5	140-011-66	Lifelong Med.	21	N	N/A	
<b>Multi-Family Housing Sites</b>						
6	141-062-36	1902 Novato	6	N	N/A	
7	141-142-16	1811 Virginia	8	N	N/A	
8	141-234-10	1110 Olive	3	N	N/A	
9	141-253-09	1017 4 <sup>th</sup>	1	N	N/A	
10	141-261-30	1053 3 <sup>rd</sup>	5	N	N/A	
<b>Mixed-Use Sites</b>						
11	141-261-29	4 <sup>th</sup> & Grant	24	Y	227	In entitlement process
12	141-263-30	1 <sup>st</sup> & Vallejo	6	N	N/A	
13	125-600-52	7533 & 7535 Redwood	54	Y	50	Completed in 2022
14	125-600-51			Y		
15	141-264-22	4409 Redwood	10	N	N/A	
16	141-282-07, -04	1 <sup>st</sup> & Gran	17	Y	196	
17	153-041-01	Redwood & Vallejo	13	N	N/A	

### C.3.5 Summary

Despite lower for-sale prices and comparable market rents to the County and Region, other economic conditions, particularly relatively lower land costs, are favorable for attracting new housing development in Novato. Most of the new construction, however, is expected to be for above-moderate income households while housing projects affordable to moderate and lower-income households are less common.

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## **Section C.4                      Environmental and Infrastructure Constraints**

### **C.4.1                      Environmental Constraints**

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#### **Environmental Conditions**

Novato is located in the greater North Bay region of the San Francisco Bay Area. The northernmost city in Marin County, Novato is suburban-scaled and framed by undeveloped hillsides and the San Pablo Bay. The Mediterranean climate and coastal influence produce moderate temperatures year-round, with rainfall concentrated in the winter months. The Region is subject to a range of natural hazards, including earthquakes, flooding, landslides, and wildfires.

Historic land use has altered much of the landscape in Novato and surrounding communities, but the remaining open space supports a diversity of plant and animal species. San Pablo Bay's open water transitions into large expanses of marshland habitat and diked baylands which support primarily grasslands that continue to be used for grazing. A mosaic of grassland and woodland preserves occupy much of the remaining undeveloped hillsides, adjacent to residential neighborhoods occupying the lower elevations.

The central portion of the City is along the Highway 101 corridor and is primarily developed for residential uses, bisected by the remaining natural riparian and marshland habitats along major drainages. Elevations in Novato range from sea level to approximately 1,558 feet above mean sea level at the highest point on Burdell Mountain. The Downtown area is at 18 feet above mean sea level and contains a number of lakes, streams, and creeks.

After the City was incorporated in 1960, residential development boomed in the 1960s and 1970s resulting in predominately residential uses in the valley areas west of Highway 101 and in neighborhoods east of the freeway. In 1997, Novato voters approved a ballot measure establishing an Urban Growth Boundary to restrict urban development from extending into rural and natural areas. In 2017, residents voted to continue the Urban Growth Boundary through the year 2042.

## Flooding

Flooding is given special attention when accommodating new development in Novato. The City encompasses over 5,000 acres designated as Special Flood Hazard Area, although nearly 3,800 (75 percent) of those acres are preserved as open space areas. Historical flooding has inundated many low-lying areas of the City, such as winter storms in 2016-2017 closing Highway 37 for 27 days and flooding neighborhood streets. Flood hazard areas are mainly located in the eastern portion of the City, though areas along major streams are susceptible flooding. Figure C-2 displays the City's floodplains as reported in the Novato General Plan 2035 Final Environmental Impact Report.

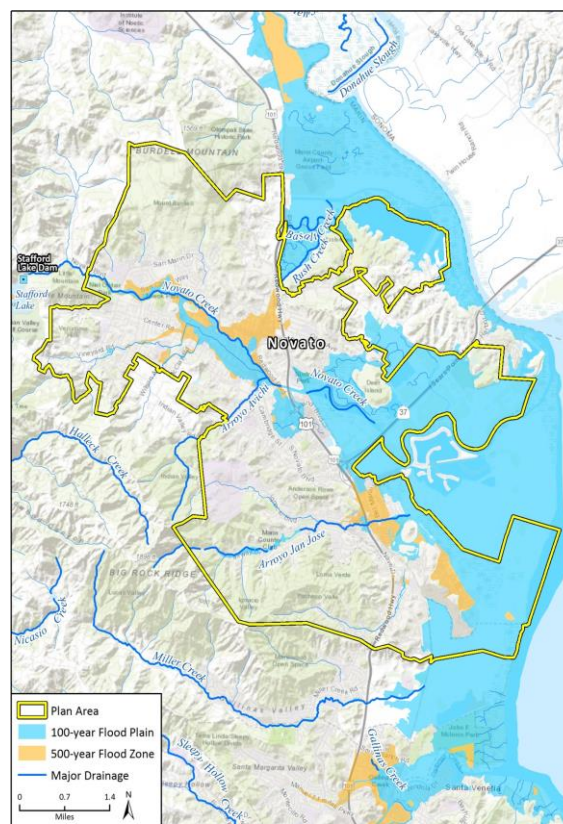
All new construction and substantial improvements in Special Flood Hazard Areas are required to comply with the City's Flood Damage Prevention Requirements (Municipal Code [Section 5-31](#)). Development standards are intended to meet, if not exceed, minimum National Flood Insurance Program (NFIP) criteria for requirements for floodplain management regulations, including raising residential buildings and using flood-resistant building materials.

As shown in Appendix B, one of the City's two rezone sites identified in the Site Inventory is located at 1682 Novato Blvd. (also referred to as "Site 2" or the "Baywood Center Offices"). This 1.41-acre parcel is located adjacent to Novato Creek and within the Creek's 100-year floodplain, but this location has not presented significant impediment to the parcel's existing use as an office complex. Additionally, while the City has established a Flood Hazard (F) Overlay District, the proposed redevelopment of this site into housing is subject to Municipal Code [Chapter 5-31](#) (Flood Damage Prevention Requirements). These and other regulations do not preclude development of this site at the density indicated in Appendix B.

## Other Environmental Constraints

The City has taken measures to prepare for and mitigate impacts from its other main environmental hazards – seismic activity, liquefaction, landslides, and wildfire. These measures include requiring geotechnical analyses for development proposals in hazardous areas, encouraging clustered development, and a city-wide available land inventory providing development capacity while factoring environmental constraints. Additionally, the City has identified its vulnerability to the

**Figure C-2: Floodplains in Novato, CA**



Source: City of Novato, Novato General Plan 2035 Final Environmental Impact Report (2020)

impacts of climate change as part of its 2009 Climate Action Plan and has committed to comprehensively incorporating these anticipated impacts into the General Plan, hazard mitigation plans, etc. None of these environmental hazards are considered a constraint that would significantly affect the production and maintenance of housing during the planning period.

#### **C.4.2      Infrastructure Constraints**

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Novato does not experience issues with public infrastructure demands (electricity, gas, and telephone services), water district supply, and sewage and drainage systems, as these services have been determined to be stable and adequate for the foreseeable future. An overview of the City's water, sewer, and dry utilities infrastructure is described below.

##### **Water**

The Novato Municipal Water District (NMWD) provides water service for the City of Novato as well as the surrounding unincorporated areas and portions of West Marin. Approximately 80 percent of the Novato water supply comes from the Russian River through the NMWD's wholesale water supplier, the Sonoma County Water Agency (SWCA). The remaining 20 percent comes from local runoff into Stafford Lake that is treated at the NMWD Stafford Water Treatment Plant, and a lesser amount of recycled water developed in cooperation with Novato Sanitary District and Las Gallinas Valley Sanitary District. The District has no local, developed groundwater supply source. The large 245,000 acre-feet water supply storage capacity in Lake Sonoma allows the City to weather drought years and will help to buffer the impacts of greater extremes in rainfall expected to result from climate change.

The NWMD's most recent Urban Water Management Plan was submitted in June 2021. The Plan addresses the District's water system and includes a description of the water supply sources, magnitudes of historical and projected water use, and a comparison of water supply to water demands during normal, single-dry, and multiple-dry years. The Plan is prepared in accordance with the Urban Water Management Act and is updated every five years.

Potable water use within the District's service area is predominantly associated with residential use, with 56 percent of the water use between 2016 and 2020 from single-family residence accounts and 14 percent from multi-family accounts. Total and per capita water use increased from 2011 through 2013, then declined from 2014 through 2017. These trends were likely influenced by the historic drought conditions, mandatory state-wide restrictions in urban water use imposed by the State Water Resources Control Board (SWRCB), and local drought response.

Total and per capita water use has remained lower than pre-drought conditions, with an increase in 2018, indicating a degree of rebound following the drought.<sup>4</sup>

Potable and raw water demand is projected to increase from 8,194 acre-feet in 2020 to 10,249 acre-feet by 2030, an approximately 25 percent increase.<sup>5</sup> The methodology used to calculate this projection incorporates estimated growth rates for population and employment, new housing per ABAG's RHNA calculations, and demand projections that reflection hotter, drier weather as a result of climate change. A significant increase in water demand is not anticipated during the planning period, and the NMWD projects that future supplies will be sufficient to meet forecasted demand under normal year, single-dry year, and multiple-dry year scenarios.

## **Sewer and Stormwater**

The Novato Sanitary District (NSD) provides wastewater collection, treatment, and disposal services for the City through a system of over 240 miles of sewer lines and 40 pump stations. Wastewater is transported to the Novato Treatment Plant (NTP) where most of the water undergoes primary and secondary treatment and is either discharged to San Pablo Bay or used for agricultural irrigation.

Surface water runoff in the City varies from concentrated, channelized flows in the surrounding hills to sheet flow that is then intercepted by stormwater conveyance systems in the flatter city center. To the east of the city, stormwater enters a tidal marshlands system through canals and ditches. All surface drainage eventually flows into San Pablo Bay by overland flow, tributary swales (shallow, vegetated ditches), or perennial streams, such as Novato Creek.

The NTP underwent significant upgrades and returned to service in 2010, combining the flows from two former treatment plants. The upgraded NTP is designed for an average dry weather flow of 7.05 MGD and peak wet weather flow of 30.7 MGD, volumes well above those seen during recent years. In 2012, NSD completed a new recycled water treatment facility with a treatment capacity of 1.7 MGD (peak). The plant can provide over 150 million gallons of water annually for large landscapes.

The NSD most recently updated its Wastewater Collection System Master Plan in 2019 for the after assessing the management, physical condition, and maintenance of its collection system. Results showed that over 70 percent of the inspected pipes had no recorded structural defects.<sup>6</sup> The Stormwater Master Plan was updated in 2019. Both Master Plans identified capital improvement priorities necessary to maintain capacity and reduce flooding/overflow risk in the sewer and stormwater systems.

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<sup>4</sup> North Marin Water District/EKI Environment & Water, Inc., *2020 Urban Water Management Plan*, June 2021, p.25

<sup>5</sup> Ibid. p. 32

<sup>6</sup> Novato Sanitary District, *Collection System Master Plan*, October 2019, p.9.

Overall, the City's sanitary sewer districts have adequate capacity to treat wastewater for the service area to accommodate anticipated future development.

### **Dry Utilities**

Electricity in Novato is provided jointly by Marin Clean Energy, a Clean Choice Energy (CCE) program, and PG&E. Natural gas is provided by PG&E, and Marin Clean Energy provides an alternative energy source. Additional dry utilities include cable TV/internet (AT&T and Comcast) and weekly garbage service (Novato Disposal Service, Inc. through a contract with the Novato Sanitary District). Solid waste from Novato is taken to the Redwood Landfill and Recycling Center located north of the Novato city limit. The estimated closure date of the landfill is 2036.

Overall, dry utility infrastructure is adequate to accommodate anticipated future development during the planning period.



# Appendix D: Evaluation of the 2015–2023 Housing Element

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## Section D.1 Existing Housing Programs Review

This Appendix documents the implementation status of the current Housing Element programs. The main purpose is to evaluate which programs were successful and should be continued, and which programs were ineffective and should be eliminated or modified.



Many of the 5<sup>th</sup> Cycle Housing Element programs represent ongoing City efforts or were successfully completed. These programs have facilitated affordable housing during the planning period, such as Homeward Bound of Marin's Workforce and Veteran Housing project (50 apartment units for both veteran and non-veteran homeless residents,) and Oma Village (14 apartment units for families transitioning out of homelessness. The City has also updated its Accessory Dwelling Unit (ADU) Ordinance, contracted with a new non-profit organization (Rise Housing) to administer its successful Below Market-Rate Homeownership and Rental programs, and been an active participant in regional efforts to fund and facilitate housing (i.e., maintaining the City's Affordable Housing Trust Fund, participating in the development of the Marin County Objective Design & Development Standards toolkit, etc.).

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### D.1.1 Efforts to Address Special Housing Needs

California Government Code [Section 65588\(a\)\(4\)](#) requires that local governments review that effectiveness of goals, policies, and related actions to meet the special housing needs of the elderly, persons with disabilities, large families, farmworkers, female-headed households, and persons experiencing homelessness. The 5<sup>th</sup> Cycle Housing Element included several programs to meet these special housing needs and the 6<sup>th</sup> Cycle Housing Element will build upon these programs (and modify them to meet current needs) based on an evaluation of their cumulative effectiveness.

In the most recent planning period (2015-2023), the following actions and achievements addressed special housing needs in Novato:

- Contracted with [Rise Housing Solutions](#) to administer the City's Below Market-Rate (BMR) Homeownership and Rental programs.
- In partnership with long-time non-profit partner Homeward Bound of Marin, provided \$750,000 from the City's affordable housing fund (2020) and a \$3 million loan (2022) to begin construction of the [Homeward Bound Workforce and Veteran Housing](#) project. This 50-unit will provide target housing for special needs populations – 24 apartments for homeless veterans and 26 apartments for other homeless individuals entering the workforce. The project will also include a commercial kitchen for job training and rentable event space.
- Hired two full-time staff in FY 22/23 to manage the City's new Homeless Services Division, which supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency.

- Established the new Housing and Homeless Committee (HHC) whose purpose is to provide information and make recommendations to the City Council regarding housing and homeless issues within the City. The HHC assists with reviewing the state of homelessness in the City by planning, advocating, supporting, and collaborating with those affected by homelessness.
- Maintained and operated the Temporary Encampment at Lee Gerner Park, providing temporary shelter for up to 17 individuals and offering case management, outreach services, security, showers, and bathrooms. In FY 22/23, the City also partnered with Community Action Marin's Community Alternative Response Engagement (CARE) Team to provide outreach services to individuals in the encampment.
- Partnered with the non-profit [Downtown Streets Team \(DST\)](#) to connect individuals with vital social services and stable employment opportunities through sidewalk and street cleaning. DST operations in Novato have also included the Marin Mobile Shower Program, which provides basic hygiene at encampments, churches, medical facilities, and other places in need.
- In FY 22/23, with the County of Marin Health and Human Services (HHS) as the lead applicant and support from the City, HHS was awarded \$1.1 million in State Encampment Resolution Funds to serve 45 people at the City's Hamilton Marsh encampment. Funds will support outreach & case management, client engagement & direct assistance, mobile showers, portable toilets & handwashing stations, and motel vouchers.
- Allocated \$240,000 in one-time federal American Rescue Plan stimulus funds to support the County of Marin in hiring additional case managers to help unhoused community members secure and maintain housing. This contribution will assist Marin County CoC in implementing its Housing First approach to homelessness, its Homeless Outreach Team, and other collaborative regional efforts.
- Provided annual support through CDBG funds to North Marin Community Services' rental support and food bank programs, as well as Legal Aid of Marin's landlord/tenant dispute resolution services.
- Requested developers of current and upcoming single-family detached subdivisions design-in Junior ADUs for at least 25 percent of their homes. All developers have agreed.
- Implementing 5<sup>th</sup> Cycle Program 12.A: Continued to closely monitor the relationship between transitional housing provider EAH Housing and Meadow Park homeowners, with City staff occupying a position on the Meadow Park HOA Board of Directors. The City has also maintained a close working relationship with Homeward Bound of Marin, which has done an excellent job of managing the City's 80-bed emergency shelter, [New Beginnings Center](#), throughout the planning period.
- Implementation of 5<sup>th</sup> Cycle Program 12.B (Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District) was not completed during the 2015-2023 planning period. During that time, communication with social service providers did not indicate farmworkers as a group with special housing needs locally, and

Census data indicated few permanent or seasonal farmworkers reside in Novato. However, the 6<sup>th</sup> Cycle's Program 4.C (Allow Farmworker/Employee Housing Consistent with State Law) recommit the City to amending the Municipal Code with regard to the permitting of farmworker housing, its definition, and appropriate occupancy requirements.

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 1: Local Housing Leadership</b>							
1.A	Prepare Information and Conduct Community Outreach Activities on Housing Issues	<p>Coordinate with local businesses, housing advocacy groups, neighborhood groups, community organizations, developers, the Chamber of Commerce, and others in building public understanding of housing programs and needs.</p> <p><b>Topics</b></p> <ul style="list-style-type: none"> <li>a. Housing needs.</li> <li>b. Housing programs (second units, rental assistance, rental mediation, first time homebuyer education, energy assistance and rehabilitation loans, etc.).</li> <li>c. Fair Housing laws.</li> </ul> <p><b>Activities</b></p> <ul style="list-style-type: none"> <li>a. Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.</li> <li>b. Provide information to real estate professionals, property owners, and tenants on their rights, responsibilities, and the resources available to address fair housing issues.</li> <li>c. Work with local non-profit and service organizations to distribute information to the public.</li> <li>d. Provide public information through articles in the local newspaper and with cable TV public service announcements.</li> <li>e. Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to help support affordable and special needs housing developments.</li> <li>f. Fair Housing in-service training, press releases, direct contact with interest groups,</li> </ul>	Prepare materials and conduct outreach	Community Development Department	July 2015 and ongoing	<p>The City contracts Rise Housing, a nonprofit organization, to administer its Below Market Rate Homeownership Program city-wide, however before 2021 nonprofit Hello Housing administered the Below Market Rate Homeownership program. Since 2018, the City expanded its contract with Hello Housing, and now Rise, to perform affordable housing monitoring compliance for BMR rental units. No changes are reported since the 2018 contract.</p> <p>The City also provides annual support through CDBG service funds of North Marin Community Services' rental support and food bank programs and Legal Aid of Marin's landlord/tenant dispute resolution services.</p> <p>The City makes information available on their website about ADUs, JADUs, and residential projects in development review. Since 2019 the City has been participating in a countywide website to provide resources to encourage and support construction of ADUs and JADUs. Furthermore, the 2021 APR records that staff routinely make presentations of a variety of housing topics to community groups.</p> <p>Developers of all recent single family detached subdivisions have been asked to design in JADUs to at least 25% of their homes. All applicants have met this standard to date.</p>	Continue

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		and posting of fair housing laws, contacts, and phone numbers.					
<b>1.B</b>	Collaborate on Inter-Jurisdictional Strategic Plan for Housing	Coordinate with other jurisdictions on strategic planning for housing. Work toward implementing, whenever possible, agreed-upon “best practices,” shared responsibilities, and common regulations to respond to housing needs efficiently and effectively within a countywide framework.	Improved local control of housing solutions	Community Development Department	As major interjurisdictional issues and opportunities arise	CDD staff have participated in a working group since 2018 to coordinate on housing issues ranging from RHNA allocations, new housing legislation, and strategies to improve the delivery of new housing opportunities.	<b>Modify</b>
<b>1.C</b>	Undertake Coordinated Lobbying Efforts on State Legislation	Identify and lobby for possible changes to State law that help to implement local housing solutions and achieve housing goals most effectively. Examples of legislative issues of critical importance could include: more direct input from local jurisdictions on the development of Regional Housing Needs Allocation, funding allocations for affordable housing, and modifications to State law that would make it easier for jurisdictions to voluntarily share funding and credit for meeting proportionate allocations.	Facilitate development of infill, transit-oriented, and mixed-use development	Community Development Department; City Manager; City Council	Ongoing	The City Manager’s office and City Council have worked with the League of California Cities and State Assembly representation since at least 2016 to effect changes in State legislation that impacts local housing objectives. Staff has been attending ABAG/MTC meetings since 2019 for regional collaboration and participate regularly in webinars hosted by the organization to stay informed on initiatives, available resources, and pending legislative issues impacting housing regulation.	<b>Modify</b>
<b>Goal 2: Fair Housing</b>							
<b>2.A</b>	Require Non-Discrimination Clauses	Continue to provide nondiscrimination clauses in rental agreements and deed restrictions for housing, including Below Market Rate housing, constructed with City participation.	Implementation of fair housing laws	Community Development Department; City Attorney	Ongoing	Ongoing program. Non-discrimination clauses are a standard component of the City’s affordable housing agreements and is added to with each new development as inclusionary units come into the BMR program. City will continue contracting with Rise Housing and Fair Housing Marin on City programs.	<b>Continue</b>
<b>2.B</b>	Respond to Complaints	Facilitate fair and equal housing opportunity by designating the Community Development Director as the City’s Equal Opportunity Coordinator. Refer discrimination complaints to the appropriate legal service, county or state agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint. Undertake activities to broaden local knowledge of Fair Housing laws through actions identified in HO Program 1.A.	Implementation of fair housing laws	Community Development Department; City Attorney	Ongoing	City staff will continue responding to all complaints in a timely fashion and work with Fair Housing Marin and Legal Aid of Marin to prevent discrimination and monitor compliance with affordability covenants.	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 3: Housing Design</b>							
<b>3.A</b>	Prepare Multi-Family Housing Design Criteria	Continue to implement the Design Review process, evaluate existing design criteria for multifamily housing, and establish modification as needed that will establish effective, consistent development review factors for use by applicants, the community, staff and decision-makers in the expeditious review of multi-family housing proposals. The design criteria may include but not be limited to: a. Context with surroundings, site planning, building massing and layout, height transitions, public safety design features (e.g., security cameras and fencing with keyed gates), architecture and materials, well-planned layout of complex and individual units for maximum natural ventilation and lighting, landscape design, open space, outdoor lighting, and density compatibility provisions. b. Common facilities should be required for projects over 20 units; facilities may include common room, outdoor play areas, pools, study areas, etc. c. Consider transition criteria to encourage compatibility when structures are proposed near single family residential buildings on adjoining properties. For properties where the dimension(s) for a transition area(s) is specified, specific regulations for permitted and prohibited development within the transition area(s) shall be established. d. Limits on maximum site coverage and requirements for minimum setback provisions should be adopted. e. Floor area ratios in residential/mixed used areas should be consistent with the character of the surrounding area.	Develop design criteria for multi-family housing	Community Development Department	6/1/2015	Since 2019, the City joined 11 other Marin County jurisdictions to develop objective design standards for multi-family housing utilizing SB 2 grant funding. Drafts of the standards have been completed and the adoption process will be completed in calendar year 2022.	<b>Modify</b>
<b>3.B</b>	Update Parking Standards	Modify parking standards based on the most up-to-date empirical studies to facilitate infill, transit-oriented, mixed use and accessory dwelling unit development. Modifications to consider may include, but are not limited to, the following:	Facilitate development of infill, transit-oriented, and mixed-use development	Community Development Department; City Council	6/1/2015	The City has not formally amended its parking standards for multi-family development. In 2017, the City adopted an ordinance and amended parking regulations to reflect new state legislation (SB 1069 & AB 2299) regarding required	<b>Modify</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		a. Reduction of multi-family parking requirements for three-or more bedroom units from 2.2 spaces to 2.0 spaces, to be consistent with single family home standards. b. Reduction of parking requirements for projects near transit. c. Provision of opportunities for shared parking for mixed use developments. d. Allowances for off-site parking. e. Allowances for the establishment of a landscape parking reserve that is designated for parking if needed in the future. f. Evaluation of opportunities for underground parking and auto sharing. g. Allowances, in certain instances, for parking standards to be adjusted on a case-by-case basis, depending upon the location and characteristics of the development and its intended occupants.				parking for ADUs and JADUs. The City should formally amend its parking standards for multi-family development projects to reduce the parking ratio from 2.2 stalls per unit to two stalls per unit for multi-family residences of three more bedrooms.	
<b>Goal 4: Conservation and Energy</b>							
4.A	Promote Solar Design	Promote design standards relating to solar orientation, including lot layout for subdivisions, location and orientation of new structures, and landscaping.	Opportunities for new solar installations	Community Development Department	Ongoing	The City has completed the adoption of the California Green Building Code (CALGreen). The City should continue promoting opportunities for solar installations.	Delete
4.B	Implement "Green" Building Standards and Processes	Consistently implement the City's adopted "Green Building Program" to encourage the use of green building materials and energy conservation.	Construction of energy-efficient buildings	Community Development Department	Ongoing	The City has adopted the California Green Building Code (CALGreen) plus Tier 1 Standards with an additional 15% energy reduction. The City will continue to adopt updated version of CALGreen as they become effective.	Modify
<b>Goal 5: Housing Preservation</b>							
5.A	Ensure Adequate Tenancing, Management, and Safety for Multi-Family Housing	Ensure adequate tenancing, management, and safety for multi-family housing by implementing the following: a. As legally permissible, initiate City provisions for review of the management of multi-family housing to implement best management practices. Zero tolerance for criminal activity is a goal. Programs should apply to projects of a defined size and/or type. Best management practices should include, but not be limited to, addressing the following performance measures:	Tenancing and management regulations and procedures	Police Department, Community Development Department	December 2014 - Ongoing	Novato continues to operate the Multi-Family Housing Inspection Program, including the annual physical inspection component, to assist property owners and managers of multifamily housing through education and resources in ensuring that their residents and their properties are safe and crime-free.	Modify



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		1.Property management staffing 2.Tenant selection plan 3.Lease agreement 4.Security-minded design 5.Resident services 6.Community and activity space 7.Communication b. Investigate additional City and/or community-based programs to reduce crime in multi-family housing, including Crime Free Program and voluntary programs initiated by multi-family housing managers. Consider the benefits/permmissibility of restricting access to sites for residents and invited guests only (monitored by onsite manager) and encouragement of social opportunities to engage the residents and build a sense of “ownership” and community.					
<b>5.B</b>	Link Code Enforcement with Public Information Programs	Continue to implement housing, building, and fire code enforcement to ensure compliance with basic health and safety building standards and continue to provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.	Maintain information about building and fire code enforcement to ensure compliance with basic health and safety building standards.	Community Development Department	Ongoing	The Building Division maintains information about building and fire code enforcement on the City’s website to ensure compliance with basic health and safety building standards. The City administers a resale inspection program for all for-sale housing, and an annual inspection program for code and safety standards for multi-family rental housing, including coordination with tenants and management to correct deficiencies.	<b>Continue</b>
<b>5.C</b>	Implement Rehabilitation and Energy Loan Programs	Community Development staff will continue to coordinate with government and businesses (e.g., Energy Upgrade California, the Marin Housing Authority, PG&E and participatory contractors) to procure funding (grants and/or loans), and qualifying energy upgrades for eligible owner and renter households. Program resources and contact information will be maintained and updated on the City’s website.	Coordinate and support financing for rehabilitation and energy efficiency.	Community Development Department; Marin Housing Authority; PG&E; and others	Ongoing	Novato’s Sustainability Division implements a Property Assessed Clean Energy (PACE) financing program enabling property owners to finance energy and water efficiency and renewable energy projects as an assessment on their property tax bills. In addition to private funding options, the City has routinely designated a portion of its CDBG funding for residential rehabilitation/upgrading of homes belonging to low-income individuals. It is unclear if Novato still works with Marin Housing Authority to make residential	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
						rehabilitation loan programs available, however this cooperation was in place from 2016-2018.	
5.D	Modify the City's Condominium Conversion Ordinance	Consider amendments to the City's Condominium Conversion Ordinance which may, as permitted by law, include: a. Prohibition of conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than 5% or there are special circumstances related to providing long-term, regulated affordable units; b. Exemptions for limited equity residential cooperatives which provide long term affordability for very low or low income households; c. Requirements for relocation assistance when units are converted; d. First right of refusal of purchase of units by occupants; e. Minimum of 20 percent of the units be affordable to low-income households; and f. Implementation of resale controls.	Amend Condominium Conversion Ordinance	Community Development Department; City Council	Consider Ordinance by June 2015; Other activities would be ongoing	The City will adopt the ordinance to modify condominium conversion rates. In 2018 the City implemented GP Housing Element Program 5.D in-lieu of a formal ordinance amendment. Program 5.D establishes a 5% vacancy rate to allow condominium conversion, an increase from a rate of 4.5%.	Continue
5.E	Inventory Affordable Housing	Maintain an up-to-date inventory of affordable housing in Novato and conduct periodic surveys of rental unit vacancy and affordable for-sale costs. As needed, work with the property (Novato Housing Element Update 2015-2023 Page 134) owners and/or other parties to, where feasible, conserve existing affordable units as part of Novato's affordable housing stock.	Maintain an inventory of affordable housing.	Community Development Department	Ongoing	The City continues to maintain an affordable housing database covering both for-sale and rental housing units.	Modify
5.F	Maintain Existing Affordable For-Sale and Rental Housing	Work with affordable housing owners and non-profit sponsors seeking to maintain and/or rehabilitate affordable housing units to in large part maintain ongoing affordability of the units. Actions may include, but not be limited to: a. Maintain and update contact information for mortgage assistance and nonprofit housing assistance for ownership and rental housing. b. Identification of possible support necessary to obtain funding commitments from governmental programs and non-governmental grants. c. Assistance in permit processing.	Preservation of affordable housing units.	Community Development Department	Ongoing	The City and Rise Housing continue to maintain existing affordable for-sale and rental housing. The City and Rise Housing receive regular compliance reports from affordable rental and for-sale developments and having Rise perform in-depth audits of a percentage of those reports each year and compile the results into a report to City management. Follow up actions are developed specific to any identified issues and Rise assures those actions are completed.	Modify

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		d. Possible waiver of fees. e. Possible use of local funds if available.					
5.G	Preserve At-Risk Units	<p>Annually monitor assisted housing development units at risk for conversion to market rate due to termination of federal rent subsidies. For at-risk units encourage and facilitate, to the extent possible, participation by property owners in federal, state and/or local housing assistance programs that maintain affordability of existing multi-family rental housing developments. City efforts to preserve at-risk units include, but are not limited to:</p> <ol style="list-style-type: none"> <li>1. Develop a website with information and available links to federal, state, and local resources, including: <ul style="list-style-type: none"> <li>-Community Development Block Grant (CDBG) programs.</li> <li>-HOME Program.</li> <li>-Section 8 Housing Choice Voucher Program.</li> <li>-Marin County Residential Rehabilitation Loan program.</li> <li>-Low Income Housing Credit Program.</li> <li>-Marin Housing's Housing Stability Program (formerly RMR).</li> <li>-Assistance from Local Philanthropies.</li> <li>-City of Novato Housing Opportunity Fund.</li> </ul> </li> <li>2. Maintain, on the City's website, a list of for-profit and nonprofit housing providers to assist with timely action (acquisition, etc.) regarding notification of units scheduled to convert to market-rate in the near term.</li> <li>3. Work with owners, tenants, for-profit and nonprofit organizations to assist in the acquisition of at-risk projects to ensure long-term affordability of the development. For at-risk units, annually contact property owners, assess need and interest in acquisition by for-profit or non-profit partners.</li> <li>4. The City will support applications by for-profit and nonprofit housing providers for funding, as available and appropriate, to preserve or</li> </ol>	Annually monitor assisted units at risk of conversion to market rate	Community Development Department	Ongoing	No known at-risk units have been identified since the City first started keeping track in 2018. The City will monitor whether there may be units at-risk of conversion to market rate housing.	Delete

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		purchase at-risk units to maintain their affordability.					
5.H	Provide Assistance to Homeowners of Below Market Rate Units	Provide owners of Below Market Rate (BMR) units with assistance in order to assist individuals with retention of below market rate units. Contact homeowners as soon as the City receives a notice of default or sale, and provide information available relating to foreclosure. Refer homeowners to the appropriate agency, such as the Marin Housing Authority, as appropriate. Provide links on the City's website and distribute informational materials, if available.	Preservation of BMR units	Community Development Department	Ongoing	The City contracts with Rise Housing to provide comprehensive resale and refinance assistance and coordinates mortgage assistance programs. Prior to contracting with Rise in 2021, the City contracted with the nonprofit Hello Housing.	Modify
5.I	Support Volunteer Efforts	Support community service clubs that provide volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support includes, but is not limited to providing a City website link to active not-for-profit service clubs, and City support (letter of recommendation, etc.) as appropriate for said clubs seeking grant funding for supplies and/or services.	Maintenance of existing housing	Community Development Department	Ongoing	The City and the County of Marin are party to a cooperative agreement to jointly undertake community development and housing assistance activities through CDBG, HOME, and PLHA funds. The City designates its portion of the annual funding allocation, as well as participates in decision making for County-wide monies for funding of various non-profit/volunteer organizations which provide services in support of lower income households.	Continue
5.J	Preserve Mobile Home Parks	Consider measures such as refinancing the Marin Valley Mobile Country Club to further save money and to permit the financing of future needed capital improvements to the park. Consider Novato Housing Element Update 2015-2023 Page 136 possible zoning amendments to preserve mobile home parks for mobile home park use.	Preserve mobile home parks	Community Development Department; City Council	Ongoing	The City annually reviews and approves the Marin Valley Mobile Country Club (MVMCC), a City-owned park, budget. The City's rent control ordinance restricts annual rent increases at MVMCC to 100% of CPI, thereby preserving the ongoing affordability of the units.	Modify
5.K	Regulate Displacement of Residential Units	Consistent with State Law regulate the removal or displacement of residential units.	Regulate removal or displacement of units	Community Development Department; City Council	Ongoing	The City administers applicable State laws to the removal or displacement of residential units on an as-needed basis. The City reports annually to the Department of Finance on the removal, if any, of existing residential units. No residences have been reported as being displaced since the City first started keeping track in 2018	Modify
<b>Goal 6: Housing, Jobs, and Transit</b>							

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
6.A	Identify Existing Employee Housing Opportunities	Work with the Novato school district, public agencies, and existing businesses to seek opportunities for helping their employees find needed housing, such as mortgage buy-downs or subsidies, rent subsidies, etc. Additionally, to better inform local employees about local, affordable housing stock, staff will update the City's website to include direct links to property management for lower income apartments, and for sale housing within Novato.	Increase housing opportunities for local employees	Community Development Department	Ongoing	The Buck Institute, a local biomedical research facility, plans to construct a 130-unit housing development plan to be available to Institute employees. However, the development has been unable to secure funding since it was first developed in 2018. The City should modify the program to work with existing and new employers to identify funding opportunities for employee housing.	Modify
6.B	Promote Zoning for Live/Work Opportunities	Review implementation of live/work and home occupation provisions in the Zoning Ordinance to ensure effective standards for home occupations and live/work projects.	Increase housing opportunities for local employees	Community Development Department	Ongoing	In 2021/22, the City is considering entitlement applications for 34 live/work units. One of those, a six-unit live/work development, was approved in March 2022.	Delete
6.C	Transit-Oriented Development Incentives	Consider zoning ordinance amendments which provide incentives for transit-oriented development where specified criteria are met. Such criteria may include, but not be limited to: a. Distance to transit routes. b. Affordability of units. c. High-quality design. d. Integration of transit-oriented components. Incentives could include, but not be limited to: a. Parking reductions. b. Off-site parking alternatives. c. Transit impact fee reductions.	Provide incentives for transit-oriented development	Community Development Department	Ongoing	Pursuant to Program 6.C the City, upon request, will evaluate and consider incentives such as parking reductions and off-site parking for housing projects near transit. In 2017, the City adopted an ordinance and amended parking regulations to reflect new state legislation (SB 1069 & AB 2299) that included a parking reduction for ADU's if the location of the primary dwelling is within half-mile of a transit facility.	Modify
<b>Goal 7: Housing Choices</b>							
7.A	Encourage Co-Housing, Cooperatives, and Similar Collaborative Housing Development	Work with developers and non-profit housing sponsors to provide multi-family housing using a co-housing model or similar approaches that feature housing units clustered around a common area and shared kitchen, dining, laundry and day care facilities. To facilitate the production of co-housing, housing cooperatives or similar housing arrangements evaluate and incorporate zoning revisions as needed that will accommodate them. Zoning amendments may include, but are not limited to, allowances for a common gathering facility that may include a small meal preparation area shared kitchen and group dining space.	Development of co-housing opportunities	Community Development Department	Ongoing	Since 2019, an application for a co-housing development at 970 C Street has been in review. The project remains in process, pending site remediation activities.	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
7.B	Facilitate Homesharing and Tenant Matching Opportunities	Work with non-profit organizations including but not limited to Homeward Bound to develop a program to encourage homesharing by matching potential tenants with homeowners. The City in collaboration with non-profit organizations will consider and, if feasible, host a link within the City's website to homesharing and tenant matching contact information.	Create homesharing opportunities	Community Development Department, City Council	Ongoing	Since 2020, the City designates a portion of its CDBG funding to support COVIA Foundation which operates a home match program. City staff refers inquiries about homesharing to COVIA, as well as Episcopal Senior Communities and Homeward Bound of Marin which can be additional resources, depending upon specific needs of the client.	Delete
7.C	Zone and Provide Appropriate Standards for SRO Units	In order to provide housing for extremely low-income households, amend the municipal code to specifically allow single-room occupancy units in the Mixed Use, R10, and R20 districts as a conditional use. Provide appropriate parking, development and management standards. Consider reducing per unit fees and other standards in recognition of the small size and low impacts of SRO units.	Amend municipal code; development of housing for extremely low-income households	Community Development Department; Planning Commission; City Council	12/1/2015	No formal amendment has been completed; however, beginning in 2020 the City has designated \$750,000 to Homeward Bound of Marin, in support of a new development providing transitional housing to extremely low-income individuals.	Modify
7.D	Housing Opportunities on School District Properties	Work with school districts and neighborhood groups to develop surplus or underdeveloped school district property or portions of active schools for affordable housing for teachers and other school personnel. Establish an equitable selection process for school district employees if the district puts up the land and therefore has an equity interest in the housing development.	Development of affordable housing	Community Development Department; City Manager; City Council	As surplus properties become available	The City of Novato and Novato Unified School District executed an MOU in June 2018 to formally investigate development of affordable teacher housing on surplus school property. The school district's progress on development of the property slowed down in 2020 and 2021 due to COVID-19 limitations. In mid-2023, Novato Unified School District hired a Director of Staff Housing Development, the first in Marin County. The position will focus solely on utilization of surplus school properties for the development of long term housing for the District's teachers and staff.	Delete
7.E	Implement Transfer of Development Rights (TDR)	Consider the Transfer of Development Rights (TDR) if it will result in improved housing opportunities including workforce, senior or special needs affordable housing in appropriate locations.	Facilitate affordable housing development	Community Development Department	Ongoing	As proposed, the Community Development Department will evaluate projects including a transfer of development rights on a case-by-case basis for action by the appropriate decision-making bodies. These would typically be the City Council following a recommendation by Planning Commission.	Continue
7.F	Assist in the Rehabilitation and Production	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households by undertaking the following:	Facilitate and incentivize ELI housing	Community Development Department	Ongoing	The program should modify the program report on the status of the City's Affordable Housing Trust Fund and	Modify



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
	of Housing for Extremely Low-income (ELI) Households	<p>1) Develop a website with information and available links to federal, state and local resources, including:</p> <ul style="list-style-type: none"> <li>-Community Development Block Grant (CDBG) programs.</li> <li>-HOME Program.</li> <li>-Marin County Residential Rehabilitation Loan program.</li> <li>-Low Income Housing Credit Program.</li> <li>-Marin Housing's Housing Stability Program (formerly RMR).</li> <li>-Assistance from Local Philanthropies.</li> <li>-City of Novato Affordable Housing Trust Fund.</li> </ul> <p>2) To the extent funding is available in the City's Affordable Housing Trust Fund, priority shall be given to its application towards the rehabilitation and/or production of units for ELI households.</p> <p>3) The Community Development Department shall, as a matter of policy and to the extent feasible, expedite entitlement and permit processing for housing developments that include 10 percent or more of the proposed units for ELI households.</p> <p>4) Study and if deemed feasible apply, on a "sliding scale", reduced application processing fees for residential developments that include 20 percent or more of the proposed units for lower income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.</p>	rehabilitation and production			<p>execute the study on implementing a "sliding scale" for reducing application processing fees for residential developments that include 20% or more of the proposed units for lower income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.</p> <p>In 2017, the City issued 14 Certificate of Occupancy's for ELI households at Oma Village. In 2019 the City executed a 55-year lease with Homeward Bound of Marin (HB) to build affordable units on City-owned property. The project is in process for a 50-unit, 100% affordable housing project servicing extremely low and very low-income occupants. The project has received its design review approval and HB continues to secure all needed funding for the project. The City leased the property for \$1/year and provided an additional \$750,000 in funding.</p>	
<b>Goal 8: Mixed-Use Housing</b>							
<b>8.A</b>	Apply Mixed-Use Development Standards and Incentives	<p>Apply existing development code standards to make affordable housing development more feasible in mixed-use projects. Incentives in the Zoning Code to consider include:</p> <ul style="list-style-type: none"> <li>a. Height limit bonuses, especially in Downtown.</li> <li>b. Exceptions in applying development standards (FAR, height limits, setbacks, lot coverage) based on the location, type, and size of the units, and the design of the</li> </ul>	Development of mixed-use housing	Community Development Department	Ongoing	The Community Development Department evaluates and applies/recommends, as appropriate pursuant to existing zoning, exceptions to development standards, e.g., increased floor area ratio (FAR) from 1.2 to 2.0 for mixed use developments that include housing within the Downtown Core Retail and/or Business Districts, and up to a 30% increase in the maximum building	<b>Delete</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		development. c. Allowance for the residential component of a mixed use development to be 'additive' within the established FAR for that zone. d. Allowance for reduced and shared parking based on the use mix. e. Allowances for off-site parking.				height pursuant to 19.20.070 (C) for mixed use developments that incorporate housing. Additionally, City code allows a parking waiver for commercial uses in order to increase the availability of residential parking spaces in an effort to support housing opportunities.	
<b>8.B</b>	Potential Mixed-Use Sites	a. Consider amending Downtown Core Retail and Downtown Core Business Districts to allow multi-family dwellings in a mixed-use project as a permitted use on upper floors or at the rear of the site. b. Consider amending Neighborhood Commercial and Mixed-Use Districts to allow multi-family dwellings in a mixed-use project as a permitted use in appropriate areas of the site.	Amend Municipal Code to make residential a permitted use	Community Development Department	6/1/2015	Novato General Plan 2035 was adopted in 2020 and includes modifications to add residential density ranges to all districts allowing mixed-use development (commercial/residential). Adding residential densities supports mixed-use development by setting clear expectations regarding residential development intensity and providing a clear basis on which density bonuses can be calculated. The City has begun implementing General Plan 2035, a component of which includes reviewing permitting procedures for mixed-use development proposals. This on-going process is anticipated to result in modifications to zoning requirements, including changes to the permitting procedures and development standards for mixed-use proposals.	<b>Delete</b>
<b>Goal 9: Affordable Housing Sites and Incentives</b>							
<b>9.A</b>	Facilitate Development at Housing Opportunity Sites, Including Vacant and Underutilized Properties in the Downtown Area	Undertake appropriate General Plan amendments, rezoning, and expedited environmental review, and work with private property owners and/or developers to facilitate consolidation of properties within the Downtown, and other implementing actions to facilitate the construction of market rate and affordable housing.	Facilitate affordable housing development	Community Development Department	Ongoing and as opportunities arise	The City continues to provide updates on ongoing construction and development of sites mentioned in Program 9.B. The projects at AHO 1, 2, and 3 are all subject to reserving 20% of the residences therein at affordable levels.	<b>Delete</b>
<b>9.B</b>	Implement Actions and Incentives to Address Remaining Lower-Income Housing Need	Undertake the following steps to address the City's low and very low income housing needs as applicable to Site #1, APN 141-201-12 and 48, and Site #2, APN 153-162-59, which are two of five sites currently designated with the Affordable Housing Opportunity Overlay District (AHO) as listed in Table 65:	Facilitate development of AHO Sites 1 & 2	Community Development Department; City Council	Ongoing	Program 9.A indicates AHO Site 1 has been approved as a 32-unit multi-family housing development in December 2020. It also indicates as of 2021 the AHO Site 2 is in the project design phase with the applicant for a 35-unit multi-family housing development. Based on the	<b>Delete</b>



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		<p>a. Waive fees for processing a merger of parcels identified as Site #1 in Table 65 if both parcels are developed concurrently for housing.</p> <p>b. Net Acreage for Affordable Housing Opportunity Site 1 (1787 Grant Ave.): A minimum 20 ft. setback measured landward from top-of-bank of Novato Creek shall be reserved from development to respect existing flood control and access easements held by the Marin County Flood Control and Water Conservation District and to serve as a buffer between new development and the riparian habitat along Novato Creek. Accordingly, the density calculation for Affordable Housing Opportunity Site 1 shall be based on a net acreage of 1.75 acres, reflecting a reduction in the gross developable area of approximately 0.39 acres as noted in Table 65. This reduction will permit development at the realistic unit capacity as noted in Table 65, while respecting existing riparian habitat and the easements held by the Marin County Flood Control and Conservation District.</p> <p>c. Net Acreage for Affordable Housing Opportunity Site 2 (Landing Ct.): The density calculation for Affordable Housing Opportunity Site 2 shall be based on a net acreage of 1.50 acres, reflecting a reduction in the gross developable area of approximately 0.50 acres as noted in Table 65. This reduction will permit development at the realistic unit capacity as noted in Table 65, while ensuring the residential setback as established in the AHO, to assure that future multi-family residential development which may abut the existing development is of a mass and scale that is complimentary to and compatible with the noted single-family residences.</p>				program description and objectives, Program 9.B should be modified to be combined with Program 9.A or should be rewritten to identify additional sites to address the remaining lower-income housing need.	
<b>9.C</b>	Seek Increased Multi-Family Housing Opportunities	When undertaking City-wide and/or neighborhood General Plan amendments, specific plans, rezonings, or a similar community visioning process, the City will	Facilitate affordable housing development	Community Development Department; City Council	Ongoing	In 2020 the City granted entitlements, including a general plan land use amendment, to support a 75-unit townhome project, which is deed	<b>Delete</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		<p>identify sites for multi-family affordable workforce and special needs housing where opportunities are available. Such sites and opportunities may include or consider the following:</p> <ul style="list-style-type: none"> <li>a. Land owned by the City or other governmental agencies (such as school districts).</li> <li>b. Re-use of underutilized or non-viable commercial and/or industrial sites.</li> <li>c. Parking lots.</li> <li>d. Residential, Commercial and Mixed Use sites where higher density residential is feasible.</li> <li>e. Appropriate sites in single family neighborhoods where duplexes or small multi-family uses would be appropriate.</li> <li>f. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and mitigation.</li> <li>g. Use environmental assessments to expedite processing for infill and affordable housing, such as linking plans to CEQA exemptions and expedited review, consistent with CEQA Section 15332.</li> <li>h. Establish objectives and commitments in the plans so that project specific review can focus on site-specific issues such as design.</li> <li>i. Provide clear guidelines and incentives for the development of housing in conformance with current local and State laws to streamline processing for subsequent development proposals.</li> </ul>				<p>restricted to reserve 20% of the units therein at affordable levels. This project is currently under construction. The City continues to work on expanding objective design standards for residential developments of varying types, including multi-family units and mixed-use projects. General Plan 2035 was adopted in 2020 with policies and programs directed at creating specific zoning standards for the Northwest Quadrant neighborhood. The draft standards are complete and will be presented for adoption in 2022. These objective standards support the development of a variety of “missing middle” housing types. City staff continues to offer assistance to prospective applicants seeking guidance on land use amendments and permitting procedures to develop housing. The City should continue addressing the sites and opportunities listed in the program text.</p>	
9.D	Apply CEQA Exemptions and Expedited Review	<p>Consistent with CEQA Section 15332 (“Infill Development Projects”), the City will facilitate infill development within urbanized areas consistent with local general plan and zoning requirements that may be categorically exempt from CEQA review. In addition, the City will consider area-wide assessments or Program EIR assessing area-wide infrastructure and other potential “off-site” impacts to expedite the</p>	Facilitate affordable housing development	Community Development Department	As opportunities arise	<p>Planning Division staff routinely reviews new development proposals against the housing exemptions offered in CEQA.</p>	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		processing of subsequent affordable housing development proposals.					
9.E	Facilitate Affordable Housing Development Review	Affordable housing developments shall receive priority and efforts will be made by staff and decision-makers to: a. Provide technical assistance to potential affordable housing developers in processing requirements, including community involvement. b. Consider project funding and timing needs in the processing and review of the application. c. Provide the fastest turnaround time possible in determining application completeness.	Facilitate affordable housing development	Community Development Department	Ongoing	Planning Division staff routinely provides entitlement assistance to residential development projects, including those providing inclusionary affordable units. Since 2020, the City has designated \$750,000 in support of the Homeward Bound project providing housing to extremely low- and very low-income households.	Modify
9.F	Reduced Planning Processing Fees	Evaluate and consider waiver or reduction of planning processing fees as deemed feasible on a sliding scale related to the levels of affordability, such as a rebate of planning fees for affordable units based on the proportion of such units in the project.	Facilitate affordable housing development	Community Development Department	Evaluate changes by June 2015	The City considers fee waivers on a request driven basis.	Modify
9.G	Special District Fees	Work with the water and sanitary districts to identify possible reductions or waiver of some fees for water and sewer hook-ups for affordable housing for lower income households.	Facilitate affordable housing development	Community Development Department	Evaluate changes by June 2015	The City's two utility districts and the fire district were amended in 2019 to follow requirements of State law.	Delete
9.H	Long-Term Housing Affordability Controls	The City will apply resale controls and income restrictions to ensure that affordable housing provided through incentives, density bonus, General Plan amendments, re-zonings and conditional approvals as appropriate remain affordable over time to the income group for which it is intended.	Preservation of affordable housing units	Community Development Department	Ongoing	The City requires affordable housing agreements to secure long-term affordability of inclusionary units. An affordable housing agreement was recorded in 2016 for 14 ELI units at Oma Village apartments off Marin Valley Drive and 801 State Access Senior Apartments.	Modify
<b>Goal 10: Inclusionary Housing</b>							
10.A	Work with an Affordable Housing Management Entity	Continue to fund administration of existing and future affordable housing developments/programs including, as appropriate, through the services of an outside consultant for management of all or some of the affordable housing contracts in Novato in order to ensure on-going affordability, and implement resale and rental regulations for affordable housing units and assure that these units remain at an affordable price level for the longest term possible.	Construction and preservation of affordable housing	Community Development Department; Marin Housing Authority	Ongoing	The City contracts with Rise Housing, a nonprofit organization, to administer its Below Market Rate Homeownership Program city-wide. In 2018, the City expanded its contract with its former BMR management contractor, Hello Housing, to perform affordable housing monitoring compliance for BMR rental units. No changes have been reported since 2018.	Modify

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 11: Accessory Dwelling Units</b>							
11.A	Modify Accessory Dwelling Unit Development Standards and Fees	<p>Modify Accessory Dwelling Unit Development Standards and Fees. Continue to allow accessory dwelling units, and review and modify the following accessory dwelling unit development requirements as deemed feasible:</p> <p>a. Continue to apply design criteria for second units that meet performance standards and design guidelines, and continue to allow processing of the application at the staff level. Continue to provide courtesy noticing.</p> <p>b. Work with special districts, e.g., water and sanitary, to reduce or waive connection and/or service fees.</p>	Development of at least 24 additional accessory dwelling units by October 2022	Community Development Department; City Council	Within one year of adoption of the housing element	The City accomplished this goal by approving 32 ADUs by October 2022. The City should modify the program to determine a new objective while continue addressing the program text.	Delete
11.B	Adopt Standards and Fees for Junior Second Units (JSU)	<p>Review and adopt zoning standards and fees that serve to incentivize the creation of Junior Second Units. Standards and fee considerations should include, but not be limited to, the following:</p> <p><u>Zoning Standards to consider:</u></p> <ul style="list-style-type: none"> <li>-Conversion of existing bedroom required – no building expansion;</li> <li>-Maximum 500 square-foot size;</li> <li>-Wet-bar type kitchen only with limitations on size of sink, waste line and counter area;</li> <li>-Cooking facility limited by electrical service (110v maximum) and prohibition of gas appliances;</li> <li>-Separate bathroom permitted, but not required;</li> <li>-Require external access and internal access to the remainder of the home;</li> <li>-No additional parking required if dwelling complies with current parking standards;</li> <li>-Owner occupancy required and established by recorded deed restriction; and</li> <li>-Ministerial approval process.</li> </ul> <p><u>Fees considerations:</u></p> <ul style="list-style-type: none"> <li>-Establish a minimal “flat fee” for a planning entitlement;</li> <li>-No City Residential Development Impact Fee charged; and</li> <li>-Work with special districts, e.g., water and sanitary, to reduce or waive fees.</li> </ul>	Development of at least 24 additional accessory dwelling units, including Junior Second Units, by October 2022	Community Development Department; City Council	Within one year of adoption of the housing element	Standards and fees were updated pursuant to State law in 2017 and 2021. The City modified second unit language to “junior accessory dwelling units.”	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 12: Special Housing Needs</b>							
<b>12.A</b>	Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities	Continue to encourage Novato Housing Element Update 2015-2023 Page 149 positive relations between neighborhoods and providers of emergency shelters and residential care facilities. As exists with the providers or sponsors of the approved transitional housing programs at Hamilton Field and community care facilities like Novato Human Needs Center, providers (existing and new) will be encouraged to continue outreach programs with their neighborhoods. The following could be considered: a. It is recommended that a staff person from the provider agency be designated as a contact person with the community to respond to questions or comments from the neighborhood. b. Outreach programs could designate a member of the local neighborhood to the Board of Directors of the service provider. c. Neighbors of emergency shelters, transitional housing programs, and community care facilities should be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.	Facilitate good neighborhood relations and encourage public outreach	Community Development Department	Ongoing	The City continues to closely monitor the relationships between EAH and Meadow Park homeowners and City staff occupy a position on the Meadow Park HOA Board of Directors. The City states the service provider of the City's homeless shelters, Homeward Bound of Marin, has done an excellent job in the management of its facilities.	<b>Modify</b>
<b>12.B</b>	Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District	In order to provide housing for farmworkers, amend the municipal code to allow farmworker housing in the Agricultural district as a permitted use, consistent with the provisions of California Health and Safety Code Section 17021.6. Include a definition for farmworker housing and occupancy requirements consistent with Health and Safety Code Section 17021.6.	Amend Municipal Code	Community Development Department; City Council	Within one year of adoption of the housing element	The City has not taken any action since when the program was first reviewed in 2016. The City will update the Municipal Code to be in compliance with State law (Government Code 65583(c)(1)(C) which will require farmworker housing to be allowed by-right.	<b>Continue</b>
<b>Goal 13: Special Needs Support Programs</b>							
<b>13.A</b>	Promote and support rental assistance programs	Develop and implement measures to make full use of available rental assistance programs. Actions include: a. Maintain descriptions of current programs and contacts to hand out to interested persons. b. Provide funding support, as available and appropriate (e.g., the City has previously	Promote and support rental assistance programs	Community Development Department; Marin Housing Authority	Ongoing	Ongoing - See Program 5.F. The City continues to provide annual updates and financial assistance to the organizations listed in the program. in FY 2021/22, the City will provide \$20,000 of financial assistance to North Marin Community Services (NMCS), formerly Novato	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		provided financial assistance to the Novato Human Needs Center). c. Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.				Human Needs Center and Novato Youth Center, which assists lower income people (over 4,000 people annually) and households move towards self-sufficiency through a multitude of programs. This figure is lower than previous years which ranged from \$120,302 in 2016 to \$133,630 in 2020.	
<b>13.B</b>	Support programs to address homelessness	Continue to support the 80 bed New Beginnings Center with training and educational services, the Next Key vocational training facility with 32 SROs, the Continuum of Care's 60 units of transitional housing within Meadow Park and housing placement services offered by the Novato Human Needs Center to the extent resources are available and allocated.	Support programs to address homelessness	Community Development Department; City Council	Ongoing	The City continues to implement this program on an on-going basis by supporting the 80-bed New Beginnings Center and Next Key vocational training center with 32 SROs. The City has consistently granted funds, annually, to North Marin Community Services, formerly Novato Human Needs Center and Novato Youth Center, in support of their services. In FY 20/21, the City's Successor Agency to the former Redevelopment Agency is expected to provide \$133,630 of financial assistance to North Marin Community Services, formerly the Novato Human Needs Center and Novato Youth Center. City support for the Marin Mobile Shower Program continued through 2020 to address homeless needs.	<b>Continue</b>
<b>13.C</b>	Support programs to address needs of the developmentally disabled	Work with the Golden Gate Regional Center and the Marin Housing Authority to implement an outreach program that informs families within Novato on housing and services available for persons with developmental disabilities. Provide information on services on the City's website, and distribute brochures provided by the service providers.	Support programs to address needs of the developmentally disabled	Community Development Department; City Council	By December 2015 and ongoing	The City assists on an as-needed basis.	<b>Continue</b>
<b>Goal 14: Funding for Affordable Housing</b>							
<b>14.A</b>	Maintain and Develop Local Sources of Funding for Affordable Housing	Continue to work toward the maintenance and development Novato Housing Element Update 2015-2023 Page 152 of local sources of funding to support affordable housing, including consideration of: a. Continue accepting in-lieu fee payments as prescribed under inclusionary requirements for residential development.	Development of affordable housing	Community Development Department; City Manager; City Council	Ongoing	The City maintains an Affordable Housing Programs fund that manages funds for affordable housing, a loan program for low and moderate household first-time homebuyers, and senior affordable housing. Housing in-lieu fees, when required, are updated annually and allocated to highest priority projects. The	<b>Continue</b>



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		b. Voluntary donations, grants and matching funds. c. Land acquisition or donation and land banking. d. Work with special districts that serve Novato to provide a reduction(s) in connection fees for deed restricted affordable very low income units.				in-lieu fees vary based on project size e.g., in 2021 for ownership housing. For FY 2021/22 approximately \$291,500 of CDBG funds were allocated to the City as part of the Marin County county-wide CDBG allocation. The City of Novato has a cooperation agreement with the County for the administration of CDBG funds. Although the funds are allocated through the County, the City Council recommends which organizations and programs to fund.	
<b>14.B</b>	Seek Funding Resources	Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, first time homebuyer, etc.). Potential sources of funding include, but are not limited to: a. CDBG/HOME. b. Marin Community Foundation. c. Applications for mortgage revenue bonds and/or mortgage credit certificates. d. Housing Trust Fund. e. Tax Credit Allocation.	Development of affordable housing	Community Development Department; City Manager; City Council	Ongoing	The City has not received any requests for assistance since 2018. On an as needed basis City staff explores different Federal and State resources to help fund potential affordable housing opportunities.	<b>Modify</b>
<b>14.C</b>	Coordinate Funding Among Development Proposals	The City of Novato will pursue and/or participate in efforts including but not limited to available City housing funds, annual allocation of CDBG funds, and Home funds to ensure adequate coordination between City and local jurisdictions and development proposals on their various housing activities and funding proposals, ensuring that local projects are competitive for outside funding sources and resources are used in the most effective manner possible.	Development of affordable housing	Community Development Department; City Manager	Annually and ongoing	As affordable housing development becomes more complex, the City continues to coordinate with other lenders to accommodate all their respective requirements. Since 2019 the City conducted a variety of activities related to supporting Homeward Bound's application for funding from the Veterans Housing and Homelessness Prevention Program (VHHP). The City expects to further support this project and an 80-unit Habitat for Humanity project through CDBG and PLHA grant funding in 2022.	<b>Modify</b>
<b>Goal 15: Effective Implementation and Monitoring</b>							
<b>15.A</b>	Conduct an Annual Housing Element Review	Assess Housing Element implementation through annual review by the Novato Community Development Department, pursuant to Government Code Section 65400.	Annual review of the housing element	Community Development Department; City Council	Annually by April 1 of each year	The Housing Element Annual Report is annually reviewed and recommended for submission by the Planning Commission to the City Council, which, in turn, submits to the State Department of Housing and	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
						Community Development and the Governor's Office of Planning and Research.	
<b>15.B</b>	Update the Housing Element Regularly	Undertake housing element updates in accordance with State law requirements.	Timely update of the housing element	Community Development Department; Planning Commission; City Council	Ongoing	The next Housing Element will be updated and adopted by January 31, 2023.	<b>Delete</b>



## Section D.2 Housing Element Program Comparative Review

As shown in Table D-1, the 5<sup>th</sup> Cycle Housing Element contained many successful programs which have been renewed or modified to continue implementing impactful policies. Table D-2 provides a comparative review of 5<sup>th</sup> and 6<sup>th</sup> Cycle programs, organized by 6<sup>th</sup> Cycle goals described in Housing Element Section III (Housing Plan).

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
6 <sup>th</sup> Cycle Goal 1: New Housing Construction			
	NEW	1.A	Rezone for RHNA shortfall.
	NEW	1.B	Streamline the construction of Accessory Dwelling Units (ADUs).
15.A	Conduct an Annual Housing Element Review	1.C	Produce annual housing status reports.
1.B	Collaborate on Inter-Jurisdictional Strategic Plan for Housing	1.D	Participate in State and regional housing planning efforts.
1.C	Undertake Coordinated Lobbying Efforts on State Legislation		
	NEW	1.E	Facilitate and monitor pipeline housing projects.
6 <sup>th</sup> Cycle Goal 2: Affordable Housing Opportunities			
7.E	Implement Transfer of Development Rights (TDR)	2.A	Develop and adopt a Transfer of Development Rights (TDR) Ordinance.
5.F	Maintain Existing Affordable For-Sale and Rental Housing	2.B	Maintain long-term housing affordability controls.
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households		
9.E	Facilitate Affordable Housing Development Review		
9.F	Reduced Planning Processing Fees		
9.H	Long-Term Housing Affordability Controls		
10.A	Work with an Affordable Housing Management Entity		
14.A	Maintain and Develop Local Sources of Funding for Affordable Housing	2.C	Maintain and develop local sources of funding for affordable housing.
14.B	Seek Funding Resources	2.D	Seek outside funding for affordable housing that leverages local resources.
14.C	Coordinate Funding Among Development Proposals		
	NEW	2.E	Coordinate with water and sewer service providers.
	NEW	2.F	Develop and adopt a program addressing vacant residential properties.
	NEW	2.G	Amend and monitor Inclusionary Housing Ordinance.

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
6 <sup>th</sup> Cycle Goal 3: Elimination of Housing Constraints			
	NEW	3.A	Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.
	NEW	3.B	Revise Hillside and Ridgeline Protection Regulations.
3.A	Prepare Multi-Family Housing Design Criteria	3.C	Adopt objective design standards for multi-family housing.
	NEW	3.D	Design review and use permit process improvements.
	NEW	3.E	SB 35 processing and permit streamlining.
	NEW	3.F	Evaluate and adjust impact fees.
3.B	Update Parking Standards	3.G	Modify multi-family residential parking standards.
6.C	Transit-Oriented Development Incentives	3.H	Adopt a parking reduction incentive program to facilitate transit-oriented development.
	NEW	3.I	Allow comparable zoning district standards to apply in the Planned (PD) Zoning District.
6 <sup>th</sup> Cycle Goal 4: Special Needs Populations			
12.A	Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities	4.A	Allow emergency shelters consistent with State law.
	NEW	4.B	Allow Low Barrier Navigation Centers consistent with State law.
12.B	Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District	4.C	Allow farmworker/employee housing consistent with State law.
7.C	Zone and Provide Appropriate Standards for SRO Units	4.D	Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.
	NEW	4.E	Allow community/residential care facilities consistent with State law.
13.C	Support Programs to Address Needs of the Developmentally Disabled	4.F	Support programs to address the needs of the developmentally disabled.
13.B	Support Programs to Address Homelessness.	4.G	Support programs to address homelessness.
6 <sup>th</sup> Cycle Goal 5: Housing Conservation and Tenant Protections			
5.A	Ensure Adequate Tenanting, Management, and Safety for Multi-Family Housing	5.A	Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
5.B	Link Code Enforcement with Public Information Programs	5.B	Link code enforcement with public information campaigns.
5.D	Modify the City's Condominium Conversion Ordinance	5.C	Amend the City's condominium conversion ordinance.
5.E	Inventory Affordable Housing	5.D	Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
5.H	Provide Assistance to Homeowners of Below Market Rate Units		
5.I	Support Volunteer Efforts	5.E	Support volunteer efforts.
5.J	Preserve Mobile Home Parks	5.F	Preserve mobile home parks.

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
5.K	Regulate Displacement of Residential Units	5.G	Regulate the displacement of residential units.
13.A	Promote and Support Rental Assistance Programs	5.H	Promote and support rental assistance programs.
	<b>NEW</b>	5.I	Expand “just cause” eviction protections to all tenants.
	<b>NEW</b>	5.J	Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households	5.K	Continue to assist in the rehabilitation and production of housing for lower-income households.
	<b>NEW</b>	5.L	Assistance for renters with animal companions or pets.
<b>6<sup>th</sup> Cycle Goal 6: Equal Access to Housing and Opportunities</b>			
1.A	Prepare Information and Conduct Community Outreach Activities on Housing Issues	6.A	Prepare information and conduct community outreach activities on fair housing issues.
2.A	Require Non-Discrimination Clauses	6.B	Require non-discrimination clauses in affordable housing agreements.
2.B	Respond to Complaints	6.C	Respond to fair housing complaints.
	<b>NEW</b>	6.D	Implement General Plan policies related to the Northwest Quadrant neighborhood.
	<b>NEW</b>	6.E	Housing Mobility.
<b>6<sup>th</sup> Cycle Goal 7: Sustainability and Energy</b>			
5.C	Implement Rehabilitation and Energy Loan Programs	7.A	Implement energy/water efficiency and rehabilitation loan programs.
4.B	Implement "Green" Building Standards and Processes	7.B	Continue to implement the California Green Building Code.

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## Section E.1 Introduction

The City conducted a diligent public outreach and engagement effort for development of the 2023-2031 Housing Element. The aim of this outreach was to better understand the perspective of all segments of the community and produce more effective and context-sensitive policies and programs to support housing development and address special needs populations. Public outreach also allowed the City to identify concerns of citizens and housing service providers and integrate local knowledge into the Housing Element that was not available in reports, online, or in City documents and may not have been initially apparent.



This Appendix summarizes the outreach efforts and input received in two sections:

- **Summary of Outreach Meetings:** An overview of the participants and public comments received.
- **Documentation:** Copies of the City's noticing materials, presentations, and other documents produced to support the outreach efforts.

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## Section E.2                      Summary of Outreach Meetings

### E.2.1                      Community Workshop #1

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*Monday, May 16, 2022 at 6:30 pm*

*Zoom Webinar*

#### **Overview**

On May 16, 2022, the City of Novato held a Community Workshop via Zoom to kick off the 6<sup>th</sup> Cycle Housing Element Update (HEU) process. This Workshop was held independently, separate from a Planning Commission or City Council meeting. The Workshop was hosted by City staff members Vicki Parker, the City's Community & Economic Development Director, and Steve Marshall, the City's Planning and Environmental Services Manager. City staff welcomed attendees and gave an introduction of the HEU process. The Consultant Team of Lisa Wise Consulting, Inc. (LWC) also attended and presented on the following topics:

- HEU Overview
- Preliminary Housing Data
- Affirmatively Furthering Fair Housing
- Community Engagement

The presentation included the purpose of the Housing Element, components of a Housing Element, additional State requirements during the 6<sup>th</sup> Cycle, and the project timeline. The presentation also provided an overview of socio-economic data that will provide context for future housing goals and programs.

Following the presentation, the City provided an opportunity for public comment. The meeting was attended by one City Councilmember, two Planning Commissioners, and 24 members of the public.

Notifications of the Outreach Workshop were distributed electronically via the City's email notification system to over 6,000 email addresses including those who signed up for notifications on latest news or initiatives and programs from the City.

The Community Workshop was also promoted through the City's social media accounts on Facebook, Instagram, Twitter, and Nextdoor. The City recorded and posted a video of the meeting on the City's YouTube channel and the [City's HEU webpage](#) for viewing or download at any time. The HEU webpage address and contact information of Vicki Parker, the City's Project Manager, was included in all Workshop material. The workshop was advertised in English and Spanish.

#### **Summary of Comments**

The following is a summary of questions and comments received from members of the public during the Community Workshop.

- When will the public be able to submit site recommendations they feel are appropriate for housing?
- How will members of the public familiar with housing be included in the outreach process?
- The Point-In-Time Count numbers recently released show an eight percent or greater increase in homelessness in Marin County. How will the project team include this information into the HEU?
- Provide clarification on the difference between the City and County site inventory process and analysis.
- Request for the City to examine the Affordable Housing Overlay from the previous HEU to identify available sites.
- Does a particular site apply towards the City's RHNA requirements.
- How will the project team will separate AFFH outreach work from the more technical aspects of the HEU.
- Expression of concern over the expansion of City boundaries and increased RHNA numbers over time. The participant also expressed concern on housing impacting open space and the City's Urban Growth Boundary. City staff clarified how the Urban Growth Boundary limits densifying growth to the existing City limits.

Screenshots from Community Workshop #1 are included below in Section E.3.3.

## **E.2.2 Focus Group Meeting #1 – Non-profit Social Service Providers**

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*Wednesday, June 8, 2022 at 10:00 am*

*Zoom*

### **Overview**

On June 8, 2022, as part of the public engagement process for the 6<sup>th</sup> Cycle HEU, LWC conducted a virtual hour-long Focus Group interview with non-profit social service providers that work in Novato. The City invited social service providers via email and followed up with the relevant Zoom link for those who agreed to participate. The Focus Group was attended by eight case managers from North Marin Community Services and a staff attorney from Legal Aid of Marin. The purpose of the meeting was:

- Discuss housing opportunities and constraints
- Gain deeper understanding of available resources as they relate to housing in Novato
- Gather policy and program recommendations

Working closely with the City, LWC developed a survey instrument and used open-ended questions where the respondents drive the interview process in a conversational style. Participants were encouraged to voice their responses, as well as to use the chat function to provide written input. A representative from City Staff was present. Participants were assured that their participation was voluntary and that all written summaries, reports, and communications

in the project were reported in aggregate format, where no comments could be tied to any one individual.

The questions asked of the participants are as follows:

- Are you a resident of Novato?
- What is your relationship with Novato? Choose one: property owner, renter, employed in, business owner in, local/regional advocate, faith-based group, realtor, developer, property manager.
- In your opinion, what groups or types of individuals/households are most in need of adequate and/or affordable housing in Novato?
- In your opinion, what type(s) of housing is most needed/in short supply in Novato?
- Do you see any disparities or concerns in housing patterns or trends in Novato among different groups/populations?
- Are you concerned about concentration or segregation in housing and access and opportunity in Novato?
- What are the most critical gaps in housing services/options in Novato?
- Have you partnered with developers (e.g., non-profit/mixed income) to pursue affordable or special needs housing in Novato?
- What would be your top policy or program recommendations to the City to help address the needs of the groups and populations you serve?
- Do you have anything else to add?

### **Summary of Comments**

The following is a summary of input received from the interview participants. Comments are not necessarily listed in order of priority, and no comments indicate group consensus.

The mood of the meeting was positive, respondents seemed pleased to be included in the process, were well-prepared, and articulate.

- Participants work closely with the following communities in Novato, providing healthy food, emergency rental assistance, affordable childcare, health education/resources, and more:
  - Low-income residents
  - Families with children
  - Individuals or families facing homelessness
  - Single-parent, especially female-headed households
  - Spanish-speaking residents
- **Rent Increases and Tenant Protections**
  - Rent increases are unsustainable for families already experiencing a housing cost-burden because they cannot be addressed like other needs (e.g., hunger and CalFresh)
  - This is especially true for seniors, whose fixed-income cannot respond to \$200-\$300 rent increases and need permanent, monthly assistance



- During the COVID-19 pandemic, the percent of program applicants who qualified as housing cost-burdened increased significantly
- Though AB 1428 (California Tenant Protection Act of 2019) established many important protections, they extend only to multi-family residences; many vulnerable residents in Novato rent single-family dwellings that AB 1428 protections does not cover
- The City does not have just-cause protections for tenants in these housing types and is not filling the gap between State protections and the most vulnerable renters
- **Accessibility and Reasonable Accommodations**
  - A participant recounted a story about a wheelchair user who was displaced by a fire and struggled to find a wheelchair-accessible unit without an already-long waitlist
  - Though City has received few reasonable accommodation requests, participants offered that many residents are not aware of these procedures or how to utilize them, indicating an education gap
- **Overcrowding**
  - Due to the long waitlists for the most in-demand housing types (accessible, income-limited, etc.), many families double up in units to afford living in Novato
  - Participants mentioned clients who asking their case managers if they know of other clients renting out space who they could cohabitate with
- **Displacement**
  - Many families wish to stay in Novato to stay close to other family members, avoid pulling their children out of school, etc.
  - Some families want to move out of Novato, but even formerly-affordable communities (e.g., Petaluma, Santa Rosa) are no longer options, between rising housing costs there and higher gas prices
- **Concentration and Segregation**
  - One participant noted Novato has one of the County's Census tracts with the most vulnerable renters (highest proportion of BIPOC individuals, greatest number of habitability/overcrowding issues, highest rent increases) *[Further research identified this as Census Tract 1022.03, containing Downtown Novato]*
- **People Experiencing Homelessness**
  - Major unmet need in available services for houseless population in the City, specifically shelter beds equivalent to the number of unsheltered homeless individuals estimated to reside in Novato
  - For example, one local resource is Gilead House, which provides a stable living situation for homeless single mothers and their children, but the process to get into the program can be prohibitive for some
- **Top Policy Recommendations**
  - Outreach to educate the community about reasonable accommodation requests

- Assistance for new arrivals to the community, especially refugees, unaccompanied youth, and undocumented persons
- An emergency shelter as close as possible to the families and individuals in Novato that needs one
- Stronger tenant protections, especially as evictions have spiked and Novato has lost its status of one of the County's remaining relatively affordable communities
  1. Ex: longer noticing periods when a multifamily development changes ownerships, which puts tenants severely at-risk; similar policies are being examined in other local jurisdictions

Screenshots from Focus Group #1 are included below in Section E.3.3.

### **E.2.3 Focus Group Meeting #2 – Housing Developers**

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*Monday, June 13, 2022 at 3:30 pm*

*Zoom*

#### **Overview**

On June 13, 2022, as part of the public engagement process for the 6th Cycle HEU, LWC conducted a virtual hour-long Focus Group interview with for-profit and nonprofit housing developers who work in Novato. The purpose of the meeting was:

- Discuss housing opportunities and constraints in Novato
- Gain deeper understanding of available resources as they relate to the production of housing
- Gather policy and program recommendations

Working closely with the City, LWC developed a survey instrument and employed a respondent-driven process, using open-ended questions where the respondents drive the interview process in a conversational style. The meeting was held without City staff present to better enable an open dialogue and frank responses. Attendees were assured that their participation was voluntary and confidential, with all reports, memos, and communications being in aggregate format, where no comments could be tied to any one individual. Participants were encouraged to voice their responses, as well as to use the chat function and provide written feedback. A total of eight individuals participated in the scheduled meeting.

The questions asked of the participants were as follows:

- Are you a resident of Novato?
- What is your relationship with Novato? Choose one: property owner, renter, employed in, business owner in, local/regional advocate, faith-based group, realtor, developer, property manager.
- In your opinion, what are the unique challenges with building housing in Novato?

- In your opinion, what are the unique challenges with building affordable housing in Novato?
- In your opinion, what are the most in demand types of housing products in Novato?
- In your opinion, what can the City do to facilitate development of the highest demand housing types?
- In your opinion, where (geographically) do you see opportunities for housing in Novato?
- Tell us about your most successful housing project in Novato or nearby communities.

### **Summary of Comments**

The following is a summary of input received from the interview participants of Focus Group #2. Comments are not necessarily listed in order of priority, and no comments indicate group consensus.

The mood of the meeting was positive, respondents seemed pleased to be included in the process, were well-prepared, and articulate. The following is a summary of comments on topics deemed the most important by the group:

- Design Review Commission (DRC)
  - The DRC frequently influences design and non-design portions of projects with little to no oversight from the City Attorney on the legality of their influence. Developers feel the power and subjectivity of the DRC adds significant time and expense to the development process.
  - The DRC may hold several meetings to review a project and oftentimes requires significant changes. Participants said this was particularly troublesome when, after a project has been altered based on Planning Commission and City Council feedback, the DRC will effectively restart the review process by claiming the project has changed too drastically and will need to be reviewed again.
- Hillside and Ridgeline Protection standards
  - Division 19.26 (Hillside and Ridgeline Protection Standards) was named as being particularly difficult for both market rate and non-profit developers, acting as a constraints for any development.
  - Ordinance seems to have been based on one from a different community and was not tailored to local conditions, making it difficult for City staff to interpret and consistently enforce its provisions.
  - Additionally, these standards apply on all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent.
- Several participants mentioned the City is not complying with the requirements of the Permit Streamlining Act.
- Attached townhomes are one of the most in-demand housing typologies. However, several participants insisted people still come to Novato (and Marin County in general) for a suburban lifestyle, keeping the historic market for detached single-family homes strong.

- The housing market in north Novato is different from south Novato; towards the north there is greater competition from single-family homes being built on greenfield sites in Petaluma and beyond, while in the south, townhomes are more viable.
- Many sites identified in the 5<sup>th</sup> Cycle HEU were infill sites.<sup>1</sup>
- Proposed reforms and solutions
  - A permanent City staffer to coordinate the work of the City's third party permitting/engineering service providers.
  - Staff need to educate reviewing committees and other City officials on the fundamental legality of different portions of projects; some participants said that responsibility can often fall on them.
- Despite issues raised above, Novato was called one of the best places to build in Marin County.<sup>2</sup>
  - Second only to San Rafael, which some participants said has more experience with processing housing applications and a more efficient development process.
- Discretionary review prolongs the entitlement process, sometimes causing developers to risk missing funding deadlines (e.g., TCAC Low-Income Housing Tax Credits, etc.).
- Staff and the City Council work efficiently given limitations. Current staff provide an open line of communication with developers.

Screenshots from Focus Group #2 are included below in Section E.3.3.

## **E.2.4 Environmental Impact Report (EIR) Scoping Meeting**

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*Tuesday, June 25, 2022 at 6:00 pm*

*Zoom Webinar*

### **Overview**

On June 25, 2022, the City of Novato held a Scoping Meeting via Zoom to kick off the Environmental Impact Report (EIR) portion of the 6<sup>th</sup> Cycle HEU process. This meeting was hosted by the City and was attended by City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager. The Director welcome attendees and staff briefly introduced

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<sup>1</sup>The City's 5<sup>th</sup> Cycle HEU included five sites that were covered by an Affordable Housing Overlay. One of the sites is currently under construction, a second is approved, and a third is headed to approval hearings in early 2023. The fourth site has an application in process but was found to potentially have Native American artifacts on site and the local tribe has requested redesign to avoid the site of the artifact. The project applicant is currently investigating the feasibility of redesign.

<sup>2</sup>While Novato has experienced higher rates of project applications and rates of construction than the southern Marin cities and the unincorporated areas of the county, the last City-owned property in Hamilton is currently in contract to be sold for housing. The City had been effective in leveraging this available land to produce housing. Much of the future housing in the City will be on redevelopment sites.

the meeting agenda. The Consultant Team from both LWC and Rincon Consultants, Inc. were in attendance and presented on the following topics:

- Project Description
- What is CEQA?
- What is Scoping?
- Schedule and Next Steps
- How to Submit Comments

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The meeting was attended by two City Councilmembers and five members of the public. The sole public commenter expressed support for increased housing production in Novato and hoped to see the City take a more aggressive stance on increasing opportunities for lower-income households.

Screenshots from the EIR Scoping Meeting are included below in Section E.3.3.

## **E.2.5 Planning Commission Study Session #1**

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*Monday, June 27, 2022 at 6:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On June 27, 2022, the City of Novato held a Study Session via Zoom, hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff member Vicki Parker, Project Manager for the City and Community & Economic Development Director, were in attendance.

The Study Session provided the community with a review of the initial research findings on housing conditions as they relate to the 6<sup>th</sup> Cycle HEU, as well as feedback gathered during Community Workshop #1 and both Focus Groups. The Study Session also served as an opportunity for the Planning Commission and community to learn more about the Housing Element process and to provide feedback on questions of community concern.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- HEU Overview
- Housing Needs and Conditions
- Affirmatively Furthering Fair Housing
- Community Engagement
- Next Steps

## Summary of Comments

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from members of the public during the Study Session.

- Encourages the City that it is an important opportunity to provide the type of housing people need in the community and move the City on the road to providing housing for unhoused people. Wants to focus on having enough low-income housing in the City.
- Positive feedback on the presentation. Concerned about the second focus group and the feedback received. Notes that the comments are structural and wants to confirm if the City will analyze the planning process. Curious to learn what might happen with the information beyond the Housing Element process.
- Thanked the Consultant Team for their report, with great information and detailed numbers. Strongly support the work of building affordable housing in the City.
- The speaker only said they want housing in the City.

Screenshots from Study Session #1 are included below in Section E.3.3.

### E.2.6 Community Workshop #2

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*Monday, July 11, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

#### Overview

On July 11, 2022, the City of Novato held an interactive hybrid (virtual and in-person) Community Workshop, the second of two public workshops for the 6<sup>th</sup> Cycle HEU. This Workshop was hosted by the City's Planning Commission and was attended by City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager. The Commission Chair welcomed attendees and staff briefly introduced the workshop agenda. The Consultant Team from LWC was also in attendance and presented on the following topics:

- Introduction to Live Polling Platform Mentimeter
- Housing Element Overview
- Summary of Initial Findings
- Live Polling

The presentation provided a high-level overview of the technical analysis conducted during the update process that will inform the development of housing policies and programs, including:

- **Housing Needs Assessment:** review of Novato's socioeconomic and housing stock conditions and corresponding housing needs;

- **Housing Constraints Assessment:** assessment of governmental, market-driven, and environmental constraints to housing development; and,
- **Adequate Sites Inventory:** review of the RHNA numbers and the housing development pipeline and a map of pipeline projects.

The Consultant Team then facilitated the live polling with Mentimeter to collect community input. Respondents participated in the Mentimeter poll and provided insights attendee demographics and specific housing needs. Those included:

- **Demographics:**
  - 84 percent live in Novato
  - 65 percent work in Novato, 20 percent work outside Novato and in Marin County, 10 percent are retired, and 5 percent work outside Marin County
  - 29 percent were in support of more housing construction in Novato, with an equal 29 percent expressing concern about more housing construction
  - 72 percent own their home versus 22 percent who rent
  - 83 percent live in single-family homes, 11 percent live in either duplexes, townhomes, or condos, and six percent live in apartments
  - 44 percent are between 45 to 64 years-old, 39 percent between 25 to 44 years-old, and 17 percent are 65 years-old or older
  - 83 percent identify as white
  - 41 percent of annually earn more than \$199,200 per year, the highest income category provided in the survey
- **Housing Needs:**
  - 22 percent rank either the rate and number of new housing units getting built or the availability of multifamily housing for young families as the most critical issue in Novato
  - 48 percent rank housing affordable to low-income or middle-income households as the most housing type most needed in the City
  - 28 percent reported housing should not be built by increasing units in either existing single-family or multifamily areas, and expressed support for increasing housing in Downtown and commercial corridors
  - The top policies and programs ranked in order of priority are:
    1. Adopt objective design standards to help streamline the design review process
    2. Incentivize the consolidation of smaller parcels to make multifamily/mixed-use projects easier to build
    3. Allow mixed-use developments to be constructed in higher-density residential zoning districts
- **Public Comments:**

- Concern about rezoning the last available office/commercial lot to housing north of the Fireman's Fund area
- Recommends for Novato to accommodate additional housing
- Provide housing options to the downtown core to support the Grant Avenue area
- Recommends for Novato to rezone more parcels for low- and moderate-income units than the RHNA requirements to increase the chance of attracting developers
- Recommends creating co-housing models for intergenerational communities
- Recommends the City change policy to make it easier to add larger ADUs (1,500+ square feet) on properties and to expedite the permitting process
- Requests the City to take action at the encampment at Rush Creek for safety and aesthetic concerns
- Recommends Yes in my Backyard (YIMBY) solutions for longtime homeowners and local businessowners
- Recommends affordable and multifamily housing to be built as in-fill development where amenities are available and preserve green space

After the live polling activity, the City opened the floor for public comment. The meeting was attended by five Planning Commissioners, City staff, and members of the public.

Notifications of the Outreach Workshop were distributed electronically via the City's email notification system to over 6,000 email addresses including those who signed up for notifications on latest news or initiatives and programs from the City.

The Community Workshop #2 was also promoted through the City's social media accounts on Facebook, Instagram, Twitter, and Nextdoor. The meeting was recorded and posted on the City's YouTube channel and the [City's HEU webpage](#) so it could be accessed at any time. The HEU webpage address and contact information of Vicki Parker, the City's Project Manager was included in all workshop material. The workshop was advertised in English and Spanish.

## **Summary of Comments**

There was one public comment asking to clarify the definition of a low-barrier navigation center. The following is a summary of questions and comments received from Planning Commissioners during Community Workshop #2:

- A commissioner inquired whether religious institutions or nonprofit organizations can still be included in the HEU process. The HEU team assured they could be included and highly encouraged it.
- A commissioner expressed concern the reported median rent data in Novato seemed to be low and suggested it would be difficult to find a unit for that price in the City.
- A commissioner raised the point that the current pipeline projects would cover the RHNA requirements. The commissioner then asked what the process would be for finding additional inventory if a project's final approval is for fewer units than assumed in the Housing Element.



- A commissioner stated the site inventory analysis would not have many new locations in addition to the projects already in the pipeline. The project team responded that it was fair to say that based on the project pipeline, but affordable housing is increasingly harder to find and implement than in the past.
- A commissioner inquired whether there are uncertainties or recommended best practices to gain approval of the sites inventory analysis. They followed up asking whether there should be a buffer to cover the unpredictability. The project team informed them an 18 to 20 percent buffer is accounted for in the sites inventory.

Screenshots from Community Workshop #2 are included below in Section E.3.3.

## **E.2.7 Planning Commission Study Session #2**

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*Monday, July 25, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On July 25, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager were present.

This second Study Session with the Planning Commission provided the community with updates on the results from the polling exercise conducted during Community Workshop #2 and a discussion of the sites inventory rezoning process. During the session, the City's housing development pipeline numbers were presented alongside potential capacity of certain identified rezone sites. The discussion included detailed information on density and total unit counts.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Live Polling Summary
- Sites Inventory Analysis
- Summary and Next Steps

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from both Planning Commissioners and members of the public during the Study Session.

- A commissioner inquired whether the NUSD parcel's potential rezoning meant an additional 85 units could be built there. City staff clarified that was not the case; it is an "empty PD" with no density or development standards currently in effect.

- A commissioner asked what the process was for developing the NUSD parcel as a PD. City staff explained there would be additional requirements for objective design standards (ODS). The commissioner expressed dislike for form-based codes and wanted a balance between streamlining and flexibility.
- A commissioner expressed concern about the low number of participants in the previous survey. City staff provided a reminder that the sites were selected incorporating the online survey, other public community feedback, and internal conversations. After staff also described the upcoming development of ODS with the Design Review Commission, the commissioner expressed concern that development would be more formulaic and reduce creativity.
- A commissioner expressed strong support for [pipeline site] 5 San Andreas Dr. as a housing site. They then expressed concern about potential community pushback on specific sites and encouraged community members and the press to see beyond particular sites.
- A commissioner observed that the San Andreas site has been vacant for years and also believes this would be a great site for housing broadly speaking, but will have to see the specifics.
- A commissioner observed support for infill housing Downtown in the survey results and pointed out that, without ODS, State streamlining provisions will already push the potential for certain projects forward.
- A member of the public asked for the presentation to be made available and inquired about the Fourth and Grant site.
- A member of the public identified themselves as a former City Council member and recalled past misunderstandings around sites. Encouraged that information be shared early and clearly with the public, and City staff assured them that more would be forthcoming and shared with the City's mail list and via its social media profiles.

Screenshots from Study Session #2 are included below in Section E.3.3.

## **E.2.8 City Council Study Session #1**

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*Tuesday, August 23, 2022 at 6:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On August 23, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled City Council meeting. In addition to all Councilmembers, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This first Study Session with the City Council provided a recap of information previously presented to the Planning Commission and ensured the broader community was informed of the project's progress. During the session, the City's housing development pipeline numbers were presented alongside potential capacity of certain identified rezone sites. The discussion included detailed information on density and total unit counts.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from both City Councilmembers and members of the public during the Study Session.

- Interest in opportunities presented by the NUSD property and how it could be combined with an additional five acres on its eastern border.
- Concern about Native American artifacts and seasonal wetlands.
- Local housing supporter, expressing excitement about affordable housing, mixed-use housing, and potential programs to support tenant protections and emergency shelter.
- Owner of one of the potential rezone properties, briefly described the background and strong potential of the site and their enthusiasm for rezoning. Asked about how the proposed 20 units fit into the overall development of R-10 zoning. City staff responded by expanding on future impact of ODS adoption, parcel unit estimates, etc.
- Concern about [pipeline site] 200 Landing Ct. City staff responded with a description of AFFH requirements.
- Hopes the City does everything they can do get more housing and is in favor of rezoning more parcels, any renter protections, and is concerned about in-lieu fees instead of on-site provision of affordable housing. City staff clarified that the current inclusionary housing ordinance cutoff is nine units.
- Encouraged listeners to not assume that low level of interest in this Council meeting means the community is not interested in general. Hopes thorough analysis is done regarding level of service needs for new housing development.
- Several Councilmembers expressed interest in the "The Square" property. City Staff responded that the owners would need to approach the City with interest to rezone, but until then it is not a reliable site to include in the Sites Inventory.
- A Councilmember asked if any recent discussions with NUSD had occurred regarding their parcel. City staff responded a meeting was planned the following week to discuss it and potentially other District sites. Also expressed support for a request from the Marin Humane Society for pro-pet housing policies.

- A Councilmember expressed interest in the NUSD site, especially if it can provide teacher-oriented workforce housing. Also in support of pro-pet policies. Expressed concern about vacant homes and interest in a vacant homes policy/task. Also asked if rent control policies/programs have been considered.
- A Councilmember expressed a desire for greater clarity with regard to existing vs. proposed General Plan designation/zoning. Also expressed support for an ADU incentive program.

Screenshots from City Council Study Session #1 are included below in Section E.3.3.

### **E.2.9 Planning Commission Study Session #3**

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*Monday, November 28, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

#### **Overview**

On November 28, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This third Study Session with the Planning Commission was held after the release of the Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU. During the session, the finalized housing development pipeline and the capacity of identified rezone sites were presented to display how the City will be meeting its RHNA. This was followed by a walkthrough of the HEU's Housing Plan, detailing programs continued from the 5<sup>th</sup> Cycle HEU and new programs proposed to comply with State law and address identified needs/constraints.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

#### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment from the seven attendees. The following is a summary of questions and comments received from both Commissioners and members of the public during the Study Session.

- Inquiry as to what impact rezoning will have on the 1628 Novato Blvd. rezone site before it is redeveloped, and whether it would be considered legal non-conforming

- Discussion of how rezoning of the NUSD site would influence interest in its ultimate development as teacher housing
- How ADUs are classified and whether they are eligible for waived impact fees
- A member of the public asked how various City policies listed in the Housing Plan would be implemented
- Clarifying questions regarding the timeline of the CEQA process, rezoning process, etc.
- Commissioner expressed concern about the number of vacant units estimated for the City and inquired if developing a program to address these was worth it

Screenshots from Planning Commission Study Session #3 are included below in Section E.3.3.

## **E.2.10 City Council Study Session #2**

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*Tuesday, December 6, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On December 6, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled City Council meeting. In addition to all Councilmembers, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This second Study Session with the City Council was held after the release of the Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU. During the session, the finalized housing development pipeline and the capacity of identified rezone sites were presented to display how the City will be meeting its RHNA. This was followed by a walkthrough of the HEU's Housing Plan, detailing programs continued from the 5<sup>th</sup> Cycle HEU and new programs proposed to comply with State law and address identified needs/constraints.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

### **Summary of Comments**

Following the presentation, Councilmembers discussed the various issues raised and twice opened public comment from the nine attendees. The following is a summary of questions, comments, and decisions made by both Councilmembers and members of the public during the Study Session:

- Removal of NUSD site from Sites Inventory

- NUSD is interested in developing this property, but is not prepared to submit a letter to HCD detailing their intentions (e.g., densities, financing, etc.)
  - CC voted unanimously to remove site from Sites Inventory
- Tenant protections programs
  - Both Councilmembers and one public commenter expressed apprehension at the ramifications of these being implemented, but agreed a public outreach process would be the place to discuss the details and did not call for the programs' removal
  - Public commenter cited concerns that expanded tenant protections would limit the development of ADUs on single-family parcels and that AB 1482 (which the programs cite as the source of their specific provisions, but extended to single-family homes) sunsets in 2030, raising questions about whether local protections would continue in the event AB 1482 is not extended or made permanent
- Councilmember requested that references to "Hillside Protections" be revised to read "Hillside and Ridgeline Protections" to reflect the full name and scope of Division 19.26
  - CC voted unanimously to edit the HEU accordingly
- Councilmember expressed concerns about the number of estimated vacant homes reported in Appendix A and would like to see an added program which addresses these findings
- Councilmember asked if the City could implement Northwest Quad policies sooner than 2025; Department would need to consider earlier implementation in accordance with their work plan for the next several years
- A public commenter called on the City to consider rezoning any vacant or underutilized site which could provide more affordable housing, and expressed surprise the Sites Inventory was so short
- Councilmember requested that a footnote be added to the Pipeline Projects table indicating their unit numbers are those proposed by applicants at the time of application submission
- Mayor proposed the Buck Center be added to the Sites Inventory
  - Project Team explained the potential consequences of this addition and suggested that the site had complicated entitlements that would need to be addressed in order for it to become a realistic site; Council did not move forward with this modification to the Sites Inventory

Screenshots from Planning Commission Study Session #3 are included below in Section E.3.3.

## **E.2.11 Summary of Public Review Draft Comments**

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The City made the draft HEU available for public review from November 18, 2022 through December 18, 2022. Oral comments were made in-person and online at Planning Commission Study Session #3 and City Council Study Session #2. Written comments were also taken, both in response to the agenda postings for both meetings and throughout the review period at a

dedicated email address established for the HEU process. In addition, the City hosts an “e-comment” function for all Council meetings which is enabled immediately upon agenda posting and takes comments up until 3:00 pm the day of the meeting.

A total of 50 comments were received. They can be categorized as shown in the following breakdown. Some comments contained multiple ideas; thus, the aggregate total is slightly more than 50.

- Concerns over specific projects or sites (29)
- Resource concerns, especially water (5)
- Concerns over cost of new development to existing residents in actual City expenses as well as in decreases to levels of service/quality of life (3)
- Request for more detail on specific policies, programs or goals; suggestions (7)
- Interest in issues of sustainability (2)
- Interest in additional housing capacity (5)
- Questioning validity of state/regional process (6)

## Section E.3 Documentation

### E.3.1 Social Media Notifications

Figure E-3: Social Media Notification Examples (Facebook)

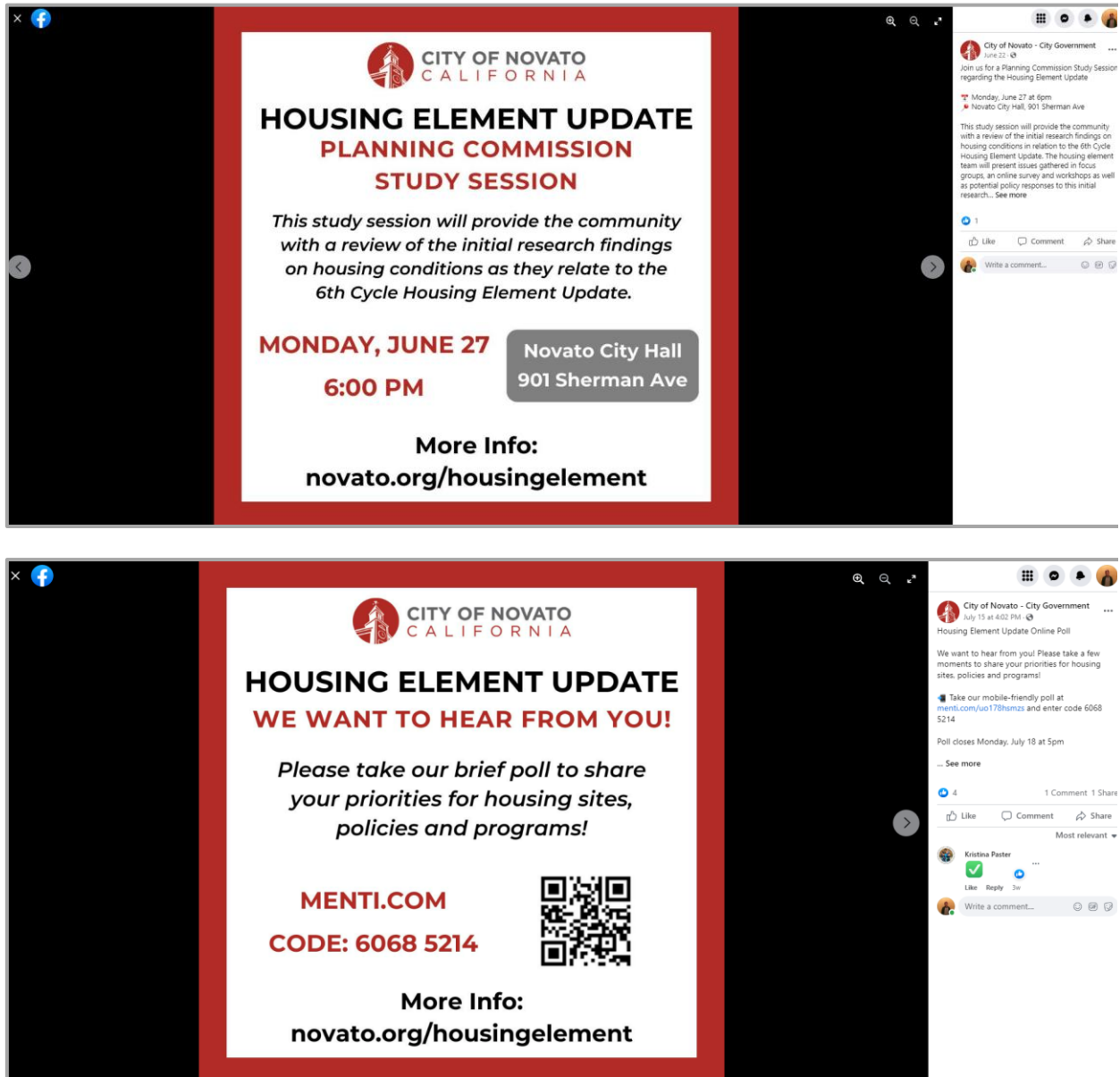
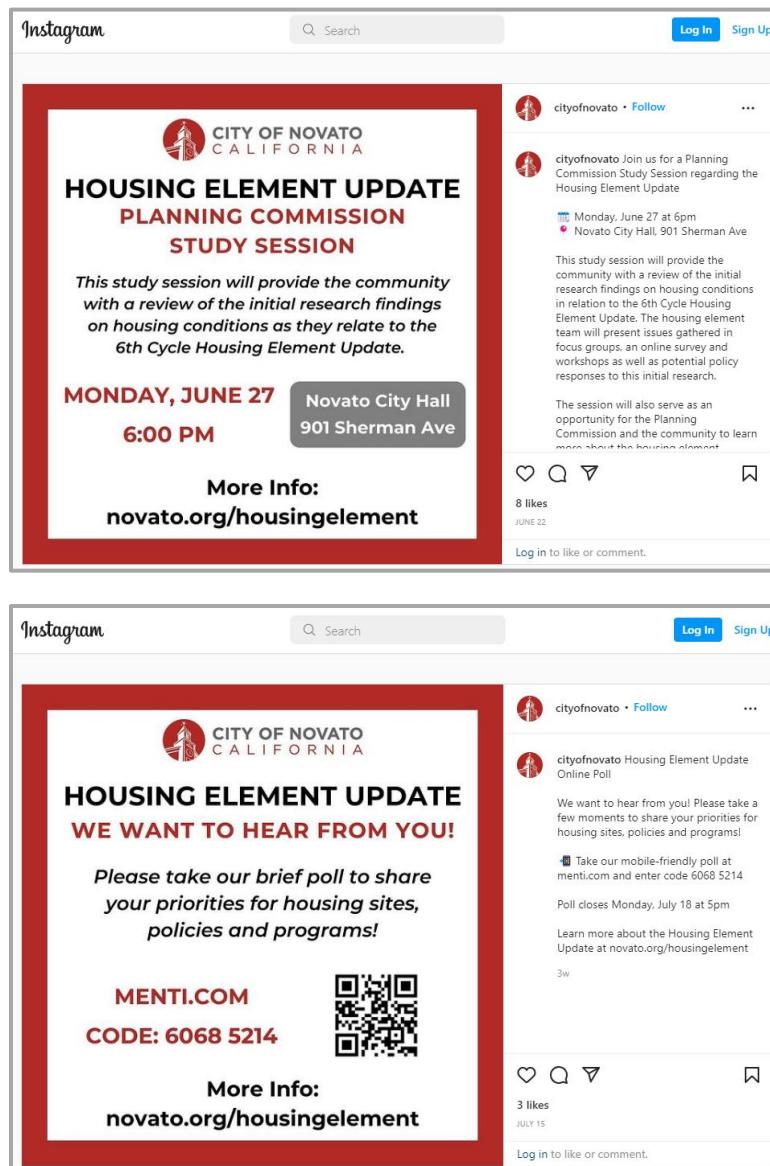




Figure E-4: Social Media Notification Examples (Instagram)



**Figure E-5: Social Media Notification Examples (Twitter)**

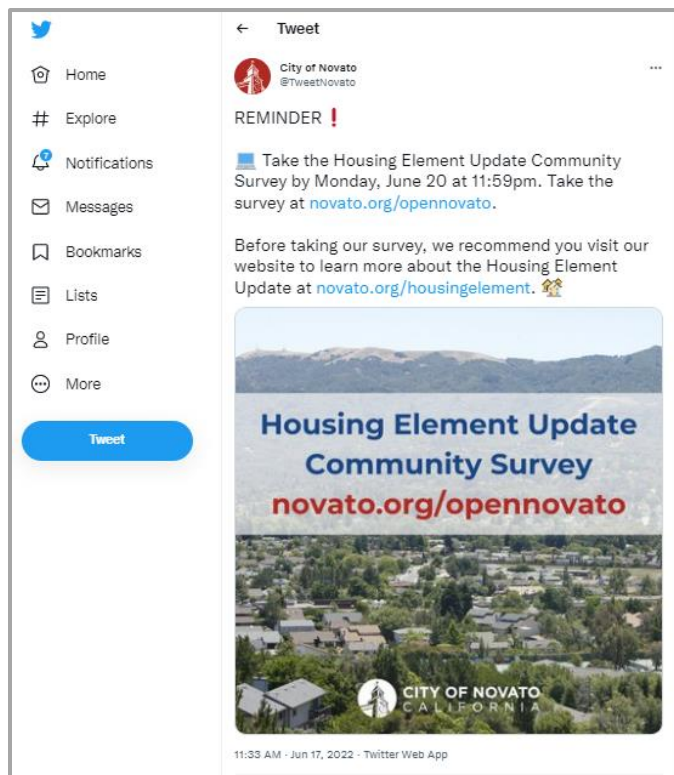
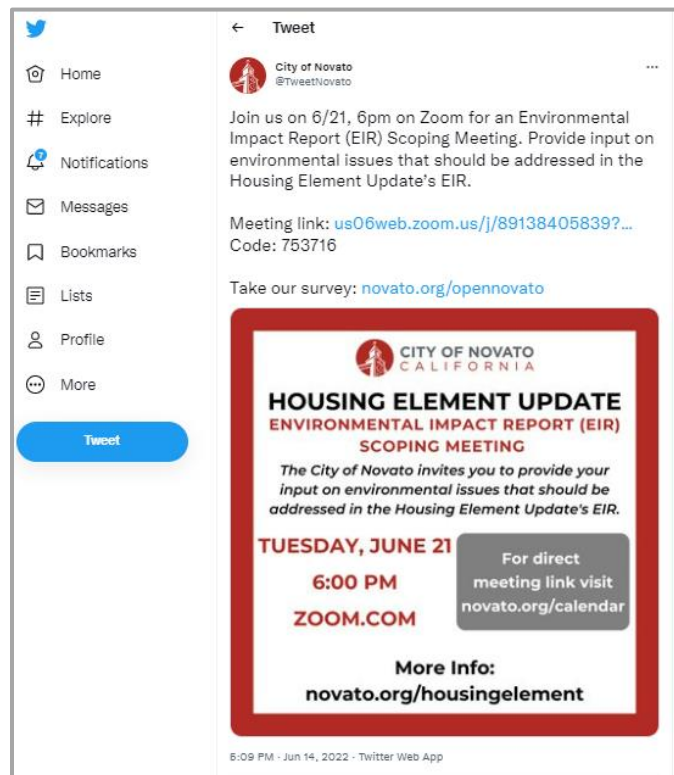
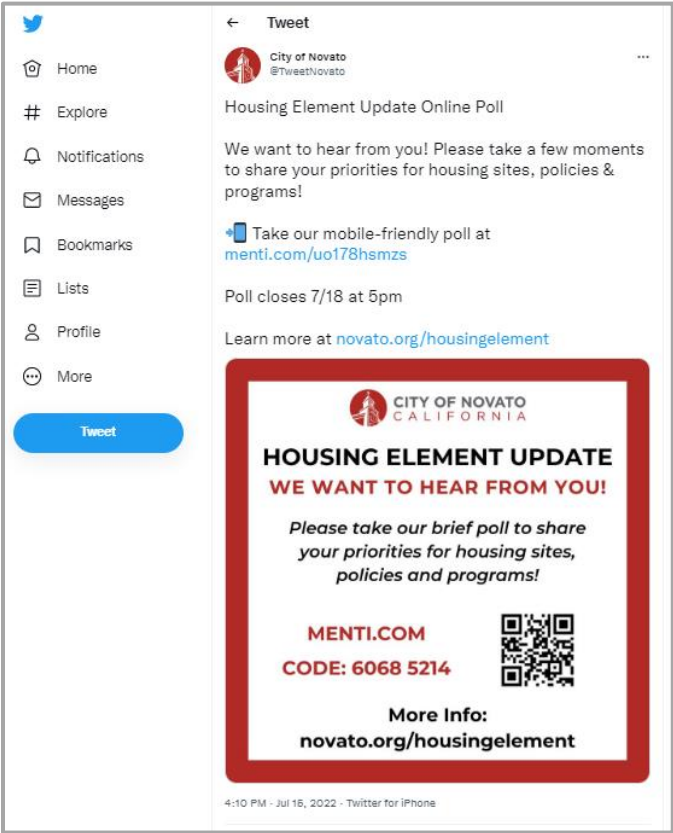
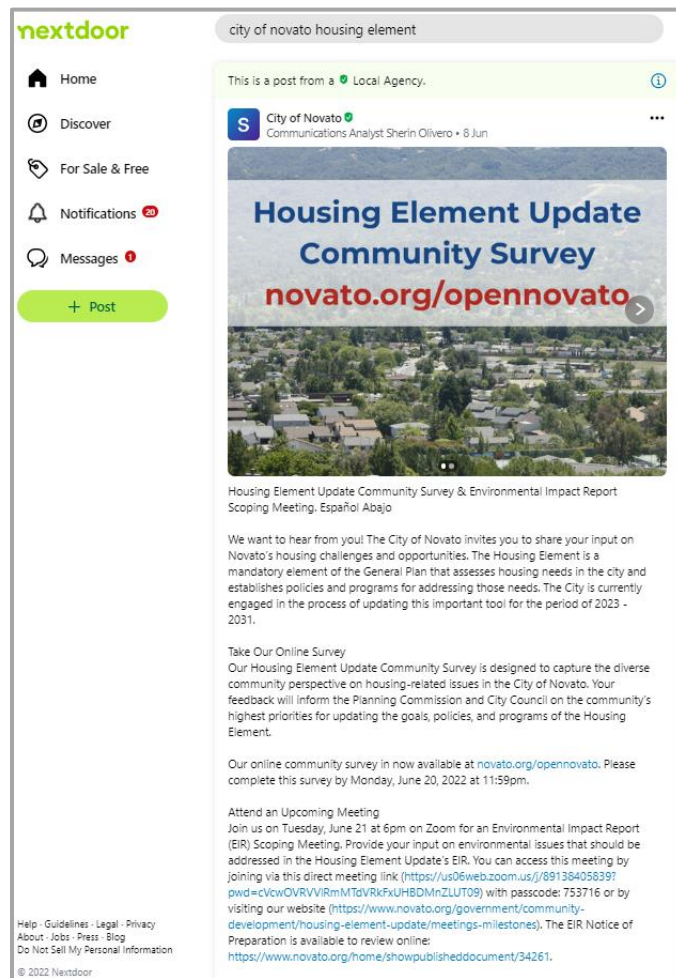


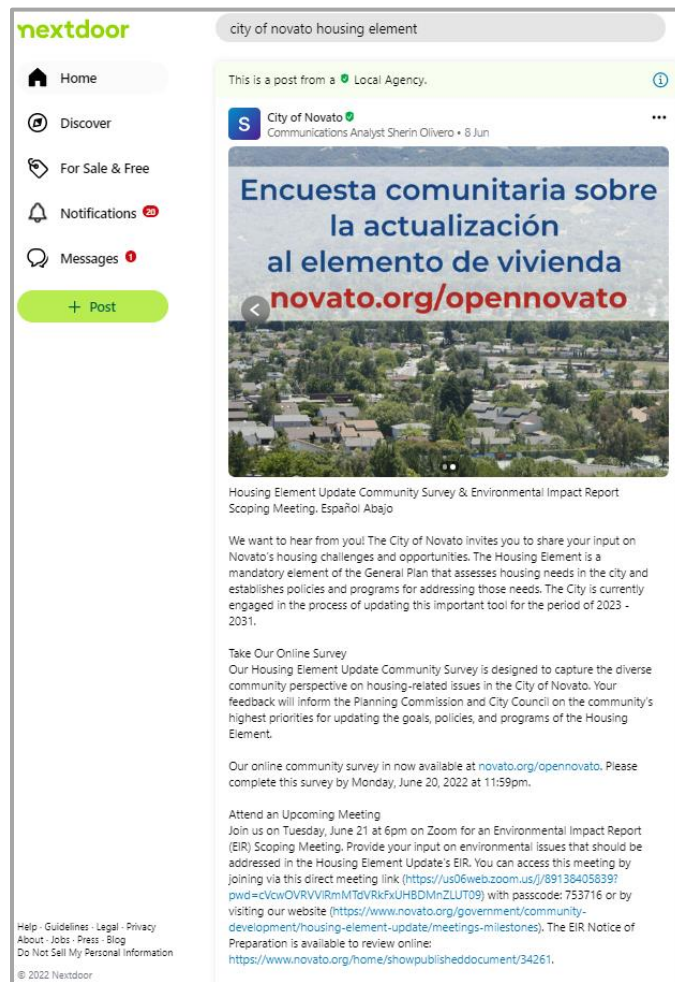
Figure E-5: Social Media Notification Examples (Twitter)



**Figure E-6: Social Media Notification Examples (Nextdoor)**



**Figure E-6: Social Media Notification Examples (Nextdoor)**



## E.3.2 Survey Results

Figure E-7: Housing Survey (Instructions)

**Housing Element Update Survey / Encuesta de Elemento de Vivienda**  
Share your feedback on housing opportunities and challenges in Novato / Comparta sus comentarios sobre las oportunidades y los desafíos para la vivienda en Novato

### Introduction

Español abajo

We want to hear from you! The City of Novato invites you to share your input on Novato's housing challenges and opportunities. The Housing Element is a mandatory element of the General Plan that assesses housing needs in the city and establishes policies and programs for addressing those needs. The City is currently engaged in the process of updating this important tool for the period of 2023 - 2031.

Our Housing Element Update Community Survey is designed to capture the diverse community perspective on housing-related issues in the City of Novato. Your feedback will inform the Planning Commission and City Council on the community's highest priorities for updating the goals, policies, and programs of the Housing Element.

Before taking our survey, we recommend you visit our website to learn more about the Housing Element Update at [novato.org/housingelement](https://novato.org/housingelement).

Please take our survey to share your feedback by Monday, June 20, 2022 at 11:59pm.

iQueremos su opinión! La Ciudad de Novato lo invita a compartir sus comentarios sobre los desafíos y las oportunidades para la vivienda en Novato. El Elemento de Vivienda es un elemento obligatorio de Plan General que evalúa las necesidades de vivienda en la ciudad y establece políticas y programas para abarcar a esas necesidades. La Ciudad está actualmente pasando por el proceso de actualizar esta herramienta importante para el periodo de 2023-2031.

Nuestra encuesta sobre la actualización al Elemento de Vivienda está diseñada para entender las perspectivas diversas de la comunidad sobre temas relacionados a la vivienda en la Ciudad de Novato. Sus comentarios informarán a la Comisión de Planificación y el Concejo Municipal sobre las prioridades más importantes de la comunidad respecto a la actualización de las metas, las políticas y los programas del Elemento de Vivienda.

Antes de completar nuestra encuesta, le recomendamos que visite nuestro sitio web para aprender más sobre la actualización al Elemento de Vivienda: [novato.org/housingelement](https://novato.org/housingelement).

Por favor responda a nuestra encuesta para compartir sus comentarios antes del lunes 20 de junio de 2022 a las 11:59pm.



Figure E-8: Housing Survey (Questions)

Survey Questions	
<p><b>QUESTION 1</b></p> <p><b>Are you a resident of Novato? / ¿Usted es residente de Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>	<p><b>QUESTION 6</b></p> <p><b>Are you concerned about concentration or segregation in housing access and opportunity in Novato? / ¿Le preocupa la concentración o segregación en acceso a y oportunidad para viviendas en Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>
<p><b>QUESTION 2</b></p> <p><b>What is your relationship with Novato? (Please select all that apply) / ¿Cuál es su relación con Novato? (Seleccione todas las que apliquen)</b></p> <ul style="list-style-type: none"> <li>• Property owner / Propietario</li> <li>• Renter / Arrendatario</li> <li>• Employed in / Empleado en</li> <li>• Business owner in / Dueño de negocio en</li> <li>• Local/regional advocate / Defensor local/regional</li> <li>• Faith-based group / Grupo religioso</li> <li>• Realtor / Agente inmobiliario</li> <li>• Developer / Constructor/desarrollador</li> <li>• Property manager / Administrador de propiedades</li> </ul>	<p><b>QUESTION 7</b></p> <p><b>What are the most critical gaps in housing services/options in Novato? / ¿Cuáles son las faltas más críticas en servicios/opciones de vivienda en Novato?</b></p>
<p><b>QUESTION 3</b></p> <p><b>In your opinion, what groups or types of individuals/households are most in need of adequate and/or affordable housing in Novato? / En su opinión, ¿cuáles grupos o tipos de individuos/hogares tienen mayor necesidad de vivienda adecuada y/o económica en Novato?</b></p>	<p><b>QUESTION 8</b></p> <p><b>Have you partnered with developers (e.g., non-profit/fixed income) to pursue affordable or special needs housing in Novato? / ¿Usted ha trabajado con desarrolladores/construtores (por ejemplo, sin fines de lucro/de renta fija) para buscar vivienda económica o de necesidades especiales en Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>
<p><b>QUESTION 4</b></p> <p><b>In your opinion, what type(s) of housing is most needed/in short supply? / En su opinión, ¿cuáles tipos de vivienda se necesitan más o quedan pocos?</b></p>	<p><b>QUESTION 9</b></p> <p><b>What would be your top policy or program recommendations to help address needs of groups and populations you may be familiar with? / ¿Cuál sería su primera recomendación de política o programa para abarcar las necesidades de los grupos y las poblaciones con los que usted está familiarizado?</b></p>
<p><b>QUESTION 5</b></p> <p><b>Do you see any disparities or concerns in housing patterns or trends in Novato among different groups/populations? / ¿Usted observa alguna desigualdad o preocupaciones sobre los patrones de la vivienda en Novato entre distintos grupos/poblaciones?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>	<p><b>QUESTION 10</b></p> <p><b>Please share your thoughts and concerns. / Por favor comparta sus ideas e inquietudes.</b></p>
	<p><b>QUESTION 11</b></p> <p><b>If you would like to stay up to date on this topic, please provide your email address below: / Si quiere mantenerse al día con este tema, por favor escriba su dirección de correo electrónico abajo:</b></p>
	<p><b>QUESTION 12</b></p>
<p><b>Is there anything else you would like to share? / ¿Le gustaría compartir algo más?</b></p>	

Figure E-9: Housing Survey (Responses)

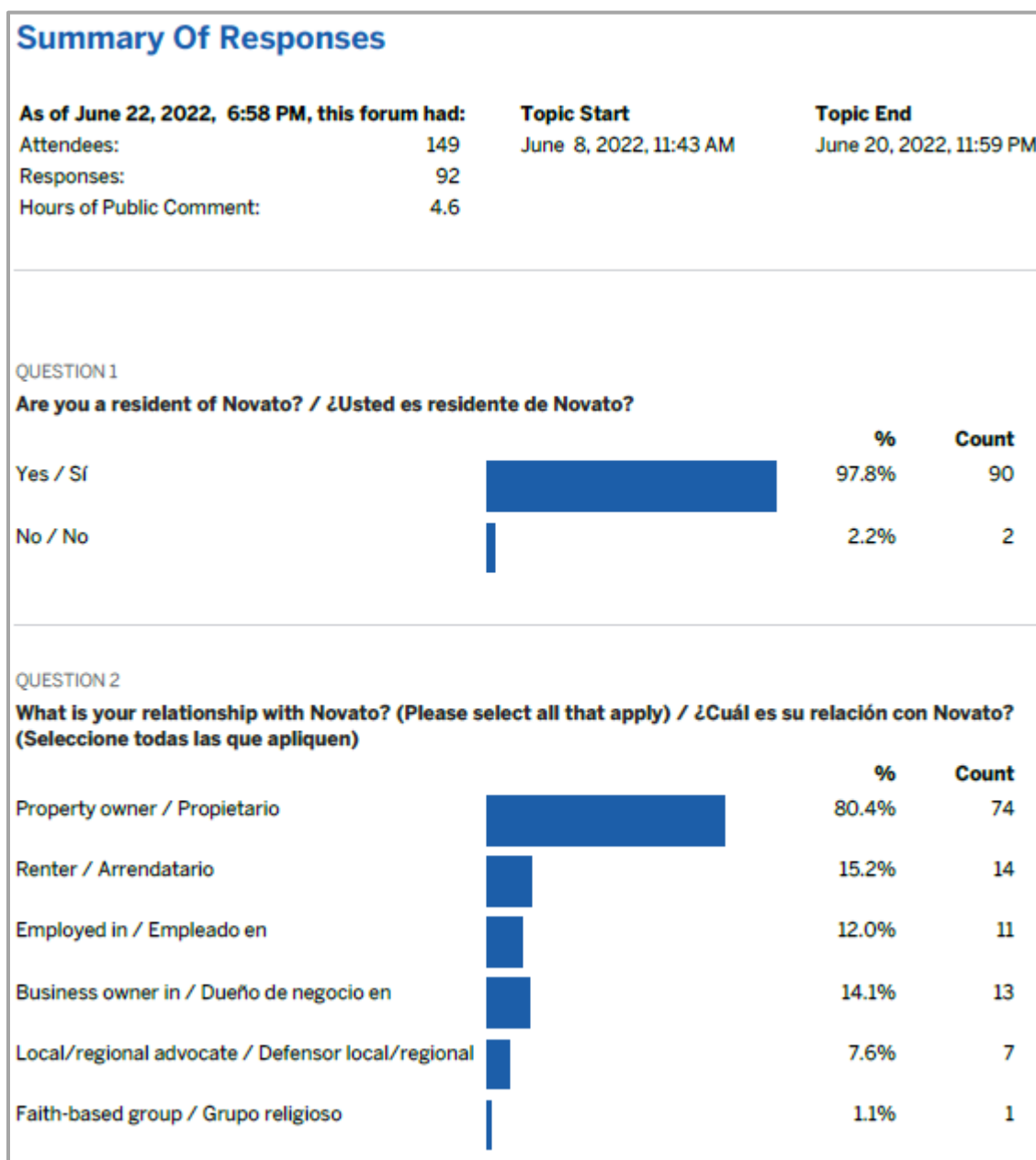




Figure E-9: Housing Survey (Responses)

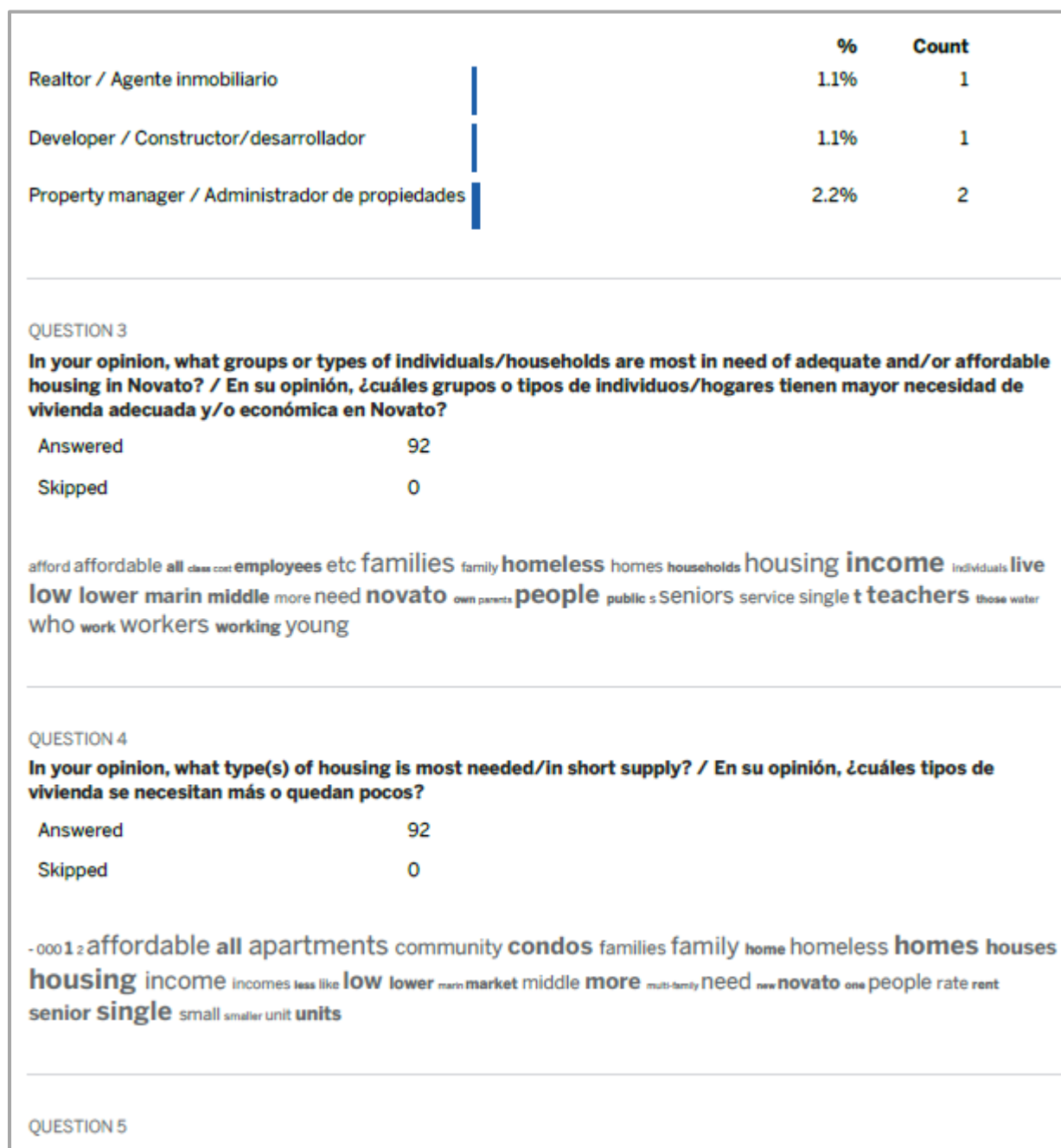


Figure E-9: Housing Survey (Responses)

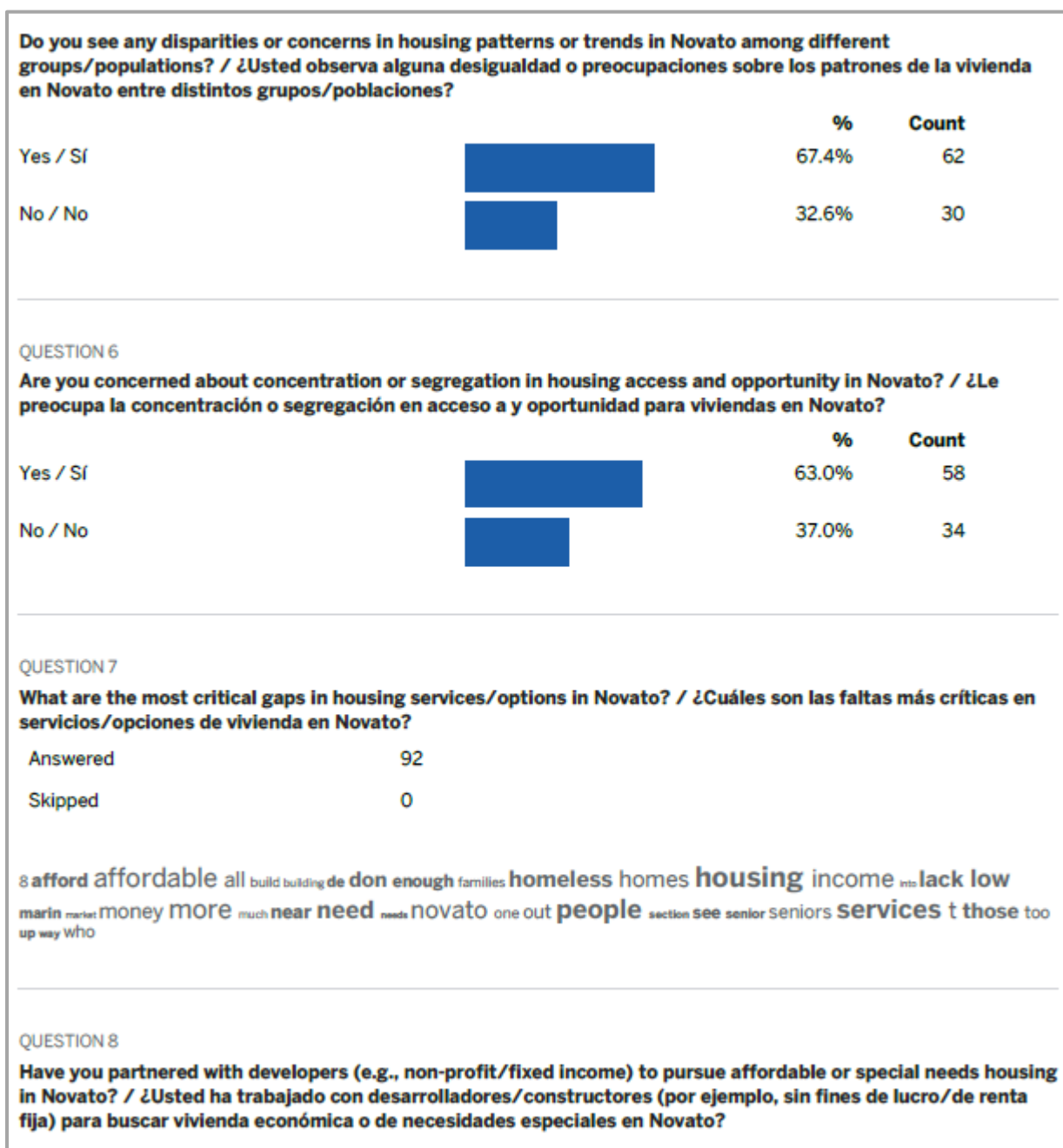


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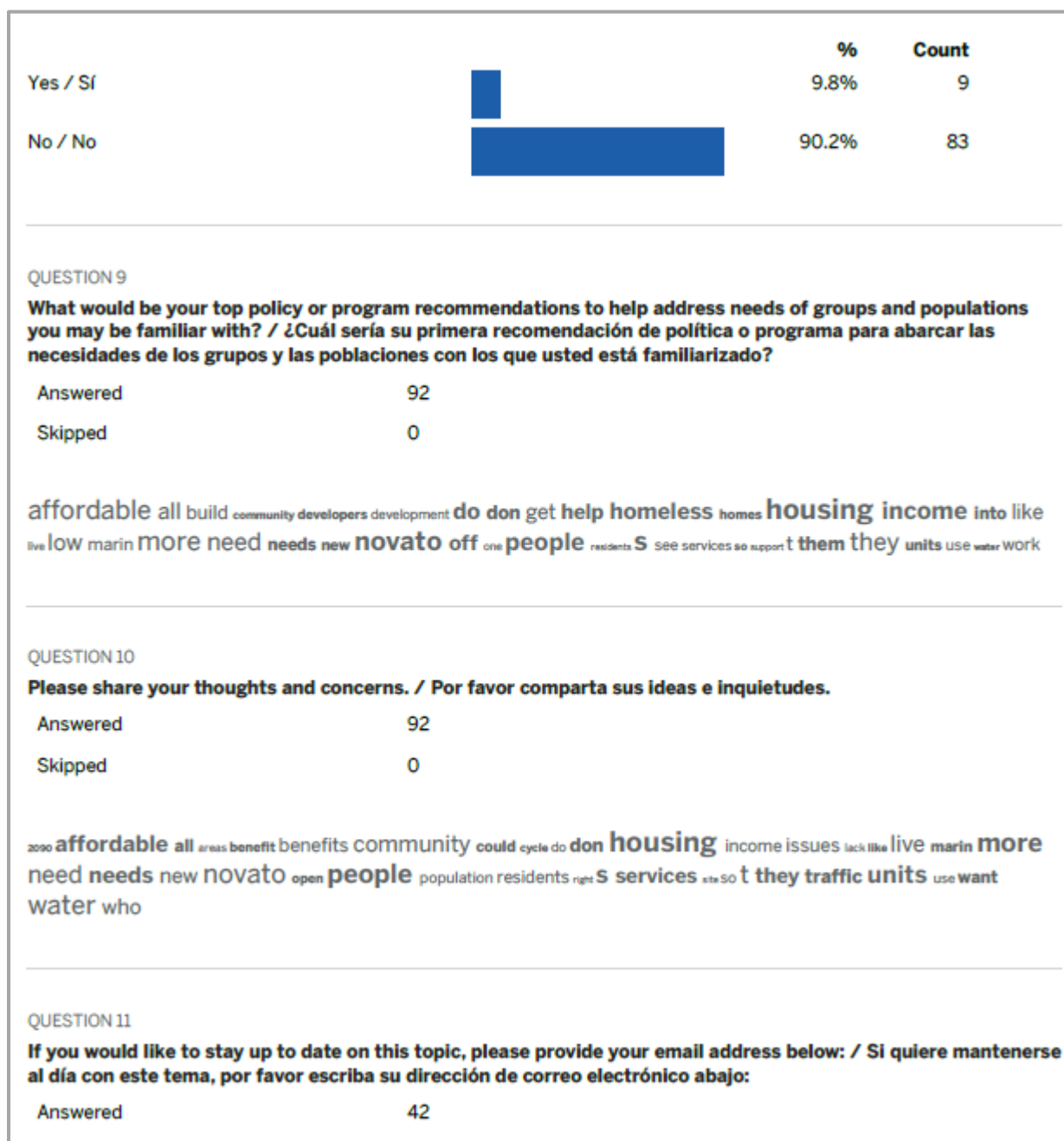
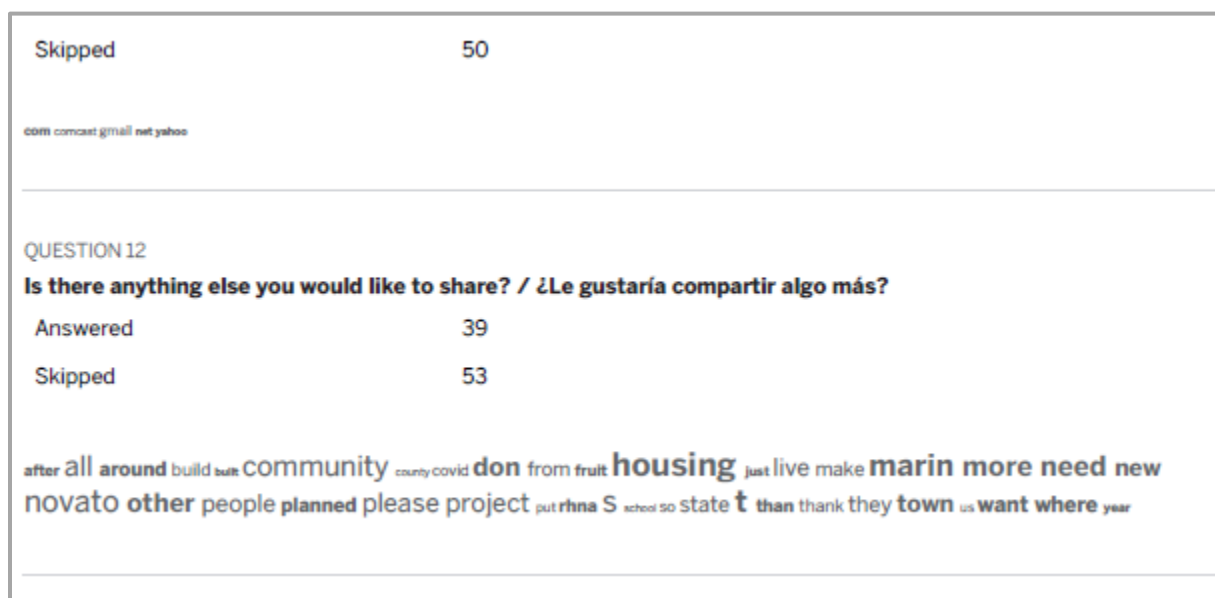
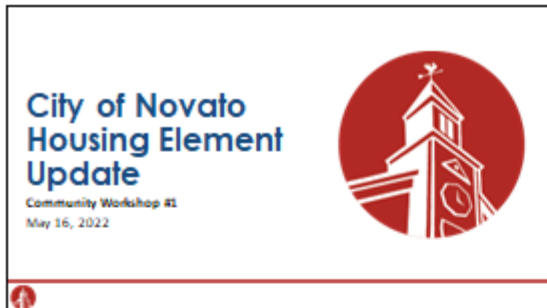


Figure E-9: Housing Survey (Responses)



## E.3.3 Presentations

### Community Workshop #1 (May 16, 2022) Presentation



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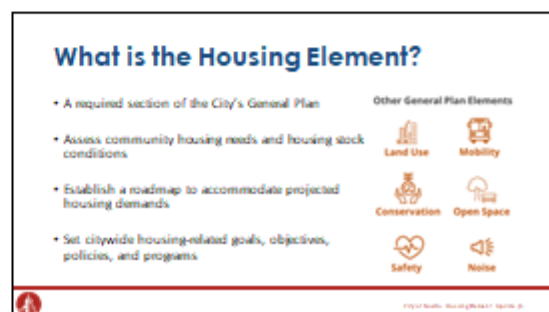
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## Housing Element Components

Policy and Programs Review

Analysis of Fair Housing

Housing Needs Assessment

Housing Resources Assessment

Housing Constraints Assessment

Implementation Plan

Adequate Sites Inventory

7

## Regional Housing Needs Allocation (RHNA)

- RHNA is the amount of housing each city must plan for in the Housing Element.
- Novato's RHNA (2023-2031) is **2,090 total units**.

Novato RHNA by Income Level

Number of Households in Household	1	2	3	4
Very Low Income (Below \$15,000)	\$14,700	\$17,100	\$20,100	\$23,400
Low Income (Below \$20,000)	\$15,000	\$17,500	\$20,600	\$24,000
Moderate Income (Below \$25,000)	\$17,500	\$20,000	\$23,200	\$26,800
High Income (Above \$25,000)	\$20,000	\$22,500	\$25,800	\$29,600

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## Key 6<sup>th</sup> Cycle Housing Element Bills

- AB 1397: Adequate Housing Element Sites
- SB 166: No Net Loss
- AB 686: Affirmatively Furthering Fair Housing
- AB 72: Housing Element Enforcement
- AB 671: ADU plan
- AB 879: Reporting Requirements
- AB 1763: Enhanced Density Bonus
- AB 2162: Supportive Housing Streamlined Approval
- SB 6: Design and Development of the Site Inventory
- AB 1851: Religious Institutions Affiliated Housing

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## How does the Housing Element help?

- Programs to help provide housing for all (seniors, persons with disabilities, people experiencing homelessness, etc.)
- Actions to expand housing production at all income levels, remove constraints, and further fair housing
- Accommodate the RHNA (capacity for housing units at all income levels)

10

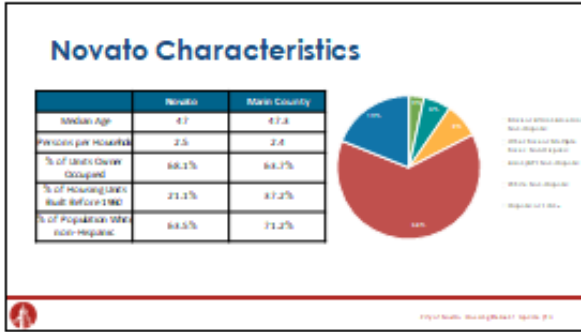
## Process 2022-2023

City of Novato and Local Housing Element Update Timeline

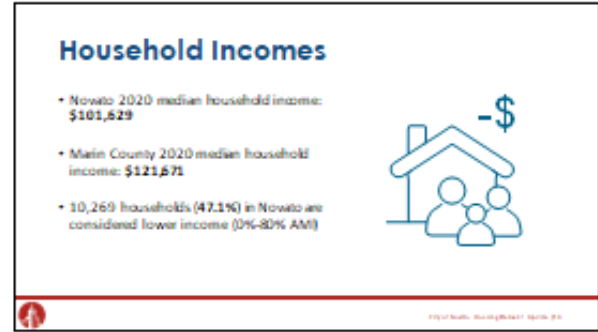
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## 2 Preliminary Housing Data

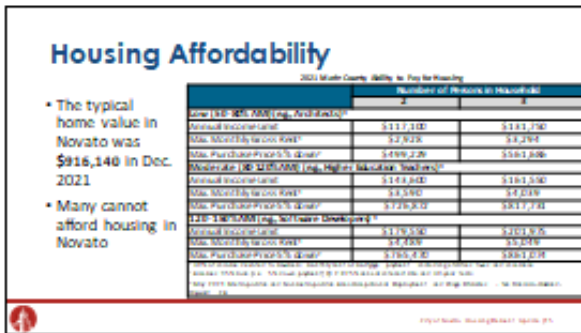
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## Affirmatively Furthering Fair Housing (AFFH) Requirements

1. **Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
2. **Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs of special needs groups.
3. **Analysis of the Inventory:** An evaluation of whether the site inventory improves or exacerbates conditions for fair housing.
4. **Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issues.
5. **Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.



https://www.novato.org/housingelement/2019/01/15/

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## 4 Community Engagement



https://www.novato.org/housingelement/2019/01/15/

20

## Community Engagement Overview

- Community Workshops
- Stakeholder Interviews
- Online Survey
- Study Sessions
- Public Hearings
- Dedicated Webpage ([novato.org/housingelement](https://www.novato.org/housingelement))
- Access throughout project ([HousingElement@novato.org](mailto:HousingElement@novato.org))



https://www.novato.org/housingelement/2019/01/15/

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## 5 Next Steps



https://www.novato.org/housingelement/2019/01/15/

22

## Next Steps

- Continue outreach
- Continue technical analysis – use input heard today to inform analysis
- June-September: Drafting the Housing Element
- Fall 2022: Draft Housing Element released



https://www.novato.org/housingelement/2019/01/15/

23

## Stay Informed and Involved

[www.novato.org/housingelement](https://www.novato.org/housingelement)

Sign up for our E-Notifier service to stay informed!

[HousingElement@novato.org](mailto:HousingElement@novato.org)



https://www.novato.org/housingelement/2019/01/15/

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## Questions?

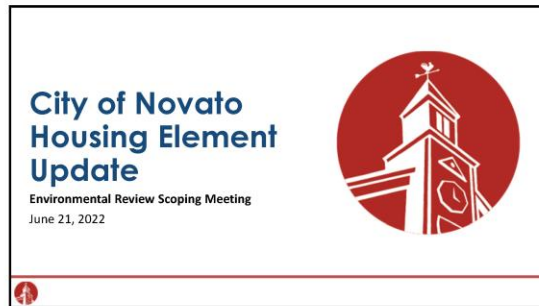


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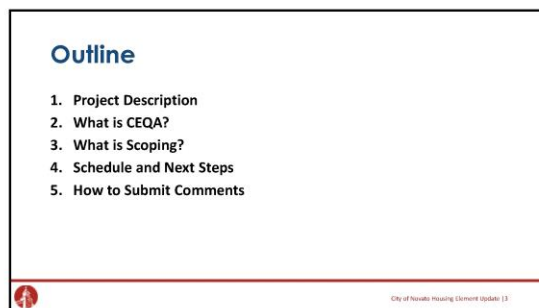
# EIR Scoping Meeting (June 25, 2022) Presentation



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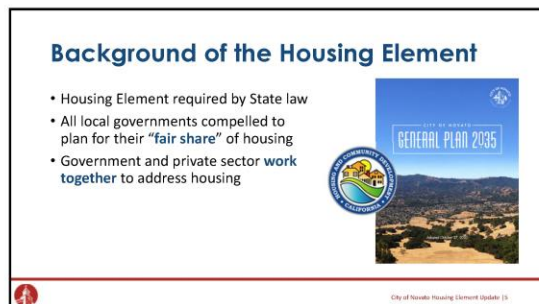
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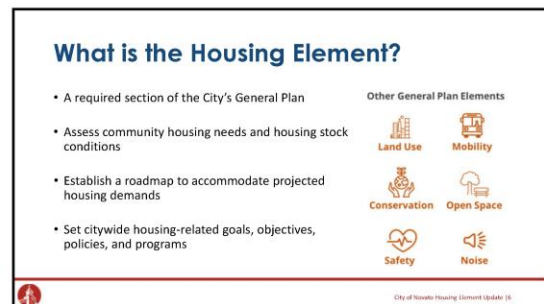
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## Housing Element Components

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Housing Needs Assessment

Housing Resources Assessment

Housing Constraints Assessment

Implementation Plan

Adequate Sites Inventory

City of Novato Housing Element Update | 7

7

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**Novato RHNA by Income Level**

Number of Persons in Household	1	2	3	4
Extremely Low Income (0-30% AMI)	\$15,700	\$17,950	\$20,200	\$22,450
Very Low Income (30-50% AMI)	\$38,400	\$43,850	\$49,350	\$54,800
Low Income (50-80% AMI)	\$63,950	\$73,300	\$82,750	\$92,350
Moderate Income (80-120% AMI)	\$102,450	\$117,300	\$131,750	\$146,350
Area Median Income (AMI)	\$125,650	\$143,600	\$161,550	\$179,500

Source: Department of Planning and Community Development, PG&E 2021

City of Novato Housing Element Update | 8

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## 2 What is CEQA and Scoping?

City of Novato Housing Element Update | 9

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## What is CEQA?

- California Environmental Quality Act (1970)
- Public disclosure and input process
- Minimize, reduce or avoid environmental impacts
- Adopt mitigation monitoring program
- Program-level analysis

City of Novato Housing Element Update | 10

10

## CEQA Environmental Review Process

```

graph TD
    A[City circulates Notice of Preparation] --> B[City prepares Draft EIR]
    B --> C[City publishes Draft EIR]
    C --> D[Public review period (45 days)]
    D --> E[City prepares Final EIR]
    E --> F[City publishes Final EIR]
    F --> G[Planning Commission Hearing]
    H[City solicits input on contents of Draft EIR (public agencies and members of the public provide comments)] --> B
    I[City solicits comments on the Draft EIR (public agencies and members of the public provide comments)] --> E
    J((You Are Here)) --> H
    
```

City of Novato Housing Element Update | 11

11

## What is Scoping?

- Public input on the environmental analyses
- Topic areas
- Issues of concern
- Potential alternatives to the project
- Proposed mitigation measures

City of Novato Housing Element Update | 12

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## EIR Structure

- Introduction and Summary
- Project Description
- Setting, Impacts, and Mitigation
- Alternatives
- Other Impacts

Each topic area includes

- Environmental Setting
- Potential Impacts
- Mitigation Measures (where potential significant impacts are identified)

City of Novato Housing Element Update 133

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## Environmental Analysis

- Aesthetics/Visual
- Agriculture/Forestry
- Air Quality
- Biological Resources
- Cultural and Historic Resources
- Energy
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazards Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Population and Housing
- Public Services & Recreation
- Transportation/Traffic
- Tribal Cultural Resources
- Utilities and Service Systems
- Wildfire
- Cumulative Effects

City of Novato Housing Element Update 134

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## 3 Schedule and Next Steps

City of Novato Housing Element Update 135

15

## Timeline

City of Novato Housing Element Update 136

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## How to Submit Comments

July 7, 2022 by 5:00 p.m.

City of Novato

Attn: Vicki Parker, Community Development and Economic Development Director

922 Machin Avenue

Novato, California 94945

Email: [HousingElement@novato.org](mailto:HousingElement@novato.org)

City of Novato Housing Element Update 137

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## Stay Informed and Involved

[www.novato.org/housingelement](http://www.novato.org/housingelement)

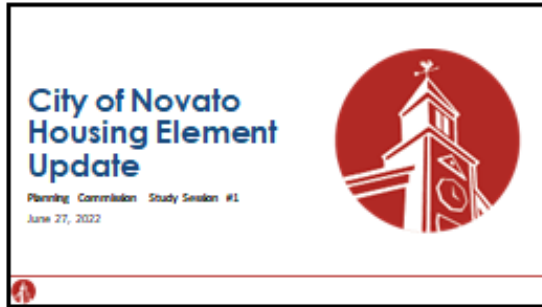
Sign up for our E-Notifier service to stay informed!

[HousingElement@novato.org](mailto:HousingElement@novato.org)

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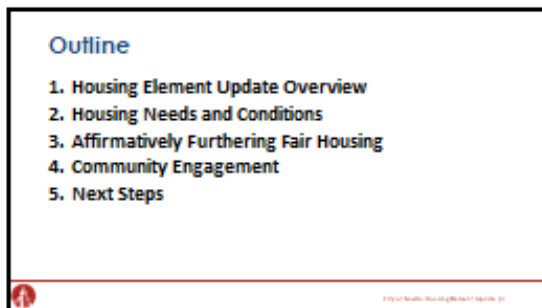
## Planning Commission Study Session #1 (June 27, 2022) Presentation



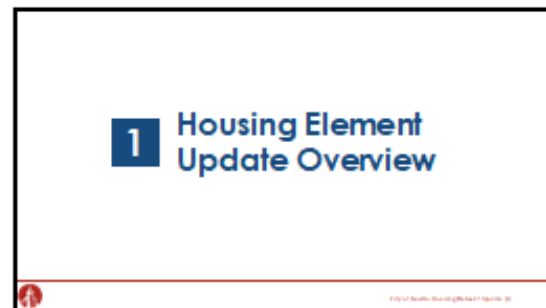
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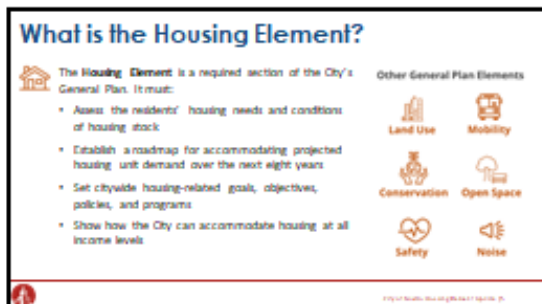
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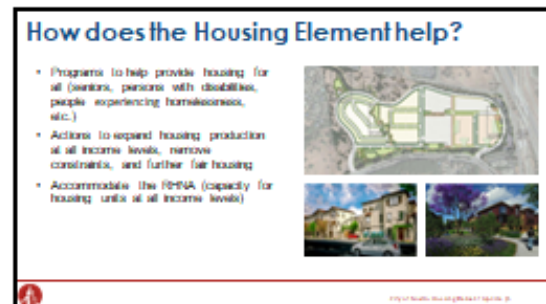
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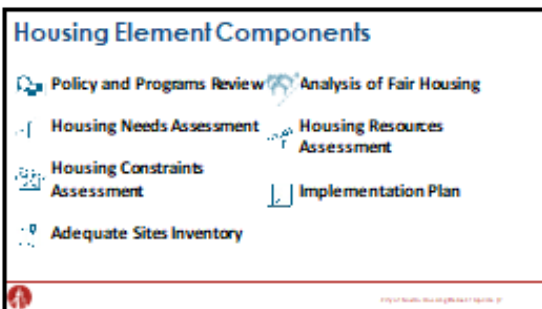
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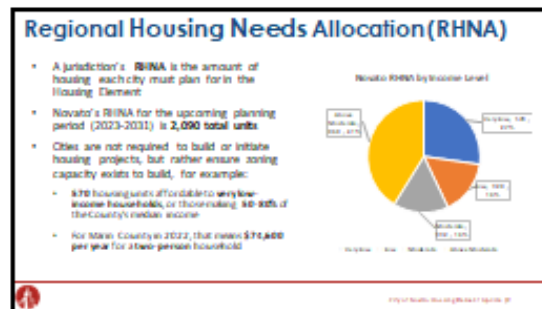
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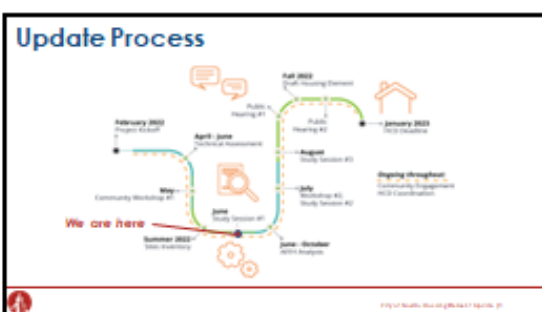
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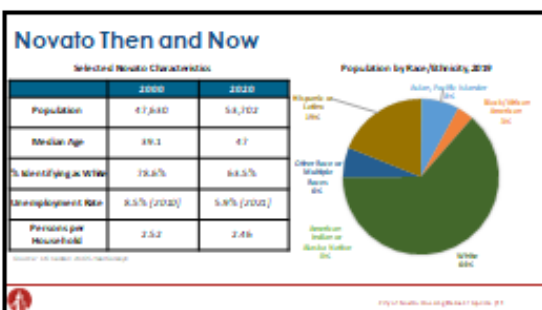


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## 2 Housing Needs and Conditions

City of Novato Housing Element Update 2020

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### Novato's Housing Stock

	Novato (2019)	Marin County (2019)
Owner/Resident Occupied	68%/92%	84%/98%
Housing Units Built Before 1980	21.1%	17.9%
Housing Units Built After 2010	0.8%	1.4%
Median Rent Increase Since 2009	45.4%	25.1%
Resident Headed by a Person 65 or Older	32%	2,641

City of Novato Housing Element Update 2020

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## Household Income Distribution

- Novato 2020 median household income: **\$101,629**
- Marin County 2020 median household income: **\$121,671**
- 10,269 households (47.1%) in Novato are considered lower income (0%-80% of County median income)



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## Household Income Distribution

Marin County 2022 Annual Income Limits				
Number of Persons in Household:	1	2	3	4
Extremely Low Income (15-30% AMI)	\$39,150	\$44,750	\$50,350	\$55,900
Very Low Income (30-50% AMI)	\$66,250	\$74,600	\$83,900	\$93,200
Low Income (50-80% AMI)	\$104,400	\$119,300	\$134,200	\$149,100
Median Income (100% AMI)	\$116,200	\$132,800	\$149,400	\$166,000

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## Housing Affordability – For Sale

- Typical home value in Novato was **\$916,140** in Dec. 2021
- Home prices are slightly lower relative to the County, but still difficult to afford
- A two-person household must earn **\$180,980** (over 150% of AMI) to afford an average priced home in the City



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## Housing Affordability – For Rent

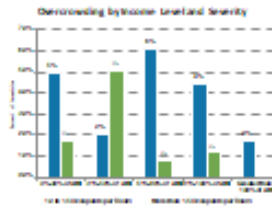
- Median rent in Novato has increased 45.4% since 2009, from **\$1,540** to **\$1,950**
- A household must earn **\$78,023** (over 50% of AMI) to afford median rent
- 32% of Novato's households are renter-occupied
- 83% of renters live in multi-family housing
- 55% of renters spend over 30% of their income on housing



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## Impacts on Large Families

- In Novato, renter households are more likely to live in overcrowded conditions than owner-occupied households
- 3.7% of all renter households are severely overcrowded, meaning more than 1.5 occupants per room, this compares to 0.5% of households that own
- 29% of Hispanic/Latino and multiracial households experience some form of overcrowding



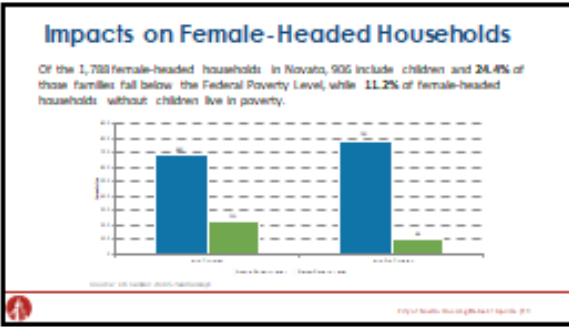
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## Impacts on Seniors

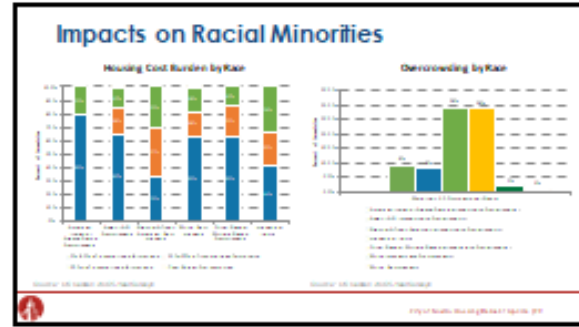
- Novato's median age is 47, with seniors over 65 making up **21%** of the population
- Among all Novato seniors, **41%** are cost burdened
- Seniors have limited options for smaller, more accessible units that allow them to age in place



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## 3 Affirmatively Furthering Fair Housing

Source: US Census Bureau, American Community Survey, 2019

City of Novato Housing and Community Development

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- ### Affirmatively Furthering Fair Housing (AFFH) Requirements
- Inclusion and Exclusion Criteria:** A summary of fair housing is already and capacity that includes all economic segments of the community.
  - Assessment of Fair Housing:** A reassessment of fair housing issues, including (a) geographic and demographic data, and (b) an analysis of the extent and nature of poverty, disability, homelessness, and other forms of housing needs of special needs groups.
  - Analysis of Fair Housing:** A reassessment of fair housing issues that identifies the extent and nature of fair housing issues.
  - Identification of Fair Housing Issues:** The identification and prioritization of fair housing issues related to fair housing.
  - Provision, Goals, and Action to AFFH:** The identification of fair housing goals and actions that directly address the fair housing issues, and (b) the fair housing issues, the fair housing issues, and (c) the fair housing issues.
- Source: US Census Bureau, American Community Survey, 2019
- City of Novato Housing and Community Development

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## 4 Community Engagement

Source: US Census Bureau, American Community Survey, 2019

City of Novato Housing and Community Development

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- ### Community Engagement Overview
- So far:
- Community Workshop #1 (May 14)
  - Focus Groups #1 and #2 (June 1)
  - Environmental Analysis Scoping Meeting (June 2)
  - An Online Survey (closed Monday, June 2)
  - A dedicated webpage: [novato.org/housingengagement](https://novato.org/housingengagement)
  - Access throughout the project: [HousingEngagement@novato.org](mailto:HousingEngagement@novato.org)
- Up next:
- Community Workshop #2 (July)
  - Study Session #1 (July)
  - Study Session #2 (August)
  - Public Hearings #1 and #2 (late summer/early 2022)
- 
- Source: US Census Bureau, American Community Survey, 2019
- City of Novato Housing and Community Development

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## Focus Group #1

Participants: social service providers

**What we heard:**

- Rent increases are unsustainable for residents already experiencing a housing cost burden because they cannot be addressed like other needs (e.g., hunger and COVID), especially for seniors
- Many vulnerable renters are not protected by statewide tenant protections because they rent single-family homes
- Due to the long waitlists for the most in-demand housing types (accessible, income-based, etc.), many families double up in homes to afford being in Novato
- County-wide support is needed in available services for housing population, direct support is in deficit, supportive transitional housing in Novato makes transportation from housing to jobs, schools, daycare, etc. extremely difficult



City of Novato Housing Element Update 2022


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## Focus Group #2

Participants: stakeholder and non-profit housing developers

**What we heard:**

- The development review process adds significant time and expense as projects wait their way from the Design Review Commission (DRC), to the Planning Commission, to the City Council; after approval, it is often required to go back to the DRC
- **Habitat and Hazard Protection standards** are not tailored to Novato's local conditions and are difficult for developers to understand and the City to enforce
- Review the factors desired for detached single-family residences across Marin County, attached townhomes continue to be in demand
- Streamline review process, the development process, sometimes causing developers to re-submit funding applications



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## Community Survey

Participants: 127 members of the community that equate to 4.6 hours of public comment.

**What we heard:**

- **Who is most in need of adequate/affordable housing in Novato?**
  - Public employees, low and moderate income families, families with children, local employees (e.g., service workers), young people, seniors, recent immigrants, large families
- **What type of housing is most needed?**
  - Affordable housing, affordable rental housing, homes near downtown, apartments/condos, rental housing, smaller units for single people and young families, larger multifamily units for growing families
- **Are you concerned about the concentration of poverty?**
  - Yes/Yes, No/No
- **Do you see any disparities in housing among different groups?**
  - Yes/Yes, No/No



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## 5 Next Steps

City of Novato Housing Element Update 2022

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## Next Steps

- Continue community engagement
- Conduct technical analysis and incorporate feedback we receive here today
- Community Workshop #2 (July)
- Study Session #2 (July)
- June-September: Drafting the Housing Element
- Fall 2022: Draft Housing Element released



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## Stay Informed and Involved

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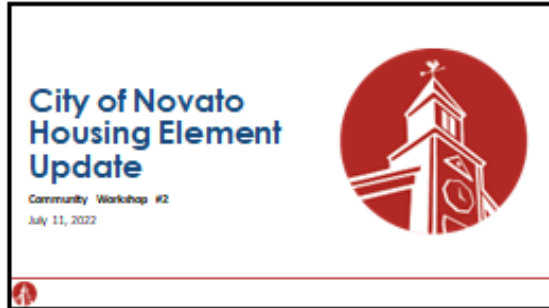
## Questions and Comments

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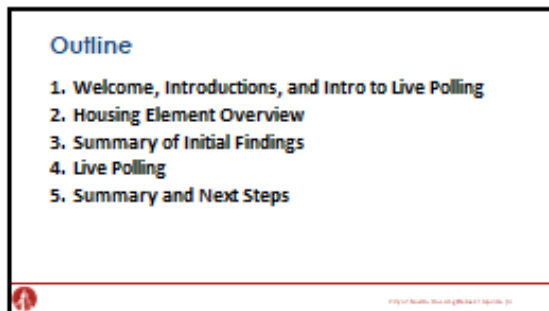
## Community Workshop #2 (July 11, 2022) Presentation



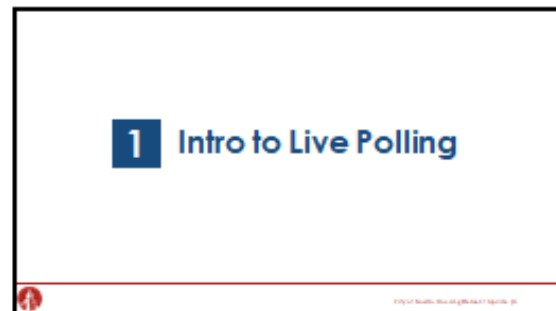
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## Participant Survey

Who is joining us today?

Go to  
[www.menti.com](https://www.menti.com)  
Enter code: 6068 5214



City of Novato Housing Element Update 2023

7

## 2 Housing Element Overview

City of Novato Housing Element Update 2023

8

## What is the Housing Element?

The **Housing Element** is a required section of the City's General Plan. It must:

- Assess the residents' housing needs and conditions of housing stock
- Establish a roadmap for accommodating projected housing unit demand over the next eight years
- Set citywide housing-related goals, objectives, policies, and programs
- Show how the City can accommodate housing at all income levels

Other General Plan Elements



- Land Use
- Mobility
- Conservation
- Open Space
- Safety
- Noise

City of Novato Housing Element Update 2023

9

## How does the Housing Element help?

- Programs to help provide housing for all (seniors, persons with disabilities, people experiencing homelessness, etc.)
- Actions to expand housing production at all income levels, remove constraints, and further fair housing
- Accommodate the RHNA (capacity for housing units at all income levels)

City of Novato Housing Element Update 2023

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## Housing Element Components

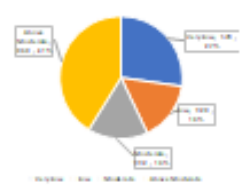
- Policy and Programs Review
- Analysis of Fair Housing
- Housing Needs Assessment
- Housing Resources Assessment
- Housing Constraints Assessment
- Implementation Plan
- Adequate Sites Inventory

City of Novato Housing Element Update 2023

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## Regional Housing Needs Allocation (RHNA)

- A jurisdiction's **RHNA** is the amount of housing each city must plan for in the Housing Element
- Novato's RHNA for the upcoming planning period (2023-2031) is **2,090 total units**
- Cities are not required to build or initiate housing projects, but rather ensure zoning capacity exists to build, for example:
  - 870 housing units affordable to very low income households, or those making 80-90% of the County's median income
  - For Marin County in 2022, that means **\$48,200 per year** for a four-person household
  - To compare, the median income for a four-person household is **\$144,200**



City of Novato Housing Element Update 2023

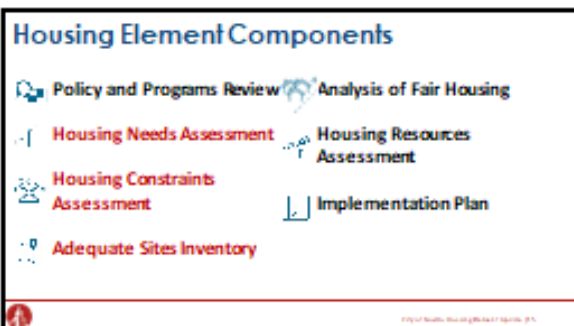
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## 3 Summary of Initial Findings

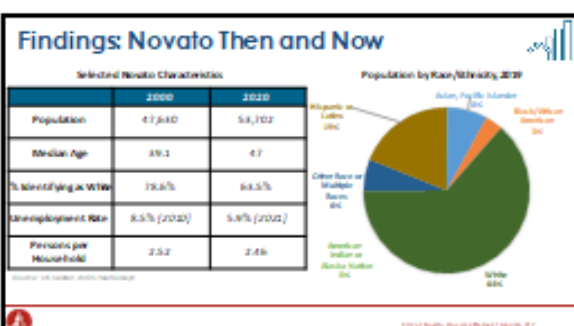
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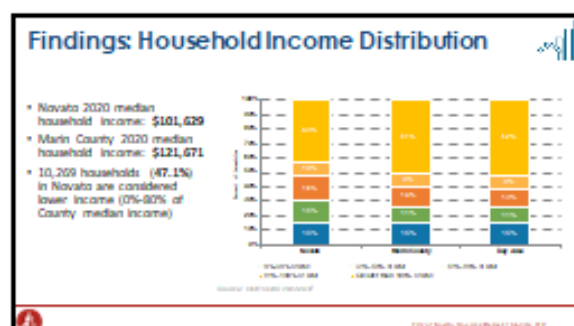
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## Housing Needs Assessment

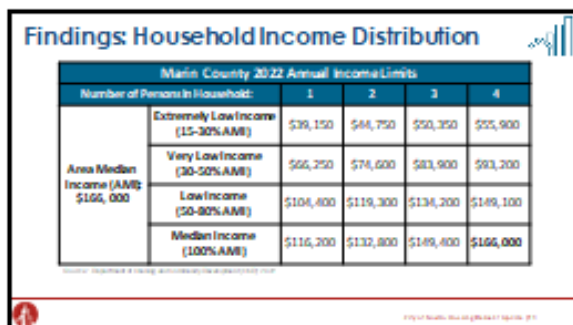
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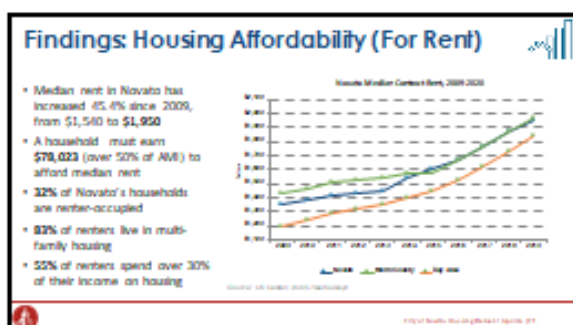
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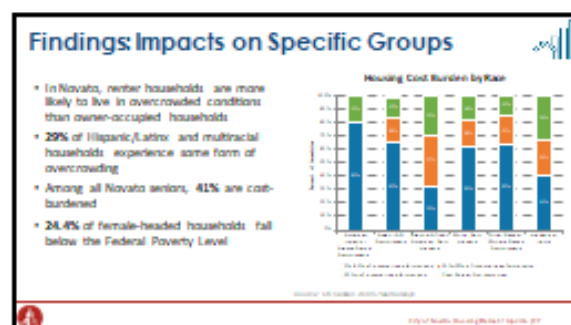
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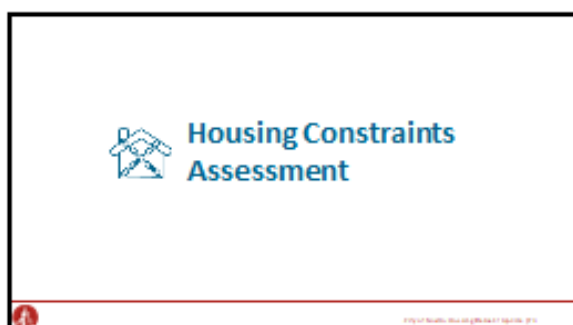
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## Adequate Sites Inventory

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## RHNA and the Housing Development Pipeline

Novato RHNA Surplus/Shortfall (Before Housing)

At-Risk/Ability Level	At-Risk/Ability Level	Very Low	Low	Moderate	At-Risk/Ability Level	Total
RHNA		5,700	3,228	332	9,260	2,290
ADRA*	300 Very Low	35	35	35	105	115
Approved/Permitted/ Applied Projects		298	5,716	278	6,292	2,451
Remaining RHNA Surplus (Shortfall)		5,402	(2,488)	654	3,568	

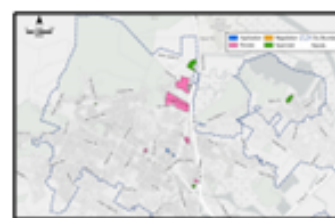
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## Map of Pipeline Projects (Citywide)



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## Map of Pipeline Projects (North)



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## Map of Pipeline Projects (South)



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## 4 Live Polling

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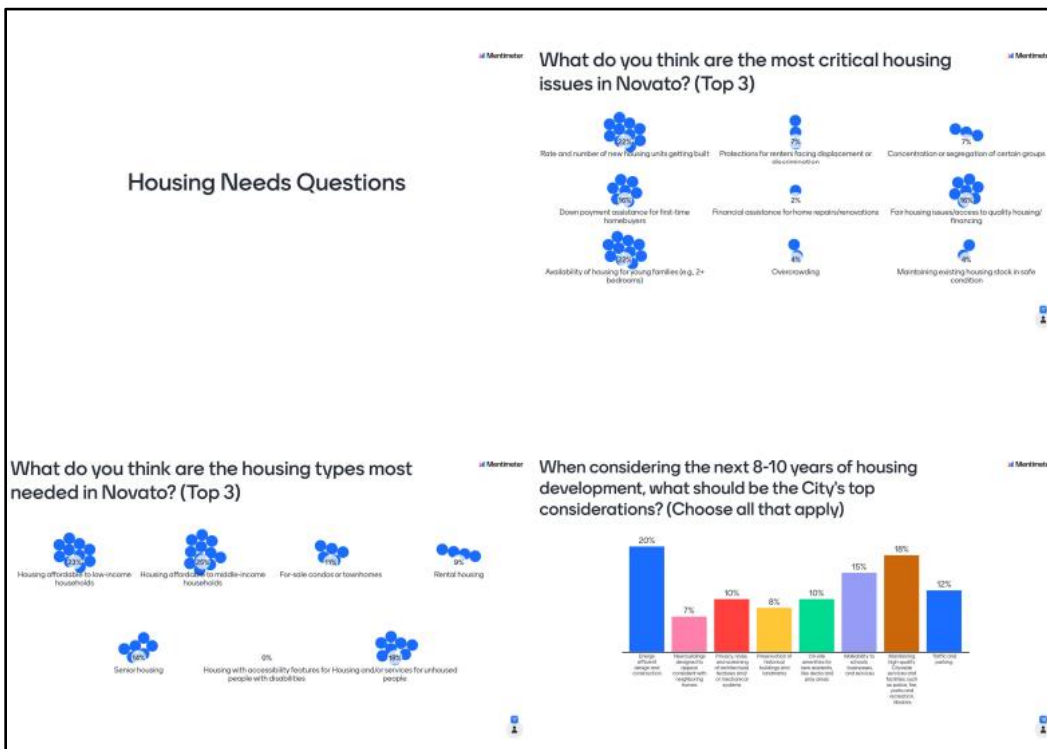
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[HousingElement@novalto.org](mailto:HousingElement@novalto.org)

Who is joining us this evening?



Outside Novato, but in Marin County

10%  
Outside Marin County

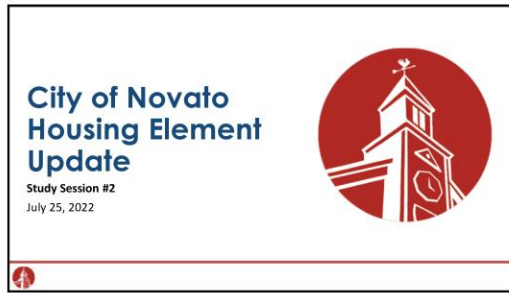








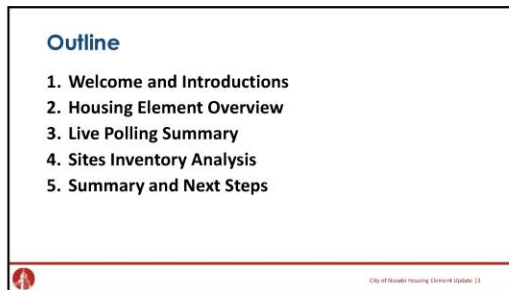
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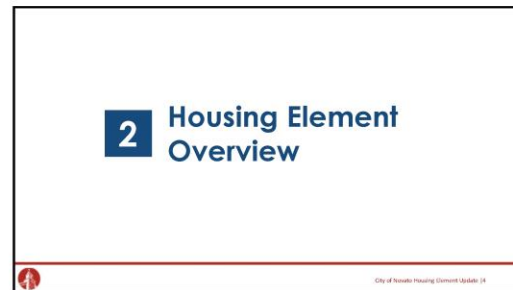
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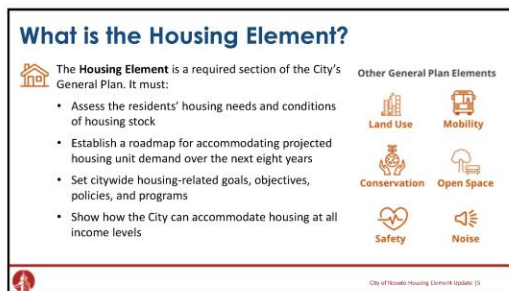
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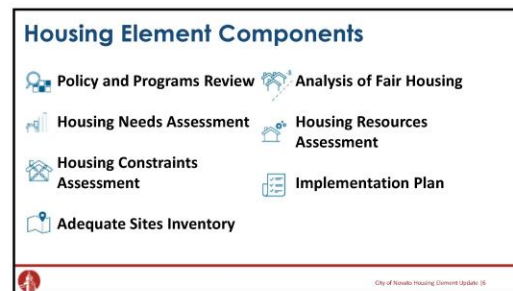
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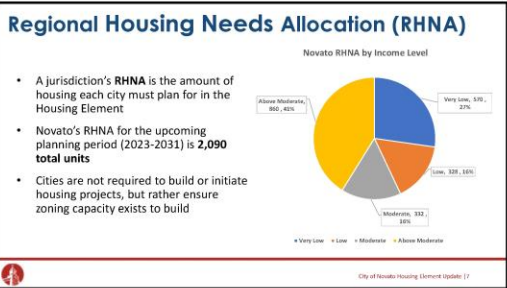
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### Findings: Household Income Distribution

Marin County 2022 Annual Income Limits

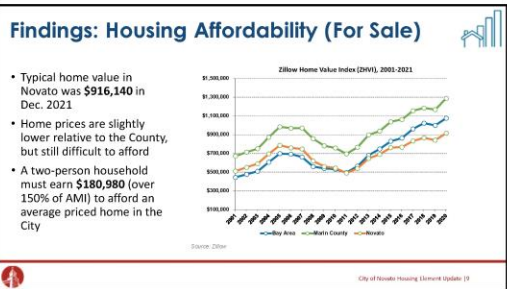
Number of Persons in Household:	1	2	3	4
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Area Median Income (AMI): \$166,000

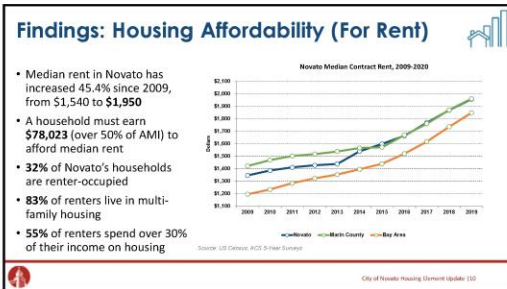
Source: Department of Housing and Community Development (HCD), 2022

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## 3 Live Polling Summary

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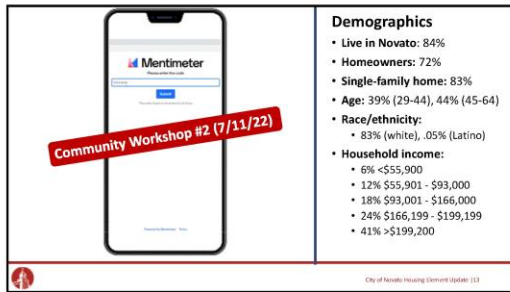
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Community Workshop #2 (7/11/22)

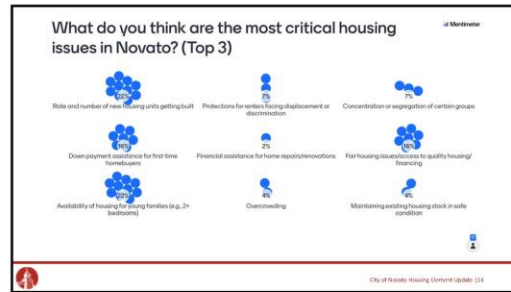
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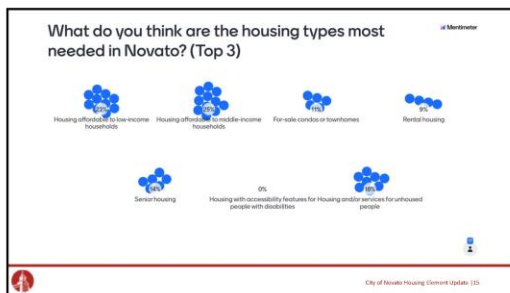
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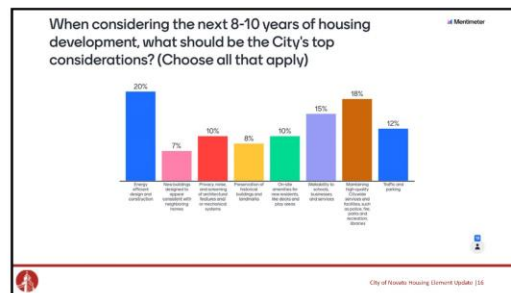
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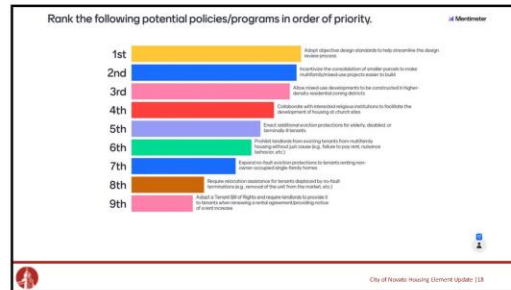
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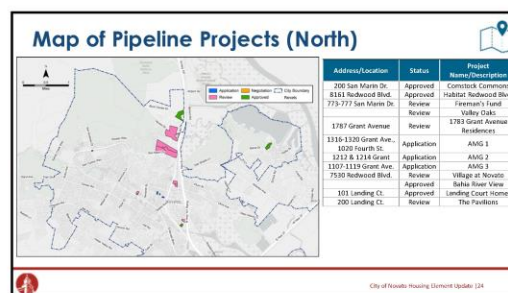
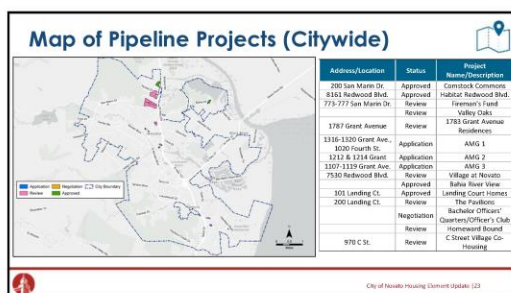
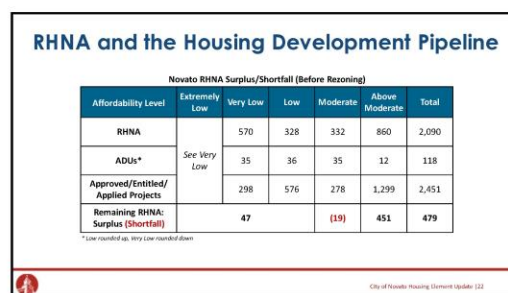
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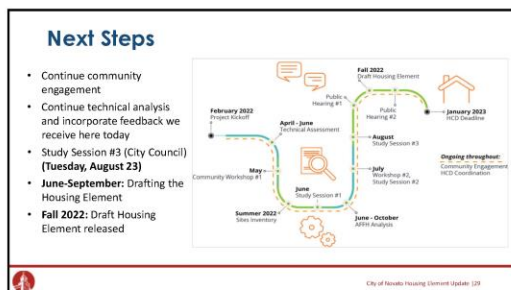
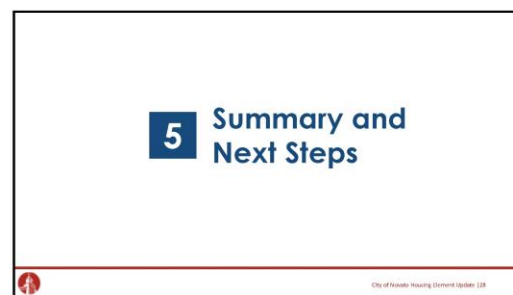
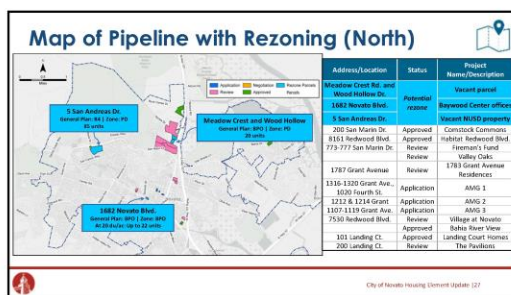
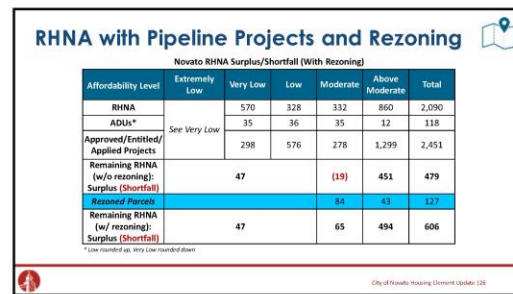
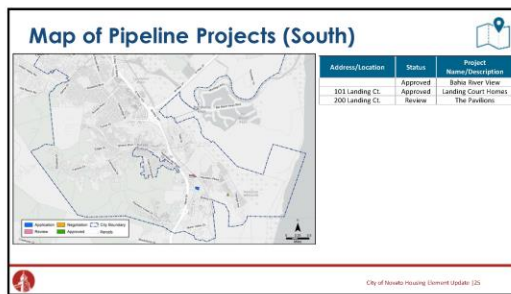


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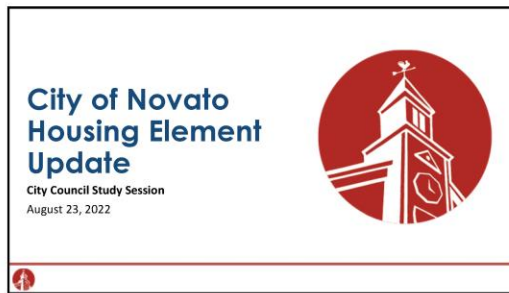


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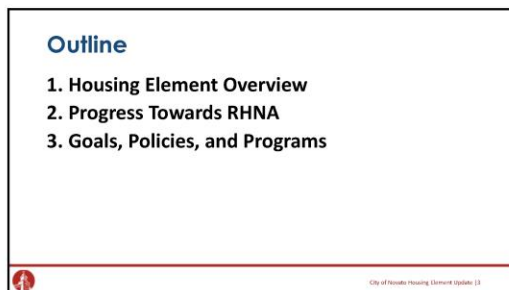
# City Council Study Session #1 (August 23, 2022) Presentation



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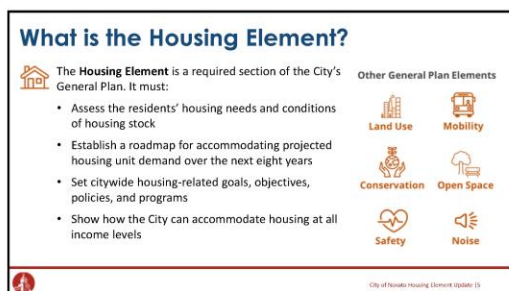
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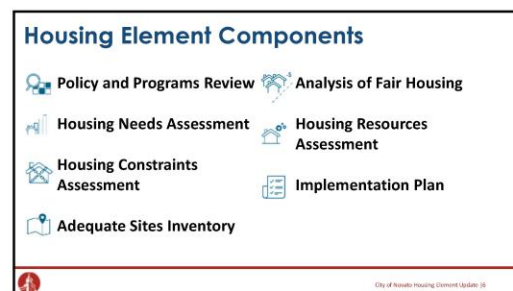
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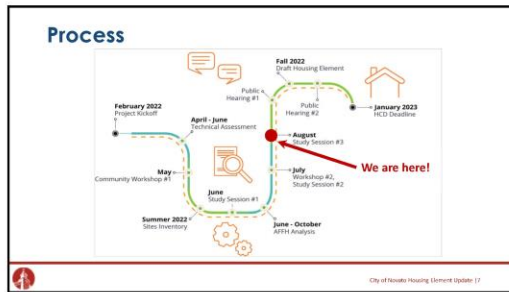


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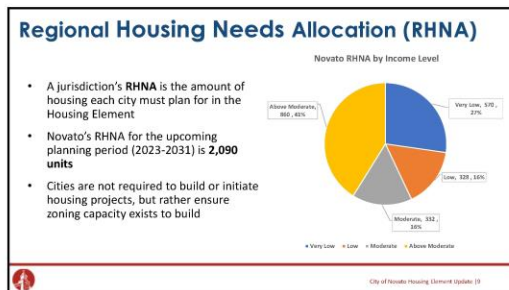




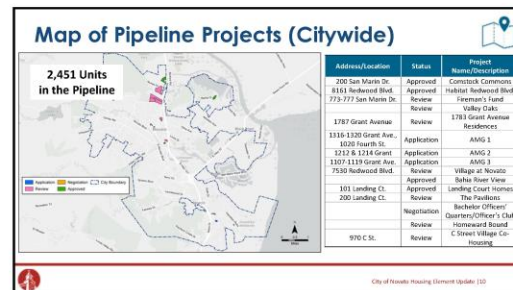
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### RHNA with Pipeline Projects and Rezoning

Novato RHNA Surplus/Shortfall (With Rezoning)

Affordability Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA		570	328	332	860	2,090
ADUs*	See Very Low	35	36	35	12	118
Approved/Entitled/Applied Projects		298	576	278	1,299	2,451
Remaining RHNA (w/o rezoning):						
Surplus (Shortfall)		47		(19)	451	479

\* Low rounded up, Very Low rounded down

City of Novato Housing Element Update 111

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### RHNA with Pipeline Projects and Rezoning

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Remaining RHNA (w/o rezoning):						
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Remaining RHNA (w/ rezoning):						
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\* Low rounded up, Very Low rounded down

City of Novato Housing Element Update 112

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## 3 Goals, Policies, and Programs

City of Novato Housing Element Update 134

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### The Housing Plan

The **Housing Plan** of the Housing Element serves as the City's strategy for addressing its housing needs. The Housing Plan includes **goals, policies, and programs**.

- Goals** are aspirational purpose statements that indicate the City's direction on housing-related needs.
- Policies** are statements that describe the City's preferred course of action among a range of other options and guide decision-makers.
- Programs** provide actionable steps to implement the City's goals, further the City's progress towards meeting its housing allocation, and take into consideration Novato's size, opportunities for housing, and identified needs and constraints.

City of Novato Housing Element Update 135

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### Recommended Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

<b>Goal 1</b>	Promote new housing construction to meet Novato's Regional Housing Needs Allocation (RHNA).
<b>Goal 2</b>	Facilitate affordable housing to accommodate the housing needs of moderate- and lower-income households.
<b>Goal 3</b>	Remove constraints to the development of housing.
<b>Goal 4</b>	Create housing opportunities for people with special needs.
<b>Goal 5</b>	Conserve and improve the existing housing stock.
<b>Goal 6</b>	Promote fair housing access and opportunities for all persons.
<b>Goal 7</b>	Encourage energy and resource conservation and sustainability measures.

City of Novato Housing Element Update 136

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### Recommended Programs

**Programs** generally fall into one of three categories:

- Programs required to bring Novato's Zoning Code into compliance with State Law.
- Programs designed to reduce or remove constraints to the production of housing in Novato.
- Programs designed to facilitate housing development, improve housing stability, and support specific segments of Novato's community (including special needs groups).

City of Novato Housing Element Update 137

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### Key Programs: Compliance with State Law

- Assembly Bill 101 requires **Low Barrier Navigation Centers (LBNCs)** to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multi-family uses if they meet certain requirements.
- The California Community Care Facilities Act requires regulations and definitions for **community care facilities** (e.g., foster, group homes, etc.). Review current land uses and definitions for compliance with State law.
- The California Health and Safety Code requires cities to treat **farmworker/employee housing** developments as an "agricultural use" and be permitted by-right in certain areas. The City follows this requirement in practice but must update the Code to be in full compliance.

City of Novato Housing Element Update 138

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### Key Programs: Housing Constraints

- **Hillside Lot Regulations**
  - Feedback from both non-profit and market rate housing developers indicated that the Hillside Lot Regulations constrain housing development because they apply to all parcels with an average slope >10%, even when a proposed project does not intend to build on land that exceeds 10%.
- **Objective Design Standards**
  - The design criteria that the Design Review Commission must consider when reviewing a project are subjective and may lead to a denial based on interpretation. Objective design standards, with specific dimensions for developers to apply to projects, should be adopted.



City of Novato Housing Element Update | 20

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### Key Programs: Others to Consider

- Establish “**just cause**” **eviction protections** for tenants living in single-family homes.
- Educate the community on the availability of **reasonable accommodation** procedures that support residents with disabilities and other special needs.
- Develop housing programs to address **overcrowding** in lower-income households.
- Incentivize the development of an **emergency shelter** in Novato to meet the significant unmet need for homeless services.



City of Novato Housing Element Update | 20

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### Key Programs: Others to Consider

- Incentivize **small lot consolidation** to support affordable housing projects.
- Incentivize the **creation of play areas** in multi-family housing projects.
- Conduct direct outreach to religious institution site owners to inform them about AB 1851, passed in 2020, which incentivizes **housing production on faith-based properties**.
- Prepare and distribute standardized or **pre-approved plans for ADUs**.



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### Stay Informed and Involved

Visit [www.novato.org/housingelement](http://www.novato.org/housingelement)

Sign up for our E-Notifier service to stay informed!

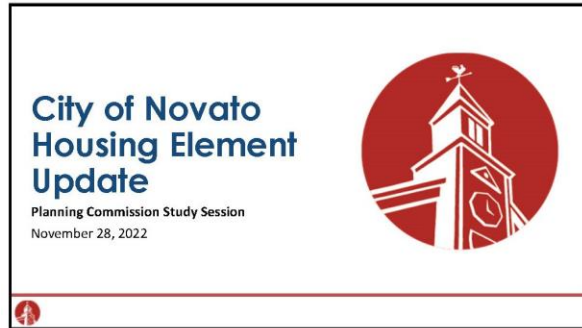
[HousingElement@novato.org](mailto:HousingElement@novato.org)



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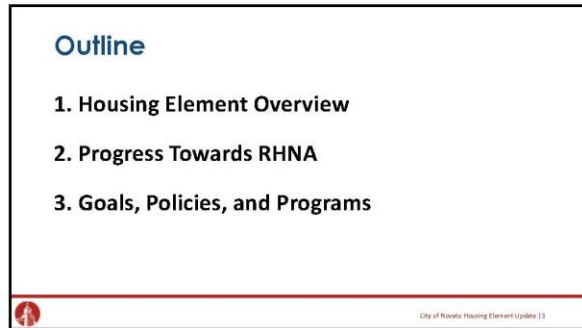
## Planning Commission Study Session #3 (November 28, 2022) Presentation



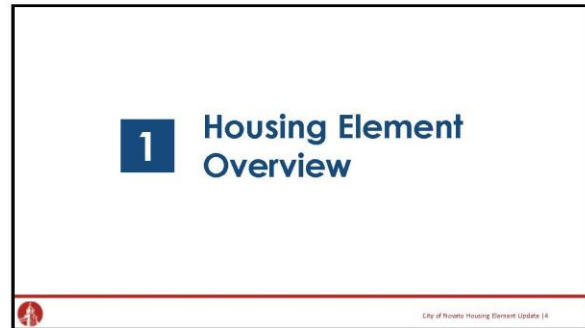
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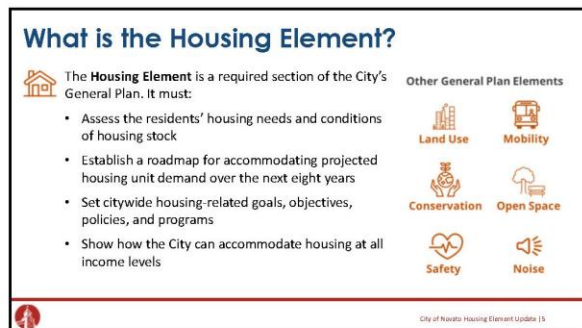
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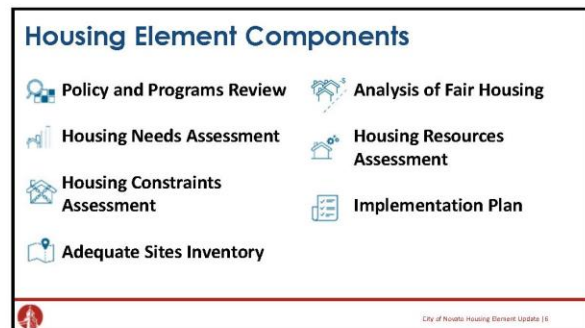
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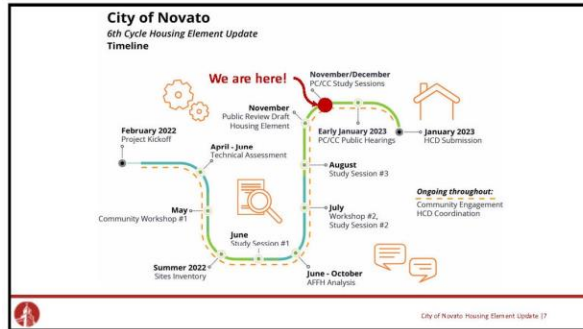
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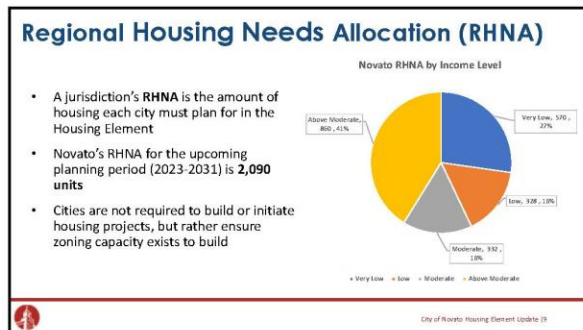
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## 2 Progress Towards RHNA

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**RHNA with Pipeline Projects and Rezoning**

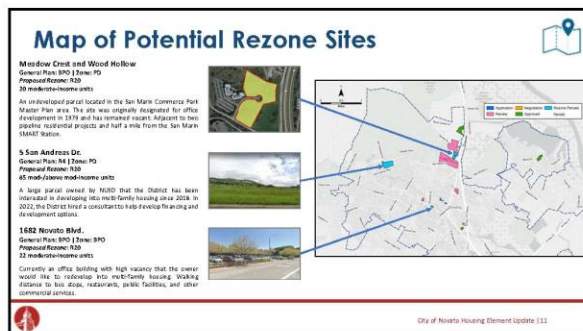
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\* Low rounded up, Very Low rounded down

City of Novato Housing Element Update 10

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## 3 Goals, Policies, and Programs

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## The Housing Plan

The **Housing Plan** of the Housing Element serves as the City's strategy for addressing its housing needs. The Housing Plan includes **goals, policies, and programs**.

- **Goals** are aspirational purpose statements that indicate the City's direction on housing-related needs.
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- **Programs** provide actionable steps to implement the City's goals, further the City's progress towards meeting its housing allocation, and take into consideration Novato's size, opportunities for housing, and identified needs and constraints.



City of Novato Housing Element Update | 13

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## Housing Plan Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

<b>Goal 1</b>	New Housing Construction
<b>Goal 2</b>	Affordable Housing Opportunities
<b>Goal 3</b>	Elimination of Housing Constraints
<b>Goal 4</b>	Special Needs Populations
<b>Goal 5</b>	Housing Conservation and Tenant Protections
<b>Goal 6</b>	Equal Access to Housing and Opportunities
<b>Goal 7</b>	Sustainability and Energy



City of Novato Housing Element Update | 14

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## Continued Programs

The following **programs** were continued or adapted from the previous **2015 – 2023 Housing Element Update**.

<b>1.C</b> Produce annual housing status reports.	<b>5.A</b> Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
<b>1.D</b> Participate in State and regional housing planning efforts.	<b>5.B</b> Link code enforcement with public information campaigns.
<b>2.A</b> Develop and adopt a Transfer of Development Rights (TDR) Ordinance.	<b>5.C</b> Amend the City's condominium conversion ordinance.
<b>2.B</b> Maintain long-term housing affordability controls.	<b>5.D</b> Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
<b>2.C</b> Maintain and develop local sources of funding for affordable housing.	<b>5.E</b> Support volunteer efforts.
<b>2.D</b> Seek outside funding for affordable housing that leverages local resources.	<b>5.F</b> Preserve mobile home parks.
<b>3.C</b> Adopt Marin County inclusive design standards for multi-family housing.	<b>5.G</b> Regulate the displacement of residential units.
<b>3.G</b> Modify multi-family residential parking standards.	<b>5.H</b> Promote and support rental assistance programs.
<b>3.H</b> Adopt a parking reduction incentive program to facilitate transit-oriented development.	<b>5.I</b> Continue to assist in the rehabilitation and production of housing for lower-income households.
<b>4.A</b> Allow emergency shelters consistent with State law.	<b>6.A</b> Prepare information and conduct community outreach activities on fair housing issues.
<b>4.C</b> Allow farmworker/employee housing consistent with State law.	<b>6.B</b> Require non-discrimination clauses in affordable housing agreements.
<b>4.D</b> Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.	<b>6.C</b> Respond to fair housing complaints.
<b>4.F</b> Support programs to address the needs of the developmentally disabled.	<b>7.A</b> Implement energy/water efficiency and rehabilitation loan programs.
	<b>7.B</b> Continue to implement the California Green Building Code.



City of Novato Housing Element Update | 15

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## Goal 1: New Housing Construction

Program	Notes
<b>Rezone for RHNA shortfall.</b>	
<b>1.A</b> Accommodates the remaining 19-unit moderate-income shortfall identified above.	State req.
<b>Encourage and streamline the construction of Accessory Dwelling Units (ADUs).</b>	
<b>1.B</b> Calls for the City to prepare a set of "permit-ready" ADU plans and promote the availability of grants to interested homeowners.	



City of Novato Housing Element Update | 16

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## Goal 2: Affordable Housing Opportunities

Program	Notes
<b>Coordinate with water and sewer service providers.</b>	
<b>2.E</b> Directs the City to immediately distribute a copy of the Housing Element to area water and sewer districts and work with district staff to reduce/waive fees to 100 percent lower-income housing projects.	State req.



City of Novato Housing Element Update | 17

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## Goal 3: Elimination of Housing Constraints

Program	Notes
<b>3.A</b> Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law. Fixes a small inconsistency with State law regarding how "total units" are counted.	State req.
<b>3.B</b> Revise Hillside Lot Regulations. The City will clarify how hillside developments are regulated when identifying non-slope areas of a site.	Community feedback
<b>Design review and use permit process improvements.</b>	
<b>3.D</b> Adopt improvements to reduce subjectivity and repetition in the design review process and establish clear, objective thresholds for when staff review certain applications.	State req., community feedback
<b>SB 35 and permit streamlining.</b>	
<b>3.E</b> Directs the City to prepare applications, checklists, and application guidelines for SB 35 projects	State req.
<b>Evaluate and adjust impact fees.</b>	
<b>3.F</b> Recommends calculating fees on a square foot basis (rather than per unit) to make smaller, more affordable units more feasible.	



City of Novato Housing Element Update | 18

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## Goal 4: Special Needs Populations

Program	Notes
<b>Allow Low-Barrier Navigation Centers consistent with State law.</b>	State req., community feedback
<b>4.B</b> Permits "Housing First," low-barrier, service-enriched shelters in mixed-use and non-residential zones permitting multi-family uses.	
<b>Allow community/residential care facilities consistent with State law.</b>	State req.
<b>4.E</b> Fixes minor inconsistencies with State law in how these facilities are permitted and defined.	

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## Goal 5: Housing Conservation and Tenant Protections

Program	Notes
<b>Expand "just cause" tenant protections to all tenants.</b>	Community feedback
<b>5.I</b> Closes a loophole in State tenant law that limits protections to only multi-family units, applying them to renters in single-family homes as well.	
<b>Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</b>	Community feedback
<b>5.J</b> Following programs in San Rafael and Fairfax, Novato will adopt tenant protection best practices such as improved enforcement, requiring landlords to provide a Notice of Tenants Rights, and participation in a County-provided mediation program for large rent increases.	
<b>Assistance for renters with animal companions or pets.</b>	Community feedback
<b>5.L</b> Provides a framework for the City to work with Marine Humane and Animal Services JPA to establish model "pet friendly" lease agreements and publish an annual survey of rental properties that allow tenants to keep pets.	

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## Goal 6: Equal Access to Housing and Opportunities

Program	Notes
<b>Implement General Plan policies related to the Northwest Quadrant neighborhood.</b>	State req.
<b>6.D</b> In order to affirmatively further fair housing, this program directs the City to implement the community-supported recommendations developed for the Northwest Quadrant in 2017 and incorporated in the 2035 General Plan.	

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## New Programs

The following programs are new additions to the City's Housing Plan.

<b>1.A</b> Rezone for RHNA shortfall.	<b>3.F</b> Evaluate and adjust impact fees.
<b>1.B</b> Encourage and streamline the construction of ADUs.	<b>4.B</b> Allow Low Barrier Navigation Centers consistent with State law.
<b>2.E</b> Coordinate with water and sewer service providers.	<b>4.E</b> Allow community/residential care facilities consistent with State law.
<b>3.A</b> Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	<b>5.I</b> Expand "just cause" eviction protections to all tenants.
<b>3.B</b> Revise Hillside Lot Regulations.	<b>5.J</b> Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increase greater than five percent.
<b>3.D</b> Design review and use permit process improvements.	<b>5.L</b> Assistance for renters with animal companions or pets.
<b>3.E</b> SB 35 and permit streamlining.	<b>6.D</b> Implement General Plan policies related to the Northwest Quadrant neighborhood.

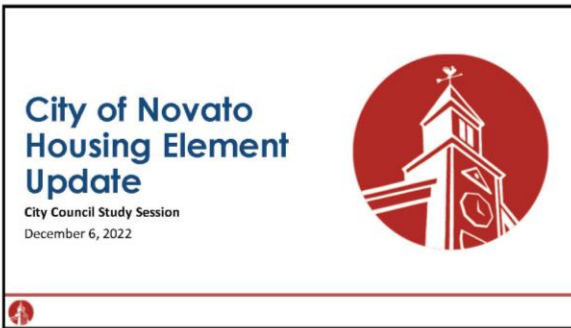
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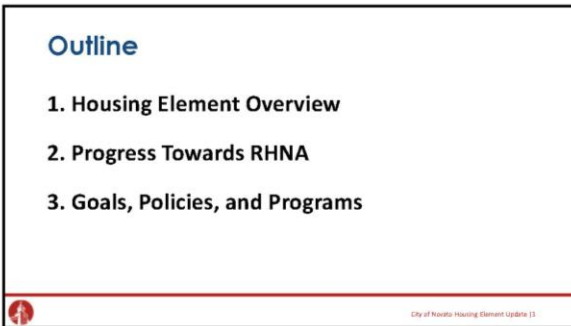
## City Council Study Session #2 (December 6, 2022) Presentation



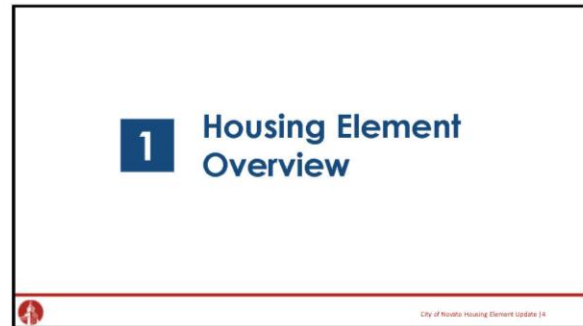
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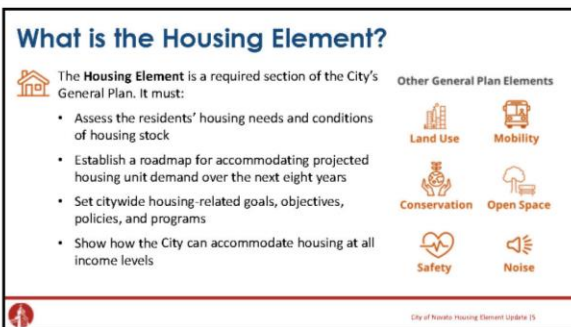
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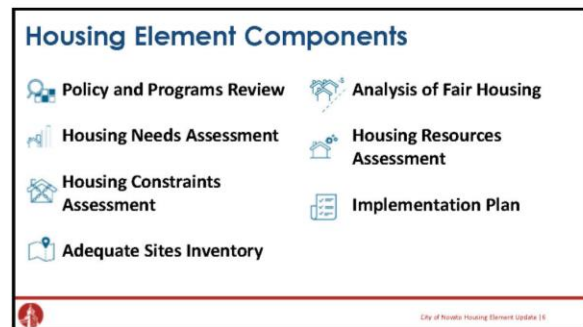
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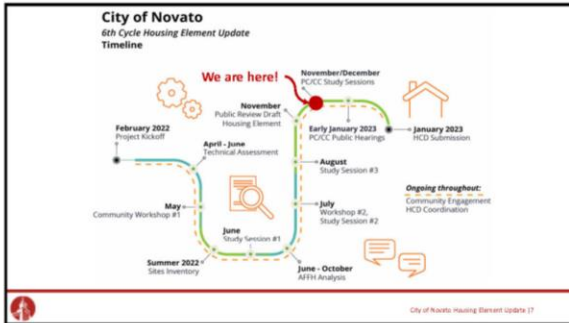
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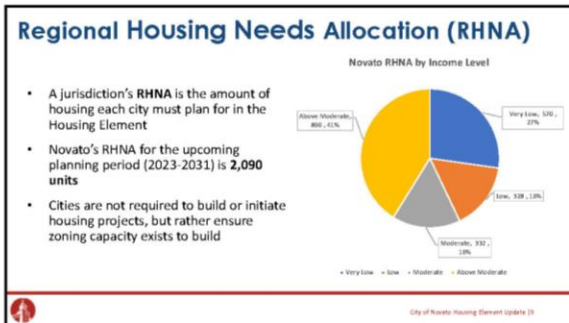


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## 2 Progress Towards RHNA

City of Novato Housing Element Update 18

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**RHNA with Pipeline Projects and Rezoning**

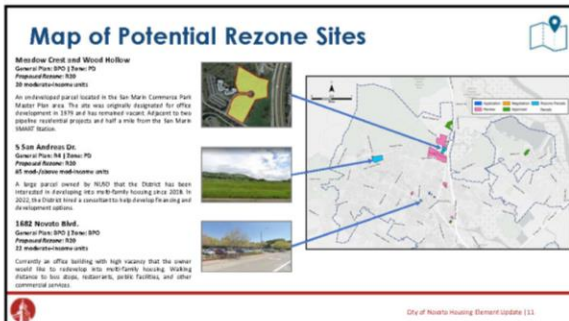
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City of Novato Housing Element Update 10

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## 3 Goals, Policies, and Programs

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## The Housing Plan

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City of Novato Housing Element Update 115

13

## Housing Plan Goals

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<b>Goal 1</b>	New Housing Construction
<b>Goal 2</b>	Affordable Housing Opportunities
<b>Goal 3</b>	Elimination of Housing Constraints
<b>Goal 4</b>	Special Needs Populations
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<b>Goal 6</b>	Equal Access to Housing and Opportunities
<b>Goal 7</b>	Sustainability and Energy



City of Novato Housing Element Update 116

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## Continued Programs

The following **programs** were continued or adapted from the previous **2015 – 2023 Housing Element Update**.

1.C Produce annual housing status reports.	5.A Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
1.D Participate in State and regional housing planning efforts.	5.B Link code enforcement with public information campaigns.
2.A Develop and adopt a Transfer of Development Rights (TDR) Ordinance.	5.C Amend the City's condominium conversion ordinance.
2.B Maintain long-term housing affordability controls.	5.D Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
2.C Maintain and develop local sources of funding for affordable housing.	5.E Support volunteer efforts.
2.D Seek outside funding for affordable housing that leverages local resources.	5.F Preserve mobile home parks.
3.C Adopt Marin County objective design standards for multi-family housing.	5.G Regulate the displacement of residential units.
3.G Modify multi-family residential parking standards.	5.H Promote and support rental assistance programs.
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4.A Allow emergency shelters consistent with State law.	6.A Prepare information and conduct community outreach activities on fair housing issues.
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4.F Support programs to address the needs of the developmentally disabled.	7.A Implement energy/water efficiency and rehabilitation loan programs.
	7.B Continue to implement the California Green Building Code.



City of Novato Housing Element Update 115

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## Goal 1: New Housing Construction

Program	Notes
Rezone for RHNA shortfall.	
1.A Accommodates the remaining 19-unit moderate-income shortfall identified above.	State req.
Encourage and streamline the construction of Accessory Dwelling Units (ADUs).	
1.B Calls for the City to prepare a set of "permit-ready" ADU plans and promote the availability of grants to interested homeowners.	



City of Novato Housing Element Update 116

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## Goal 2: Affordable Housing Opportunities

Program	Notes
Coordinate with water and sewer service providers.	
2.E Directs the City to immediately distribute a copy of the Housing Element to area water and sewer districts and work with district staff to reduce/waive fees to 100 percent lower-income housing projects.	State req.



City of Novato Housing Element Update 117

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## Goal 3: Elimination of Housing Constraints

Program	Notes
3.A Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	State req.
Revises a small inconsistency with State law regarding how "total units" are counted.	
3.B Revise Hillside Lot Regulations.	Community feedback
The City will clarify how hillside developments are regulated when identifying non-slope areas of a site.	
3.D Design review and use permit process improvements.	State req., community feedback
Adopt improvements to reduce subjectivity and repetition in the design review process and establish clear, objective thresholds for when staff review certain applications.	
3.E SB 35 and permit streamlining.	State req.
Directs the City to prepare applications, checklists, and application guidelines for SB 35 projects.	
3.F Evaluate and adjust impact fees.	
Recommends calculating fees on a square foot basis (rather than per unit) to make smaller, more affordable units more feasible.	



City of Novato Housing Element Update 118

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## Goal 4: Special Needs Populations

	Program	Notes
	<b>Allow Low-Barrier Navigation Centers consistent with State law.</b>	
4.B	Permits "Housing First," low-barrier, service-enriched shelters in mixed-use and non-residential zones permitting multi-family uses.	State req., community feedback
	<b>Allow community/residential care facilities consistent with State law.</b>	
4.E	Fixes minor inconsistencies with State law in how these facilities are permitted and defined.	State req.



City of Novato Housing Element Update 119

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## Goal 5: Housing Conservation and Tenant Protections

	Program	Notes
	<b>Expand "just cause" tenant protections to all tenants.</b>	
5.I	Closes a loophole in State tenant law that limits protections to only multi-family units, applying them to renters in single-family homes as well.	Community feedback
	<b>Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</b>	
5.J	Following programs in San Rafael and Fairfax, Novato will adopt tenant protection best practices such as improved enforcement, requiring landlords to provide a Notice of Tenants Rights, and participation in a County-provided mediation program for large rent increases.	Community feedback
	<b>Assistance for renters with animal companions or pets.</b>	
5.L	Provides a framework for the City to work with Marine Humane and Animal Services JPA to establish model "pet friendly" lease agreements and publish an annual survey of rental properties that allow tenants to keep pets.	Community feedback



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## Goal 6: Equal Access to Housing and Opportunities

	Program	Notes
	<b>Implement General Plan policies related to the Northwest Quadrant neighborhood.</b>	
6.D	In order to affirmatively further fair housing, this program directs the City to implement the community-supported recommendations developed for the Northwest Quadrant in 2017 and incorporated in the 2035 General Plan.	State req.



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## New Programs

The following programs are new additions to the City's Housing Plan.

1.A	Rezoning for RHNA shortfall.	3.F	Evaluate and adjust impact fees.
1.B	Encourage and streamline the construction of ADUs.	4.B	Allow Low Barrier Navigation Centers consistent with State law.
2.E	Coordinate with water and sewer service providers.	4.E	Allow community/residential care facilities consistent with State law.
3.A	Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	5.I	Expand "just cause" eviction protections to all tenants.
3.B	Revise Hillside Lot Regulations.	5.J	Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increase greater than five percent.
3.D	Design review and use permit process improvements.	5.L	Assistance for renters with animal companions or pets.
3.E	SB 35 and permit streamlining.	6.D	Implement General Plan policies related to the Northwest Quadrant neighborhood.



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# Appendix F: Affirmatively Furthering Fair Housing (AFFH)

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## Section F.1 Introduction

[Assembly Bill 686](#) (AB 686), signed in 2018, establishes a statewide framework to affirmatively further fair housing (AFFH) with the goal of achieving better economic and health outcomes for all Californians through equitable housing policies. AB 686 defined “affirmatively furthering fair housing” to mean “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes. AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. Housing Elements are now required to address the following five components:

- **Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
- **Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs for all identified populations.
- **Analysis of Sites Inventory:** An evaluation of whether the Housing Element’s sites inventory improves or exacerbates conditions for fair housing.
- **Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issue.
- **Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.

This section documents four of the five components of the AFFH components. The summary of AFFH-related outreach is included in Housing Element Section I.E (Summary of Public Participation).

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### F.1.1 Notes on Figures and Analysis

The City used a variety of data sources for the assessment of fair housing at the regional and local level. These include:

- Housing Needs Data Packet prepared by the Association of Bay Area Governments (ABAG), which rely on 2015-2019 American Community Survey (ACS) data by the U.S. Census Bureau for most characteristics;

- Note: The ABAG Data Packets also referenced the U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) reports (based on the 2013-2017 ACS).
- AFFH Segregation Report (2022) for Unincorporated Marin prepared by ABAG, the Metropolitan Transportation Commission (MTC), and UC Merced;
- HCD Geospatial Data; and,
- Local data and knowledge.

Some of these sources provide data on the same topic, but because of different methodologies, the resulting data differs. For example, the AFFH Segregation Report uses 2020 Decennial Census data, which reports slightly different estimates for the total population, number of households, number of housing units, etc. than ACS data. This is in part because the ACS provides estimates based on a small survey of the population taken over the course of the whole year. Because of the survey size, some information provided by the ACS is less robust. For this reason, readers should keep in mind the margin of error when drawing conclusions based on the ACS data used in this Appendix. The information is included because it provides an indication of possible trends. The analysis makes comparisons between data from the same source during the same time periods, using the ABAG Data Package as the first source since ABAG has provided data at different geographical levels for the required comparisons. As such, even though more recent ACS data may be available, 2014-2019 ACS reports are cited more frequently (and 2013-2017 for CHAS data).

HCD has developed statewide geospatial datasets for use in fair housing analysis and assessment that can be obtained online from HCD's AFFH Data and Mapping Resources Hub.<sup>1</sup> These HCD datasets, which are from various sources and time frames, provide information for addressing each of the components within the full scope of the fair housing assessment. The data sources and time frames used in the HCD geospatial data may differ from the ACS data presented in the ABAG Data Package and in the Needs Assessment. The City attempted to ensure comparisons between the same time frames wherever possible, but in some instances, comparisons have been made for different time frames (often different by one year). As explained earlier, the assessment is most useful in providing an indication of possible trends.

Lastly, in addition to using federal or state level data sources, local jurisdictions are also expected to use local data and knowledge to analyze local fair housing issues. Using point-in-time federal and State-level data sets alone to identify areas may misrepresent areas that are experiencing more current and rapid changes or may be primed to do so in the near future. For these reasons, an additional screen of local data and knowledge is necessary. Local data and knowledge from

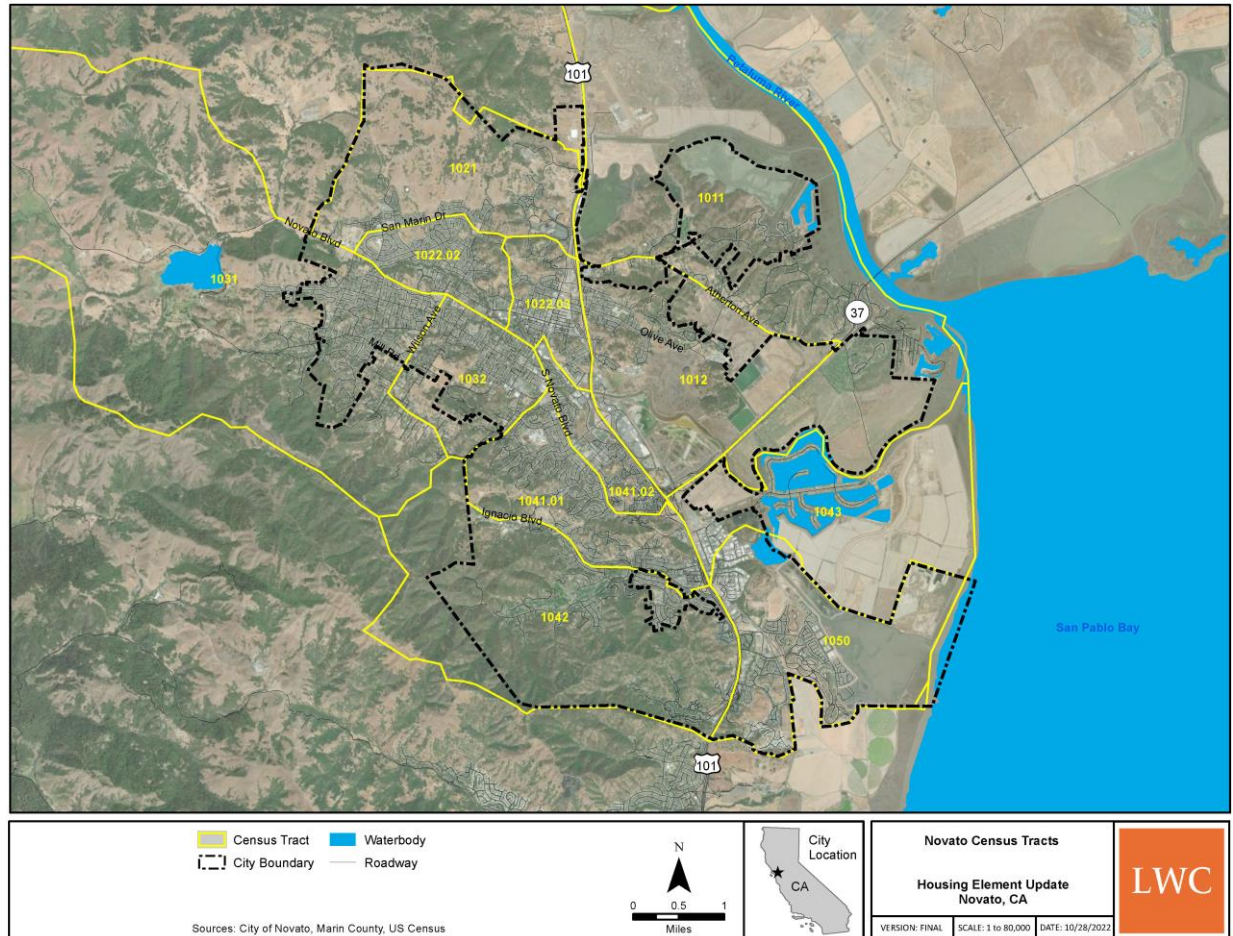
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<sup>1</sup> California Department of Housing and Community Development, [AFFH Data and Mapping Resources](#).



stakeholders, community members, and City staff are interwoven within each section where available.

**Figure F-1: Novato Census Tracts**



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## Section F.2 Assessment of Fair Housing

### F.2.1 History of Fair Housing Issues

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Before the arrival of European settlers, Marin County, including the City of Novato, was the ancestral homeland of the Coast Miwok (Me-Wuk) people, today represented by the [Coast Miwok Tribal Council of Marin](#) and the [Federated Indians of Graton Rancheria](#). The village of Olompali is the most well-known site of the Coast Miwok people dating back to approximately 6,000 B.C.<sup>2</sup> The legacies of European colonization – including the Spanish missionary system, the California Gold Rush, foreign diseases, and United States federal- and State-imposed genocidal policies and practices – forcibly displaced the Coast Miwok people from their land. Despite the establishment of reservations by the federal government, there remains a population of Coast Miwok people living in the Marin County area, including in Novato.<sup>3</sup>

Sir Francis Drake of England is considered the first colonial settler to arrive in the Marin County area in 1579, followed by Spanish and Russian colonists between 1595 and 1808.<sup>4</sup> After Mexico won independence from the Spanish Empire in 1821, the Mexican government began to provide grants of confiscated Indigenous land to both native-born and naturalized Mexican citizens, establishing land use patterns still influential today. In 1839, a former Spanish army officer named Fernando Feliz was granted the 9,000-acre Rancho Novato.<sup>5</sup> Subsequently, between 1839 to 1844, four additional land grants were given, dividing much of Marin County and the land Novato occupies today.<sup>6</sup> Of the five land grants, only one was given to a Coast Miwok tribal member – Camilo Ynitia – whose land now hosts Olompali State Historic Park.<sup>7</sup> Displacement and violence would follow the Coast Miwok people through the 19<sup>th</sup> century, persisting through the Mexican-American War and after California declared statehood in 1850.

Several federal and state laws protect archaeological resources, including the American Indian Religious Freedom Act (federal), and the California Environmental Quality Act (CEQA). CEQA requires an assessment of impacts to archaeological resources, and resources of significance to Native American tribes. If a development project is found to potentially cause damage to an archaeological resource, reasonable efforts may be required to preserve the resource, leave it in an undisturbed state, or undertake additional mitigation measures if avoidance is not possible.

In addition to CEQA, several federal and state laws protect human remains, including the Native American Grave Protection and Repatriation Act (NAGPRA, 25 U.S.C. Section 3001, et. seq.,

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<sup>2</sup> City of Novato. General Plan (2020).

<sup>3</sup> Marin Miwok. “Who Are the Coast Miwok of Today?” (n.d.).

<sup>4</sup> Houston, Will. [“Marin historians, tribe members examine Drake history.”](#) Marin Independent Journal (August 20, 2022).

<sup>5</sup> Novato Historical Guild. “Timeline: Chronological History of Novato.” (n.d.).

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

and accompanying regulations codified as Title 43 of the Code of Federal Regulations, Part 10 and AB 978, the California Native American Graves Protection and Repatriation Act (CalNAGPRA) and subsequently adopted AB 2836 (Repatriation), and AB 275 (Native American cultural preservation). It is important that the City continues its ongoing consultations with FIGR on new development in Novato in order to preserve tribal resources.

As the following analysis illustrates, Native Americans are underrepresented in Novato homeownership. Currently, the City notifies the Tribe when new below market rate units come on the market in hopes of providing more ownership opportunities to families within their traditional territory.

The completion of the Northwestern Pacific Railroad in 1879 paved the way for the development of a business and distribution hub to serve nearby farms and industry.<sup>8</sup> In 1888, Francis de Long, a land grant beneficiary, subdivided his 6,000-acres along the railroad and Grant Avenue, enabling the construction of the hotels, restaurants, and residences that became Downtown Novato.<sup>9</sup> Growth continued through the early 20<sup>th</sup> century, but took a significant downturn during the Great Depression.

In 1932, Novato landowners and businessmen worked in partnership with the County to sell over 900-acres of land to the federal government and construct Hamilton Air Force Base.<sup>10</sup> This new economic lifeline stimulated the City's economy but brought with it a discriminatory legacy of housing policies and practices. As the United States entered World War II, the Marinship Corporation in Sausalito (approximately 20 miles south) employed up to 20,000 shipyard workers. Marin City was rapidly built in 1942 to house them. Many shipyard workers were African American labors who had migrated to the Bay Area from a racially charged Midwest and South.<sup>11</sup> By the 1960s, these Black laborers had become the core of Marin City's community, either by choice or because many Black families were restricted from living in or buying homes in the surrounding towns due to restrictive, racially-exclusionary covenants.<sup>12</sup>

The City of Novato was incorporated in 1960, and the proceeding decades brought significant residential growth to the City, especially with the construction of Highway 101 in 1974, bypassing the City center and redeveloping Redwood Boulevard. By 1980, the City's population had increased to 44,000, up from 17,900 in 1960. As housing prices in southern Marin County rose, Black shipyard workers and their descendants began moving to San Rafael and Novato.<sup>13</sup> From

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<sup>8</sup> City of Novato. General Plan (2020).

<sup>9</sup> Novato Historical Guild. ["Timeline: Chronological History of Novato."](#) (n.d.).

<sup>10</sup> Ibid.

<sup>11</sup> Crispell, Mitchell. "Marin City: Historic African American Enclave at Risk" University of California, Berkeley (June 2015).

<sup>12</sup> Crispell, Mitchell. "Marin City: Historic African American Enclave at Risk" University of California, Berkeley (June 2015).

<sup>13</sup> Ibid.



1980 to 1990, the population of Black residents in Novato increased from 1.8 percent to 2.7 percent.<sup>14</sup> In 2019, four percent of Novato residents identified as Black or African American, in comparison to two percent in Marin County and six percent in the Bay Area.<sup>15</sup> While the population of Black residents slightly increased in Novato during this time, the City is on par with Marin County and the Bay Area as a whole in contributing to patterns of racial segregation in the United States.<sup>16</sup>

In 2018, the Othering and Belonging Institute at UC Berkeley published a study examining countywide segregation patterns across the Bay Area. The report states, “the displacement of many people of color from these [Marin County] communities and the corresponding in-migration of white families over the last twenty years has diversified the municipal populations in these cities, but has not always resulted in more integrated neighborhoods.”<sup>17</sup> The study provided a series of maps emphasizing segregation in each Bay Area county to illustrate a “clear portrait of the reality and extent of the racial segregation in their communities.”<sup>18</sup> As the study reports, Marin County is “one of the most segregated counties in the Bay Area, especially for whites,” which they find also applies in and around Novato.<sup>19</sup> Figure F-2, taken from the Institute’s 2018 report, designates “Historic Novato” as a “high segregation area” and the planned, unincorporated community of Bel Marin Keys as “moderate segregation,” with over 85 percent of residents identifying as white.<sup>20</sup> This map contextualizes the segregation issues and lack of affordable housing opportunities facing Novato today.

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<sup>14</sup> U.S. Census Bureau, 1980 Data Profiles (1980). U.S. Census Bureau, 1990 Data Profiles (1990).

<sup>15</sup> U.S. Census Bureau, 2020 ACS 5-Year Estimates Data Profiles (2020).

<sup>16</sup> Gambhir, Samir & Menendian, Stephen. “Racial Segregation in the San Francisco Bay Area, Part 1.” The Othering and Belonging Institute of University of California, Berkeley (October 30, 2018).

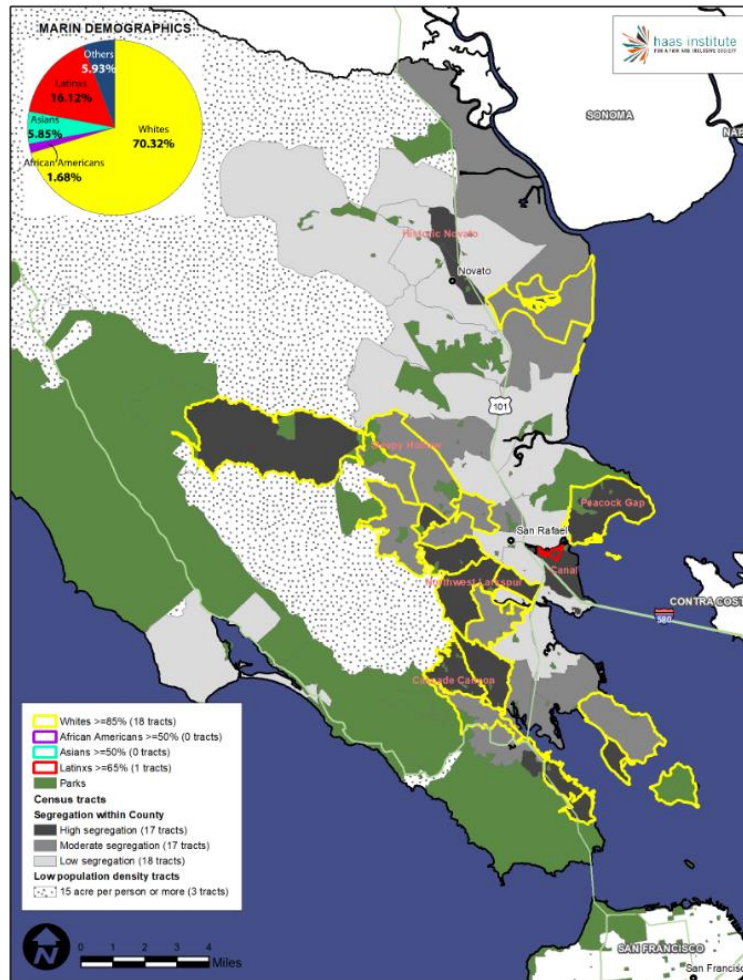
<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

Figure F-2: Segregation in Marin County



Source: Gambhir, Samir & Menendian, Stephen. "Racial Segregation in the San Francisco Bay Area, Part 1." *The Othering and Belonging Institute of University of California, Berkeley* (October 30, 2018).

As of 2019, Novato had a significantly higher percentage of white, non-Hispanic residents (63 percent) than the rest of the Bay Area (39 percent).<sup>21</sup> While Novato increased its population of people of color between 2000 and 2019 from 21 percent to 37 percent, it remains disproportionately white compared to the rest of the Bay Area (61 percent).<sup>22</sup> As of 2019, while white, non-Hispanic residents were 63 percent of Novato's population, and 88.4 percent of non-Hispanic and white residents were homeowners compared to 11.6 percent of non-white residents.<sup>23</sup> In the context of housing development by the type of unit, between 2010 to 2020 multifamily housing development experienced an increase of two to four units (1.7 percent) and

<sup>21</sup> U.S. Census Bureau, 2020 ACS 5-Year Estimates Data Profiles (2020).

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

five-plus units (3.3 percent). While this exceeded the development growth of single-family homes (1.4 percent), homeownership opportunities for non-white resident may continue to be a challenge in Novato.<sup>24</sup> Thus, Novato is part of the group of cities in Marin County providing opportunities to affirmatively forward fair housing.

## **F.2.2 Fair Housing Outreach and Enforcement**

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Fair housing complaints can be an indicator of housing discrimination in Novato. Fair housing issues can arise through discrimination against an individual based on disability, race, national origin, familial status, disability, religion, or sex when renting or selling a dwelling unit.

The U.S. Department of Housing and Urban Development's (HUD) Office of Fair Housing and Equal Opportunity (FHEO) is the federal agency responsible for eliminating housing discrimination, promoting economic opportunity, and achieving diverse, inclusive communities. FHEO services and activities include investigating fair housing complaints, conducting compliance reviews, ensuring civil rights in HUD programs, and managing fair housing grants.

The [Marin Housing Authority](#) provides fair housing services to incorporated areas of Marin County, offering information and workshops on tenants' rights, fair housing, and local tenant protections. Specifically, the Marin Housing Authority's Supportive Housing Department supports families and individuals to secure and maintain stable housing. The non-profit organization [Fair Housing Advocates of Northern California](#) (FHANC) provides fair housing services to residents of Marin County that include assisting individuals with housing discrimination complaints.

Discrimination complaints from both residents and prospective tenants can be filed through FHANC, which refers complaints to the Department of Housing and Urban Development (HUD), or the Department of Fair Employment and Housing (DFEH). From 2021 to 2022, there were 28 fair housing cases in Novato. These cases related to protected classes as follows: disability (23), familial status (4), race (3), source of income (3), national origin (2), age (1), and gender (1). Note, some households alleged discrimination on the basis of more than one protected class. As of Fall 2022, the disposition of the 28 cases are as follows: new (1), in-progress (4), waiting on client response (2), ready to close (6), and closed (15).<sup>25</sup>

Comments during the Housing Element Update process identified a need for providing more information about available services to residents, particularly reasonable accommodation. Program 6.A is included to promote awareness of available resources, information, and services related to fair housing and affordable housing generally.

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<sup>24</sup> Ibid.

<sup>25</sup> Noelle Ticman, Data Administrator, FHANC, October 2022.

The City does not have any pending lawsuits, enforcement actions, judgements, settlements, or findings related to fair housing and civil rights. The City does not currently have any local fair housing laws or programs to specifically address fair housing issues.

The City complies with State and federal housing laws as follows:

- **Fair Housing Act; Title VI of the Civil Rights Act of 1964** – the City complies by ensuring its actions related to housing are not discriminatory through City protocols, decision-making procedures, and adhering to non-discrimination requirements of federal funding programs.
- **Rehabilitation Act of 1973** – see Fair Housing Act; also, the City complies through its accessibility protocols, administered and enforced by the City's ADA/504 Coordinator and Building Official.
- **Americans with Disabilities Act** – the City complies with the ADA through building permit review and issuance and as described in Appendix C (Housing Constraints, Section C.2.2, Housing for Persons with Disabilities), as well as review by the City engineer during design and construction of improvements in the public right-of-way.
- **California Fair Employment and Housing Act (FEHA) and FEHA Regulations** – the City complies with FEHA and its regulations through established City protocols for hiring and decision making, mandatory trainings for City staff, and legal counsel and advisement.
- **Government Code Section 65008** – the City ensures that the City's actions are not discriminatory through training programs conducted by the City's Human Resources Department. Programs are included in this Housing Element to facilitate housing for all households, including protected classes (e.g., programs regarding residential care facilities, reasonable accommodation, and emergency shelters).
- **Government Code Section 8899.50** – Appendix F of this Housing Element documents compliance with AFFH requirements.
- **Government Code Section 11135 et. seq.** – the City complies with anti-discrimination requirements through the City's Human Resources programs and the City's procurement protocols.
- **Density Bonus Law (Government Code Section 65915)** – the City complies with State Density Bonus law by cross-referencing to Government Code Section 65915 et seq. as described in Appendix C (Housing Constraints).
- **Housing Accountability Act (Government Code Section 65589.5)** – the City has documented compliance with the HAA as described in Appendix C (Housing Constraints).
- **No-Net-Loss Law (Government Code Section 65863)** – the City has documented compliance with sufficient capacity for RHNA and will ensure compliance with no-net-loss via programs (Program 1.C).

- **Least Cost Zoning Law (Government Code Section 65913.1)** – the City includes programs in this Housing Element to ensure that sufficient land is zoned with appropriate standards to accommodate its RHNA.
- **Excessive subdivision standards (Government Code Section 65913.2)** – the City’s subdivision standards are typical or not excessive in compliance with the Government Code (see Appendix C, Section C.2.5).
- **Limits on growth control (Government Code Section 65302.8)** – the City has adopted an Urban Growth Boundary in compliance with State law (see Appendix C, Section C.2.2).
- **Housing Element Law (Government Code Section 65583)** – this Housing Element documents compliance with Housing Element Law.

### F.2.3 Integration and Segregation

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This section analyzes integration and segregation, including patterns and trends, related to people with protected characteristics.

#### Segregation Report

As part of a statewide effort, an AFFH Segregation Report for Novato was prepared by the University of California, Merced Urban Policy Lab in cooperation with ABAG/MTC. Novato’s Segregation Report reviews income and racial segregation and integration both between neighborhoods within Novato and across Bay Area jurisdictions.

#### Race and Ethnicity

The Dissimilarity Index (DI) is a tool that measures segregation across a defined geographic boundary. DI ranges from 0 to 100 where 0 is perfect integration and 100 is complete segregation. 0 to 39 is considered low segregation. Utilizing data from the 2020 Decennial Census, racial segregation *within* Novato’s neighborhoods compared to the Bay Area ranges from below average to above average depending on the racial groups being compared (ranging from 15.7 to 24.5). Segregation is lower compared to the Bay Area between white and Asian/Pacific Islander residents (15.7 vs. 18.5) and white and African American residents (23.6 vs. 24.4). However, segregation is more pronounced when compared to the Bay Area between white and Latino residents (24.5 vs. 20.7) and between white and people of color as a whole (19.7 vs. 16.8). Put another way, the DI indicates that 19.7 percent of all white residents in Novato would need to relocate within the City to be completely integrated with the community’s other racial groups.

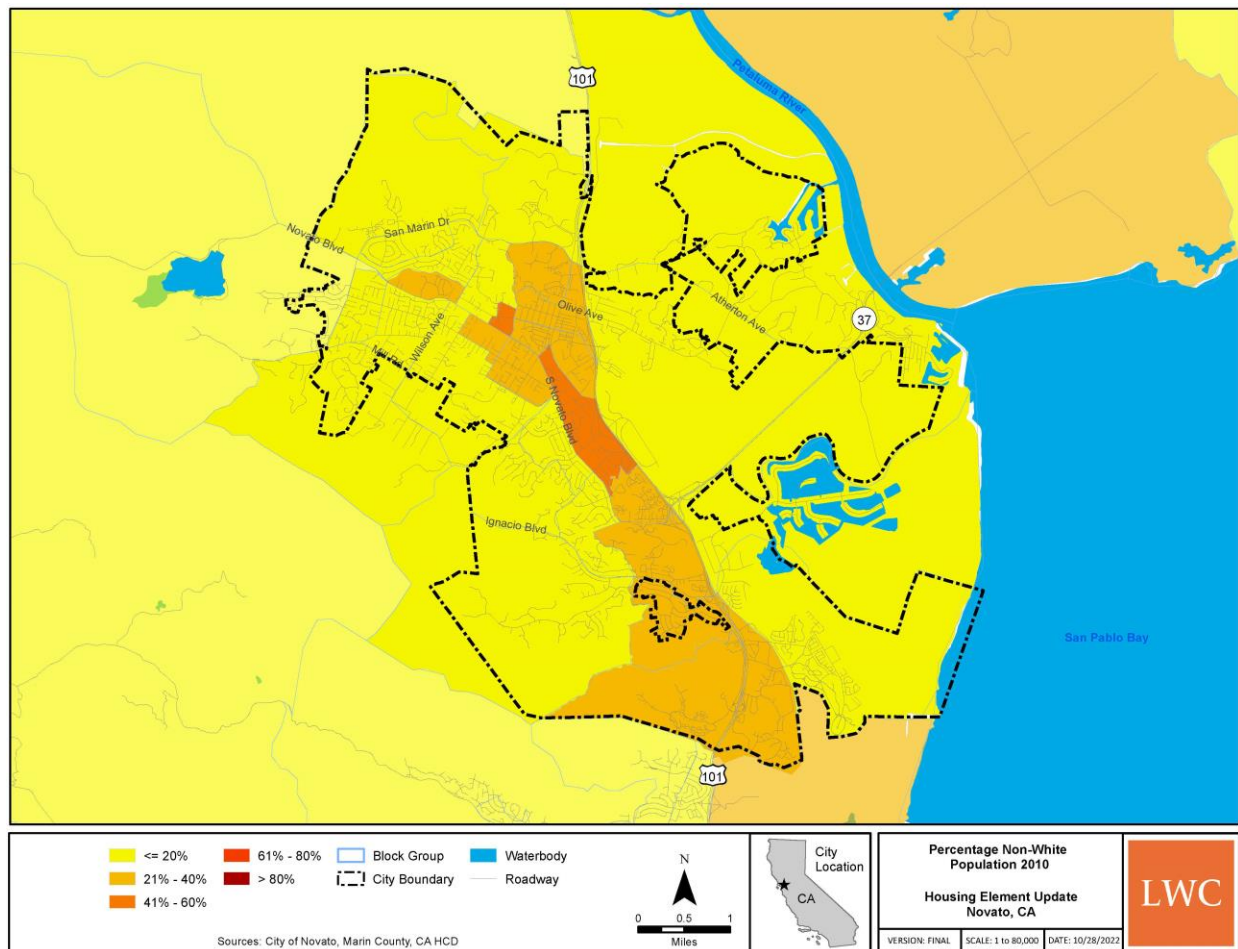
As detailed in Appendix A (Needs Assessment), according to 2019 ACS data, the percentage of residents in Novato identifying as white has decreased substantially in the past two decades, from 79 percent in 2000 to 63 percent in 2019. However, Novato’s population has increased both in absolute numbers and in racial diversity, such that the *absolute* number of white residents decreased more slightly (from 36,336 in 2000 to 35,312 in 2019). Though Novato had a lower proportion of white- residents than Marin County in 2019 (63 percent vs. 71 percent), this is a

significantly higher percentage than the Bay Area as a whole (39 percent). Additionally, the AFFH Segregation Report for Novato indicates that white residents are, overall, the most “isolated;” Novato’s isolation index of 60.3 for white residents means that the average white resident lives in a neighborhood that is 60.3% white. However, this value has changed the most over time, with white residents becoming less segregated from other racial groups between 2000 and 2020 (78.1 vs. 60.3).

In 2019, approximately 36 percent of Novato residents belonged to a non-white racial group, compared to 29 percent of the County and 62 percent of the Bay Area. The largest non-white group was Hispanic or Latino in both the City and County at 19 percent and 16 percent, respectively. Residents identifying as Asian/Pacific Islander accounted for eight percent of City residents and six percent of County residents and are the largest non-white racial group in the Bay Area at 27 percent.

Figure F-3 provides historical non-white population percentages by Census block group based on 2010 ACS data. At that time, two non-contiguous block groups had the highest proportion of non-white residents in the 41 to 60 percent range. Block groups in Downtown, adjacent to Highway 101, and one western block group also had a higher proportion of non-white residents in the 21 to 40 percent range. Many of the City’s other block groups, covering much of its geographic area, had non-white populations under 20 percent.

**Figure F-3: Non-White Population by Block Group (2010)**



As shown in Figure F-4, many block groups saw an increase in the proportion of non-white residents between 2010 and 2018. During this time period, Downtown Novato's residential areas had become the block group with the highest proportion of non-white residents in the 61 to 80 percent range. In 2018, nearly all block groups adjacent to Highway 101 had non-white populations in the 41 to 60 percent range, an increase from the 21 to 40 percent range for most of these block groups in 2010. Additionally, in 2018, block groups accounting for much of the City's remaining geographic area had entered the 21 to 40 percent range compared to 2010 where most of the other block groups had 20 percent or less of non-white residents. Only a handful of block groups on the City's edges, mainly hillside and bayside residential areas, had non-white populations below 20 percent in 2018 compared to 2010 where most of Novato had block groups with non-white populations below 20 percent.

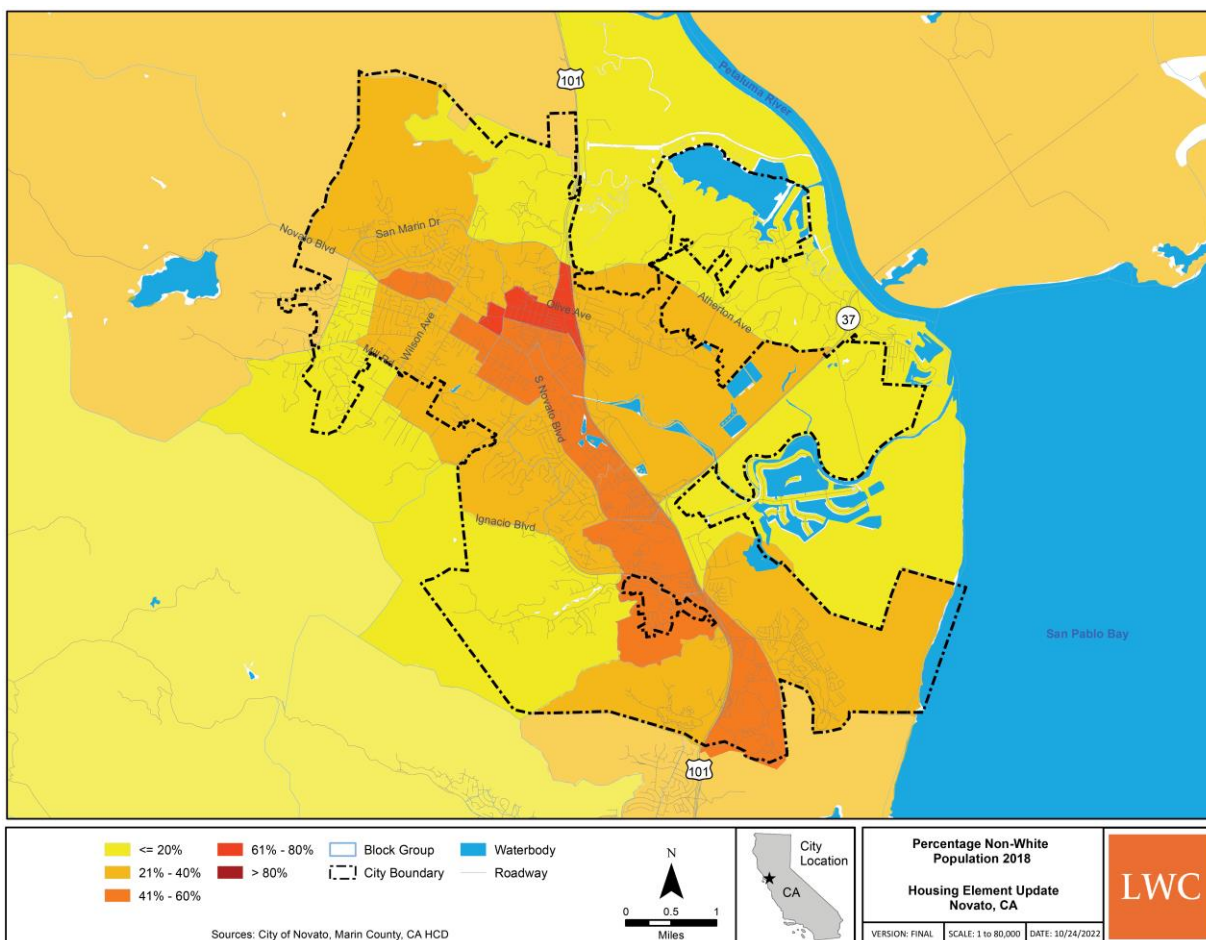
### **Patterns and Trends – Race and Ethnicity**

Throughout Novato, the resident population has increased in racial and ethnic diversity between 2010 and 2018, primarily in the block groups in the Downtown area and adjacent to Highway 101. However, this population change also saw the City's non-white population increasingly



concentrated in these two areas. The City's most racially and ethnically diverse block groups coincide with the City's lowest-income neighborhoods (Figure F-12). These concentrated areas of lower-income residents result in most of the area outside of Downtown and the Highway 101 corridor being considered Racially Concentrated Areas of Affluence (RCAAs) (Figure F-15). This indicates while Novato has seen racial and ethnic diversity increase in the City in the previous decade, there remains to be a concentration of non-white residents in the Downtown area and Highway 101 corridor, with non-white residents concentrated in some neighborhoods experiencing higher rates of poverty and segregation as identified by HUD as a RCAA. This is discussed further in Section F.2.4 below.

**Figure F-4: Non-White Population by Block Group (2018)**



## Persons with Disabilities

People are considered to have a disability if they have one or more of the following: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory



impairments, many people with disabilities live on fixed incomes and require specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers.

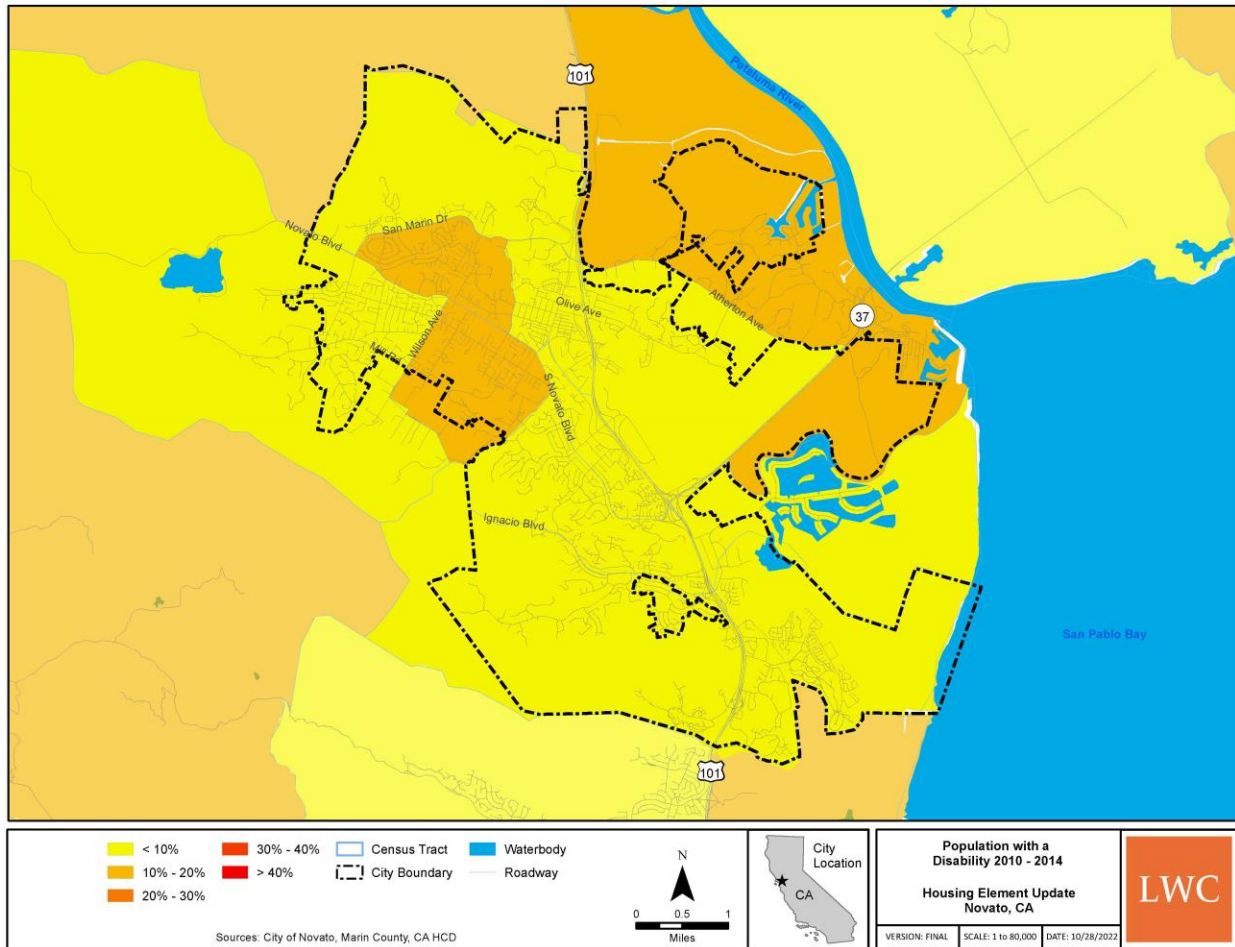
Figures F-5 and F-6 present the 2014 and 2019 ACS data, respectively, for the percentage of Novato's population with a disability. Overall, approximately 10 percent of Novato residents had a disability in 2019, compared to nine percent Countywide and 10 percent in the Bay Area (Table F-1). In 2014, two western tracts and one eastern tract had the highest proportion of residents with disabilities, making up 10 to 20 percent of the population. Tracts in the rest of the City had lower rates at less than 10 percent. By 2019, five contiguous tracts in the central and eastern core of the City had the highest proportion of residents with disabilities in the 10 to 20 percent range.

**Table F-1: Population with a Disability (2019)**

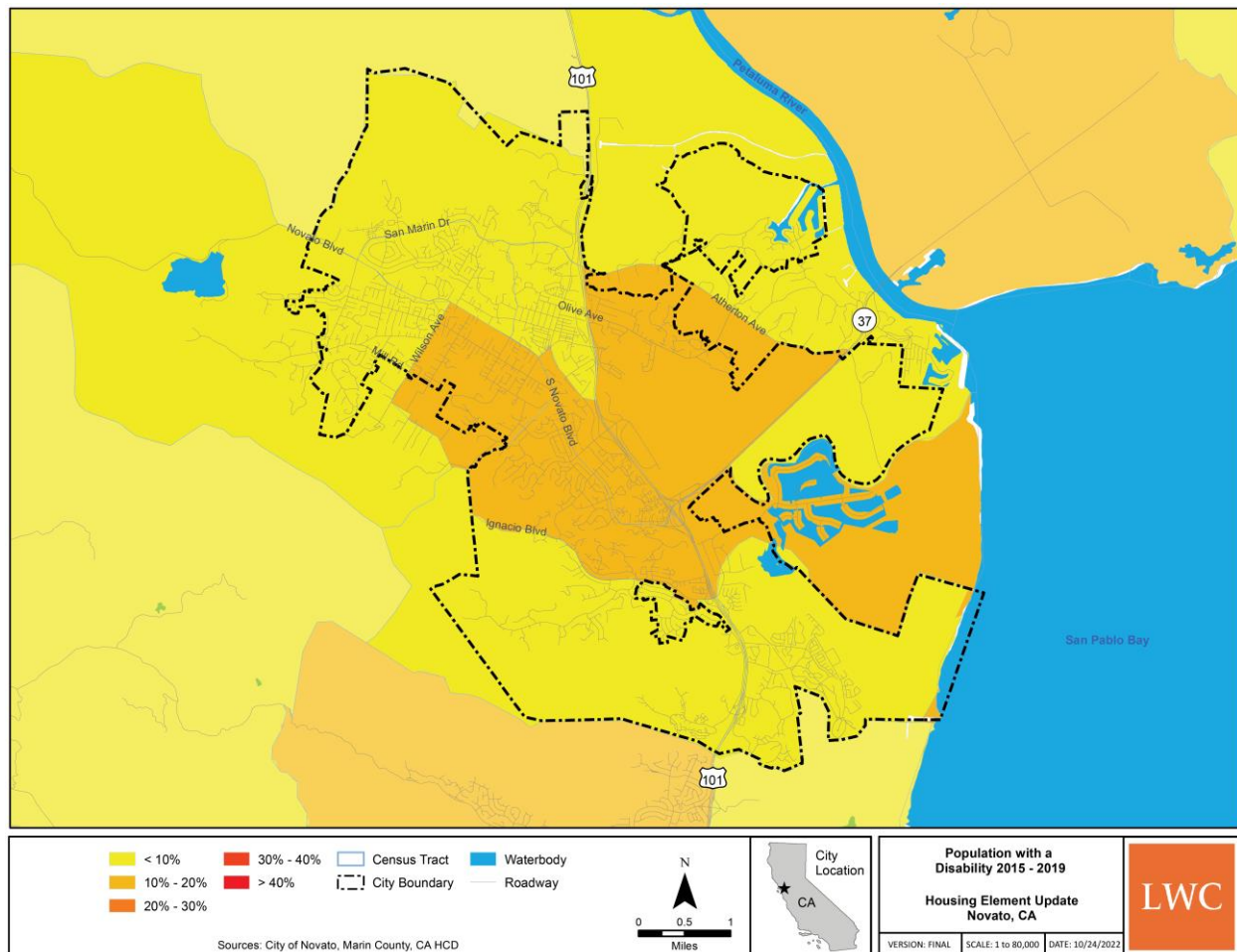
	Novato	Marin County	Bay Area
<b>Number of Individuals</b>	5,532	23,346	735,533
<b>Percent of Population</b>	10%	9%	10%

*Source: ACS 2019 5-Year Estimates, Table S1810*

**Figure F-5: Population with a Disability by Tract (2014)**



**Figure F-6: Population with a Disability by Tract (2019)**



In Novato, there are differences in disability status by race and ethnicity (Table F-2). White, Native American, and individuals of two or more races are more likely to have disabilities than those of other ethnicities. It is likely that disparities in median age (which is highly correlated with disability status) explains much of the disparity, but it is unclear why the population of individuals of two or more races (with a median age of 24.1) has such a high incidence of disability at nine percent.

### **Patterns and Trends – Persons with Disabilities**

The observed increase in the proportion of Novato's population with a disability between 2014 and 2019 is likely (though not definitively) due to aging. As shown in Appendix A, Section A.2.2 (Age), Novato's median age has increased significantly in the past two decades, reaching 47 years as of 2019. Older adults are generally more likely to be recorded as living with some type of disability, thus the need for additional senior housing as the City ages.

There has also been a notable geographic shift from 2014 to 2019 in Census tracts where the proportion of the population with a disability reaches the 10 to 20 percent level. In 2014 these tracts were predominantly in single-family neighborhoods in the City's northwest and northeast. By 2019, these tracts were recorded more towards the City's center. This may be due in part to

the construction and opening of additional senior housing, assisted living communities, etc. This trend is generally positive, as these more central tracts are closer to essential services which support independent living and prompt medical care. Table F-2 below shows the incidence of disability by race and ethnicity.

**Table F-2: Disability Status by Race and Ethnicity (2019)**

<b>Race or Ethnicity</b>	<b>Total Population</b>	<b>Median Age</b>	<b>Number with a Disability</b>	<b>% with a Disability</b>
White Alone, Not Hispanic or Latino	35,139	51.5	4,312	12%
Black or African American Alone	2,066	39.1	152	7%
American Indian and Alaska Native	82	42.5	9	11%
Asian Alone	4,288	45.6	127	3%
Native Hawaiian and Other Pacific Islander	62	27.2	0	0%
Some Other Race	5,987	27.7	311	5%
Two or More Races	2,966	24.1	277	9%
Hispanic or Latino (of any race)	10,522	31.3	740	7%

*Source: ACS 2019 5-Year Estimates, Tables B18101 and B01002*

Input during the Housing Element process included that housing stock should accommodate the aging population and prioritize people with disabilities, as well as young families and low-income households.

## **Familial Status**

Familial status protection covers households in which one or more minor children live with: a parent, a person who has legal custody (including guardianship) of a minor child or children, or the designee of a parent or legal custodian, with the written permission of the parent or legal custodian. Examples of familial status discrimination include refusal to rent to families with children, eviction of families once a child joins, and confinement of families to specific floors of a building.

According to 2019 ACS data, 27.5 percent of all households in Novato have one or more children under the age of 18 present, a slightly lower proportion than 28.6 percent in the County and 32 percent in the Bay Area (Table F-3). Figure F-7 shows the percentage of children living in married couple households in 2019 by Census tract. The percentage of children living in married couple households is uniformly high across the City's peripheral Census tracts, exceeding 80 percent with the exception of two southern tracts in the 40 to 60 percent range. In the City's center, three tracts show children living in married couple households in the 60 to 80 percent range. Looking back at 2010 ACS data in Novato, the percentage of households with children present has

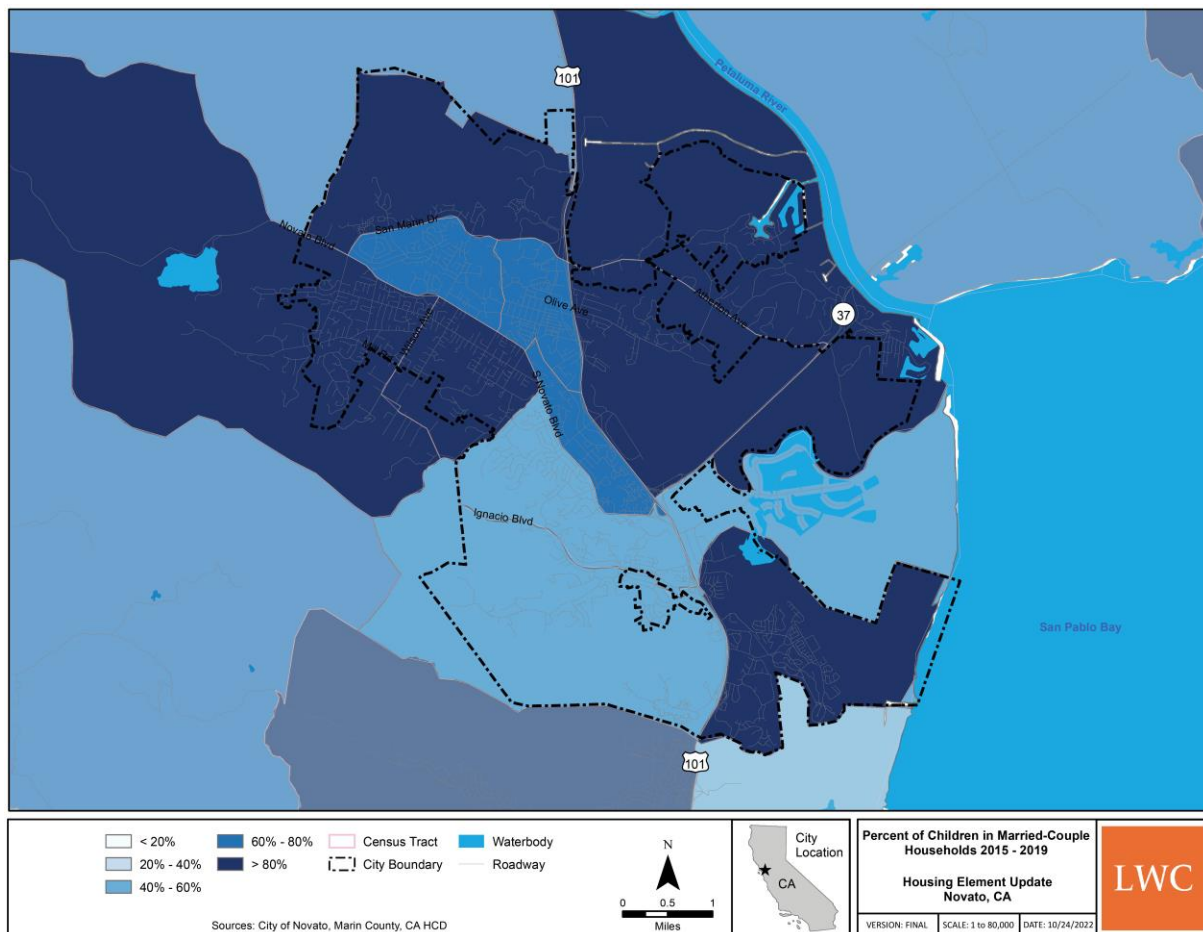
decreased slightly from 31 percent.<sup>26</sup> Comments received during the Housing Element process identified the availability of housing for young families as an important issue.

**Table F-3: Households with Children Under the Age of 18 Present (2019)**

	Novato	Marin County	Bay Area
<b>Number of Households</b>	6,147	30,171	873,704
<b>Percent of Population</b>	27.5%	28.6%	32%

Source: ACS 2019 5-Year Estimates, Table S1810

**Figure F-7: Children in Married-Couple Households by Tract (2019)**



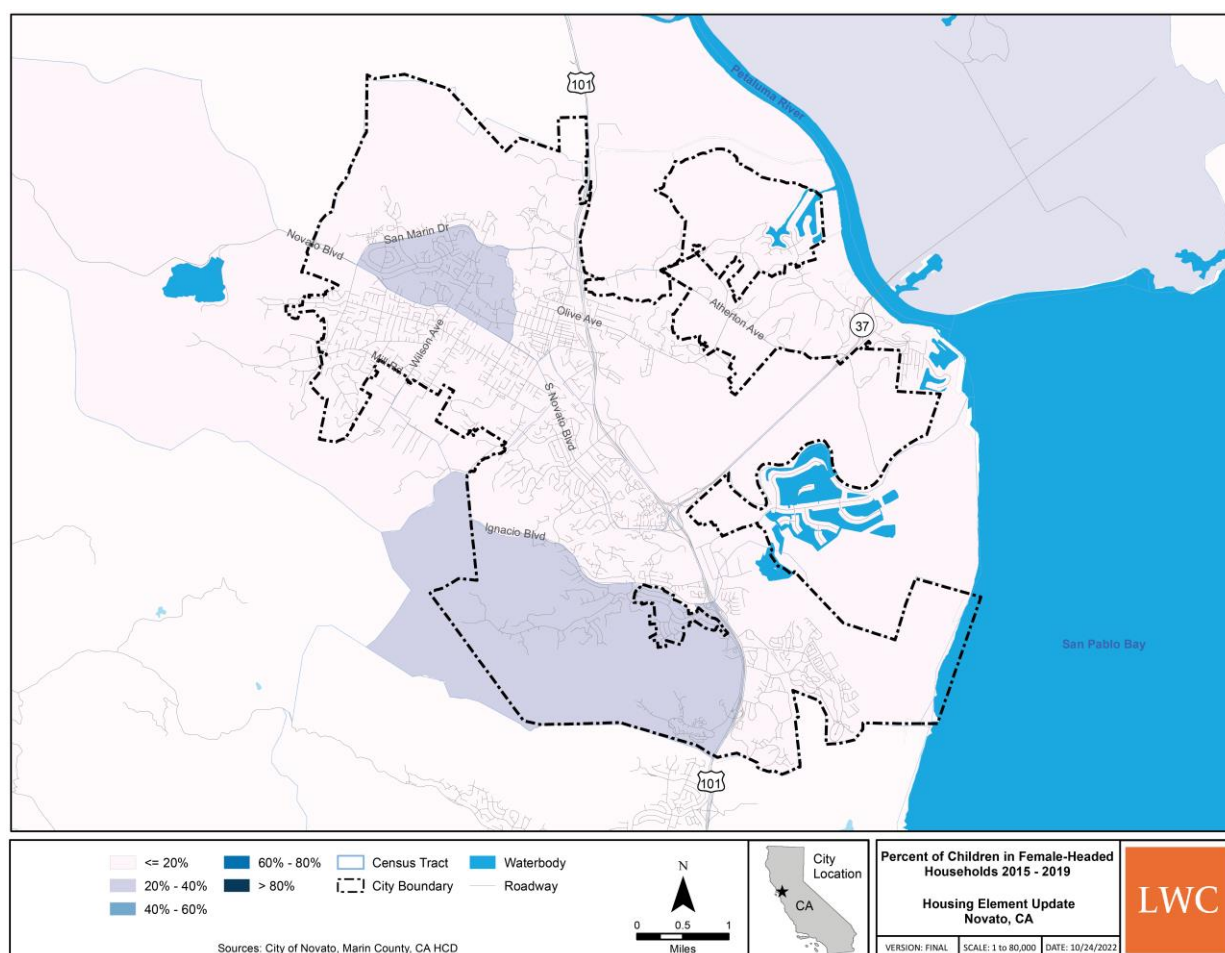
Single-parent households are also a fair housing protected class. Female-headed households in particular are more likely to experience greater housing affordability challenges due to typically lower household incomes compared to two-parent households. According to 2019 ACS data,

<sup>26</sup> ACS 2010 5-Year Estimates, Table DP02.



there are 1,788 female-headed family households in Novato, 906 of which have children present, meaning 14.7 percent of households with children present are those of single mothers. Of the 906 female-headed households with children present, 221 (or 3.6 percent of all households with children present) are below the poverty level. As shown in Figure F-8, children in female-headed households make up 20 to 40 percent of all children in two Novato tracts. Looking back to 2010 ACS data, the number of female-headed households with children present below the poverty level has decreased from 350 (or 5.4 percent of all households with children present).<sup>27</sup>

**Figure F-8: Children in Female-Headed Households by Tract (2019)**



## Patterns and Trends – Familial Status

No clear patterns and trends of disproportionate incomes or housing conditions were identified in Novato or in the surrounding area in relation to other analyses in this Appendix.

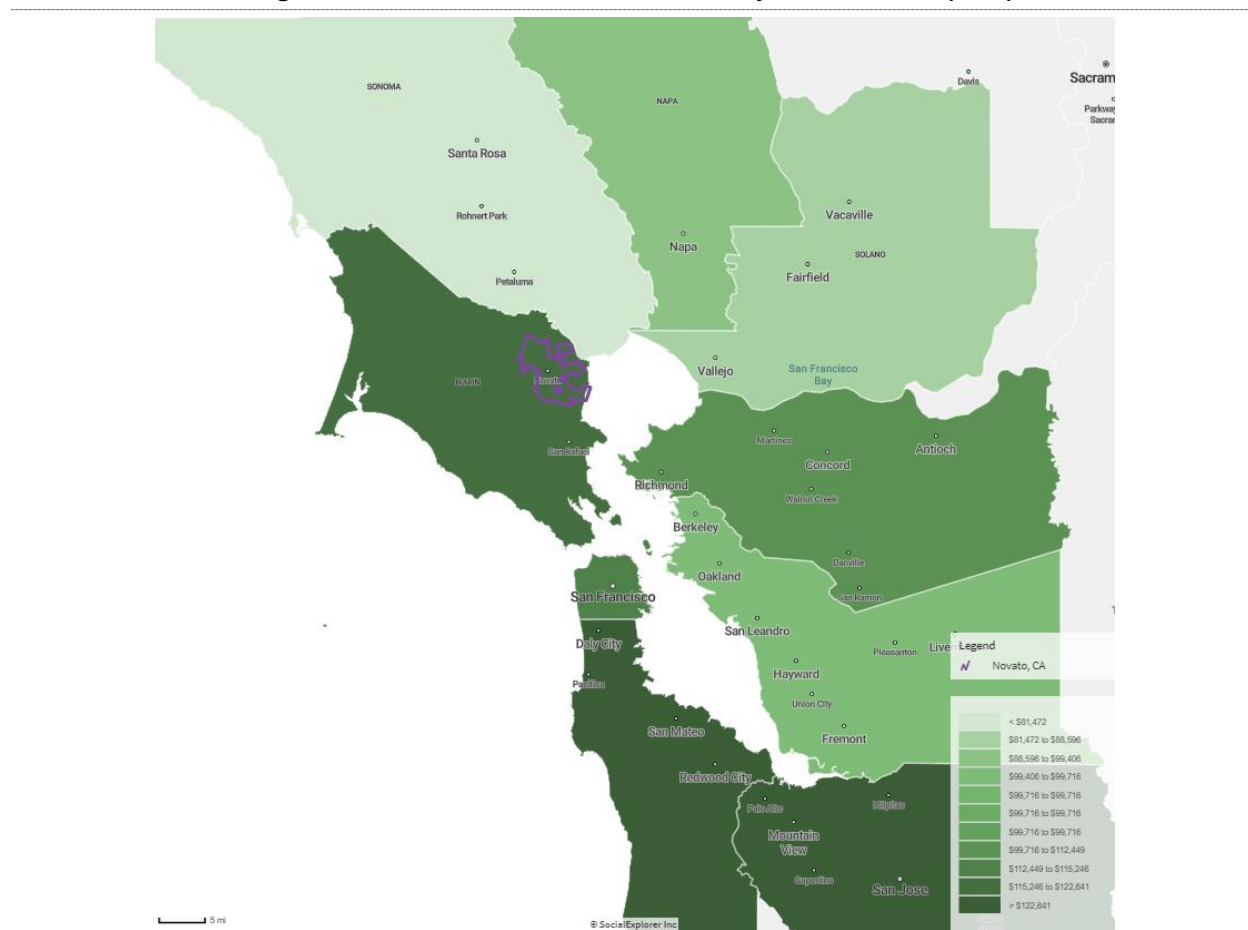
<sup>27</sup> ACS 2010 5-Year Estimates, Table B17012.

## Income

Despite the economic and job growth experienced throughout the region since 1990, California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State. The geography of income inequality in the Bay Area is nuanced and is best discussed at multiple geographic scales.

Due in large part to the relationship between race, wealth, and land use policy described above in Section F.2.1, Marin County has historically been wealthier and less racially diverse compared to the Bay Area as a whole. Figure F-9 displays the estimated median household income of Bay Area counties in 2019, with Novato outlined in purple. Though slightly less wealthy, on average, than the tech hubs of San Mateo and Santa Clara counties, Marin County is still defined by historical patterns of suburban development, exclusionary zoning, and the physical constraints of its geography.

**Figure F-9: Median Household Income of Bay Area Counties (2019)**



Source: Social Explorer; U.S. Census Bureau, 2019 ACS 5-Year Estimates, Table 14006

The City of Novato is distinct when compared to the Bay Area as a whole and in the context of its County – more affluent than the communities east across the Bay, but less than communities in southern Marin. In 2019, the median household income in Novato was estimated at \$101,342, 12.1 percent lower than the County’s median income of \$115,246 and 32.8 percent higher than the Bay Area’s median income of \$72,766 (Table F-4). The mean income in Novato was \$133,368, 24.3 percent lower than the County’s mean income of \$176,109.

**Table F-4: Median Household Income (2019)**

	Novato	Marin County	Bay Area
<b>Median Income</b>	\$101,342	\$115,246	\$72,766
<b>Mean Income</b>	\$133,368	\$176,109	–

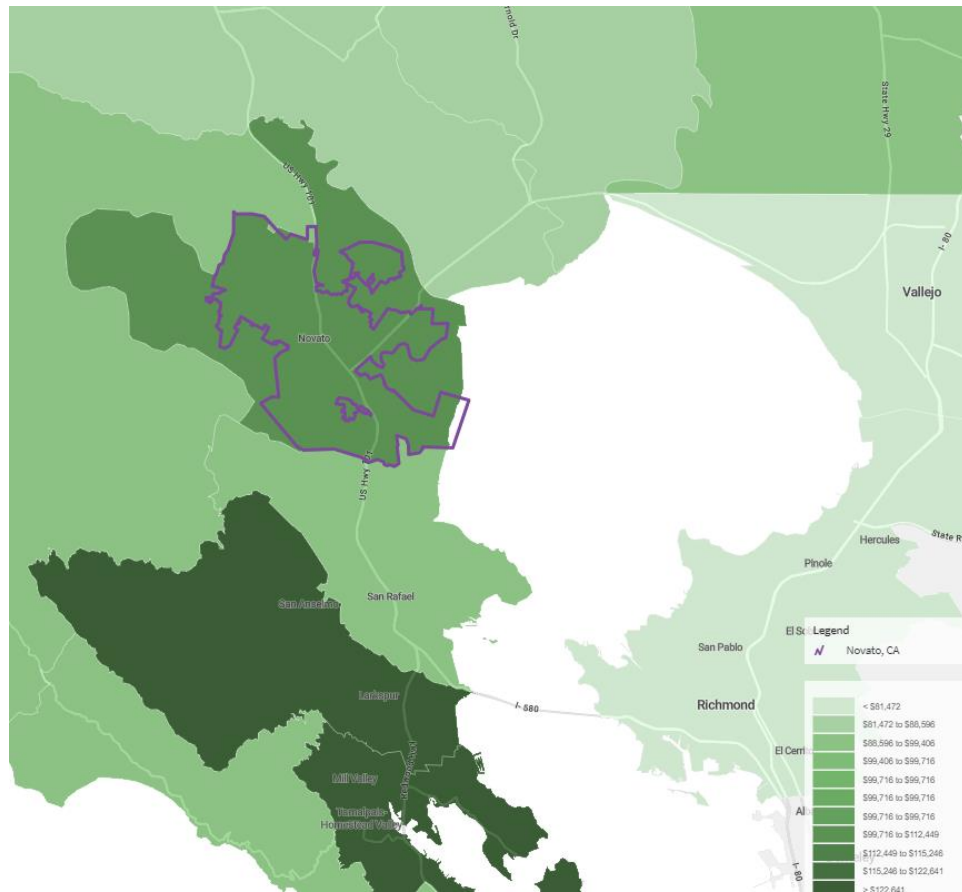
*Source: ACS 2019 5-Year Estimates, Table S1901; [Bay Area Equity Atlas](#)*

Figure F-10 displays the estimated median household income of county subdivisions surrounding Novato, with the City outlined in purple and within the polygon representing the Novato Census County Division (CCD). Due to Novato’s affluence relative to the Bay Area and Marin County, various programs encourage housing mobility and promote new affordable housing opportunities. These include:

- Program 1.A: Rezone for RHNA Shortfall;
- Program 1.B: Streamline the production of Accessory Dwelling Units (ADUs).
- Program 2.G: Amend and monitor Inclusionary Housing Ordinance.
- Program 6.E: Housing mobility.



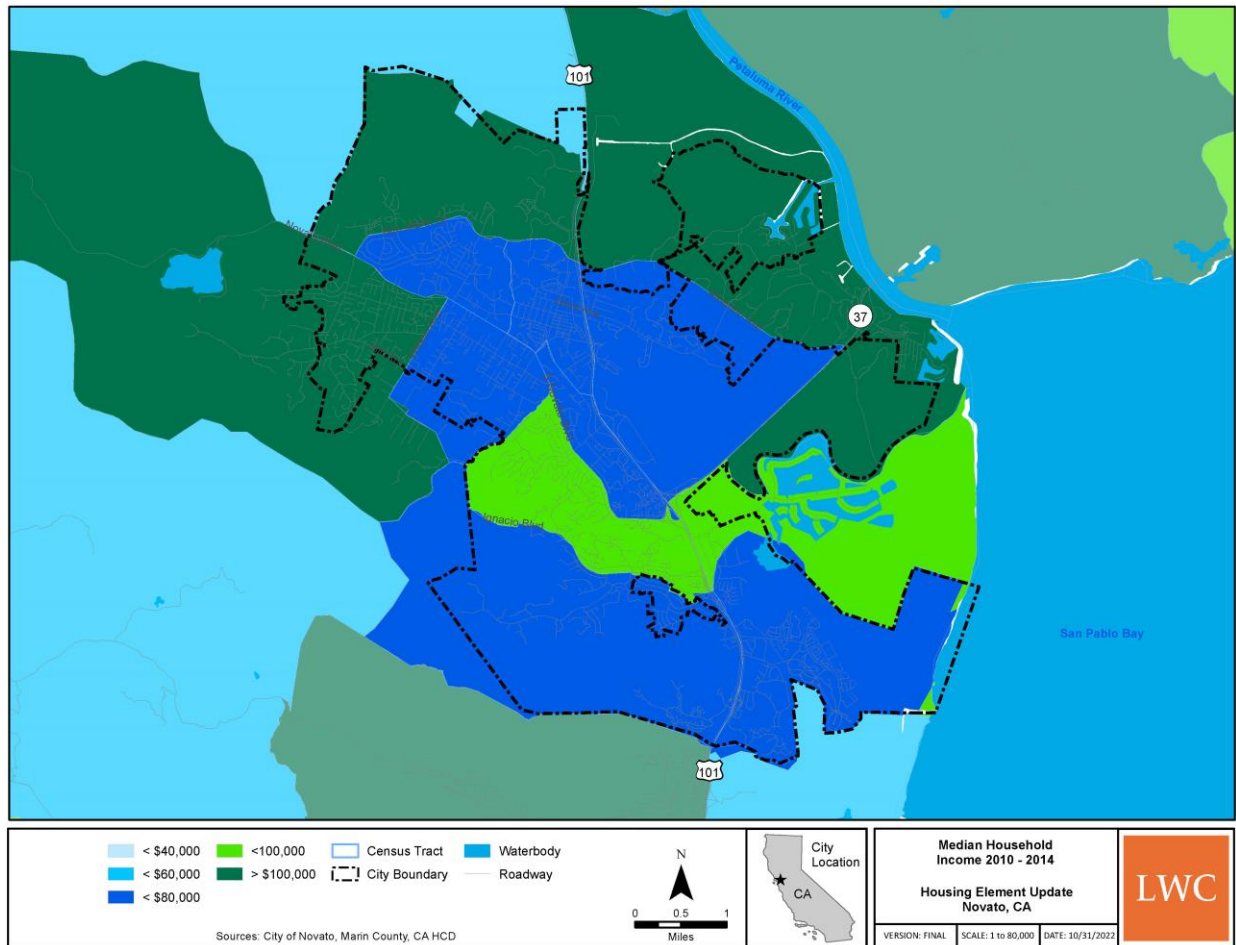
**Figure F-10: Median Household Income County Subdivisions, North Bay Region (2019)**



Source: Social Explorer; U.S. Census Bureau, 2019 ACS 5-Year Estimates, Table 14006

Figure F-11 displays the distribution of median household income by Census tract in Novato in 2014, the earliest year provided as part of HCD's Geospatial Data. Households earning over \$100,000 per year were concentrated in the City's northern periphery, with all other tracts predominantly populated by households earning between \$60,000 to \$100,000 per year.

**Figure F-11: Median Household Income by Tract (2014)**



The 2019 ACS recorded median household income differently, reporting figures by block group and slightly different income categories, as shown in Figure F-12. This smaller geographic scale also allows for more exact identification of higher- and lower-income neighborhoods. Higher-income households earning over \$125,000 per year continued to be concentrated in the City's northern neighborhoods, as well as two eastern bayside Census tracts (one encompassing unincorporated Bel Marin Keys, the other containing the redeveloped Hamilton Air Force Base) and one containing parts of unincorporated Ignacio. All other tracts were populated predominantly by households earning incomes between \$55,000 to \$125,000 per year, with lower-income households concentrated near Downtown and along the southern extent of the Highway 101 corridor.

Figure F-12: Median Household Income by Block Group (2019)

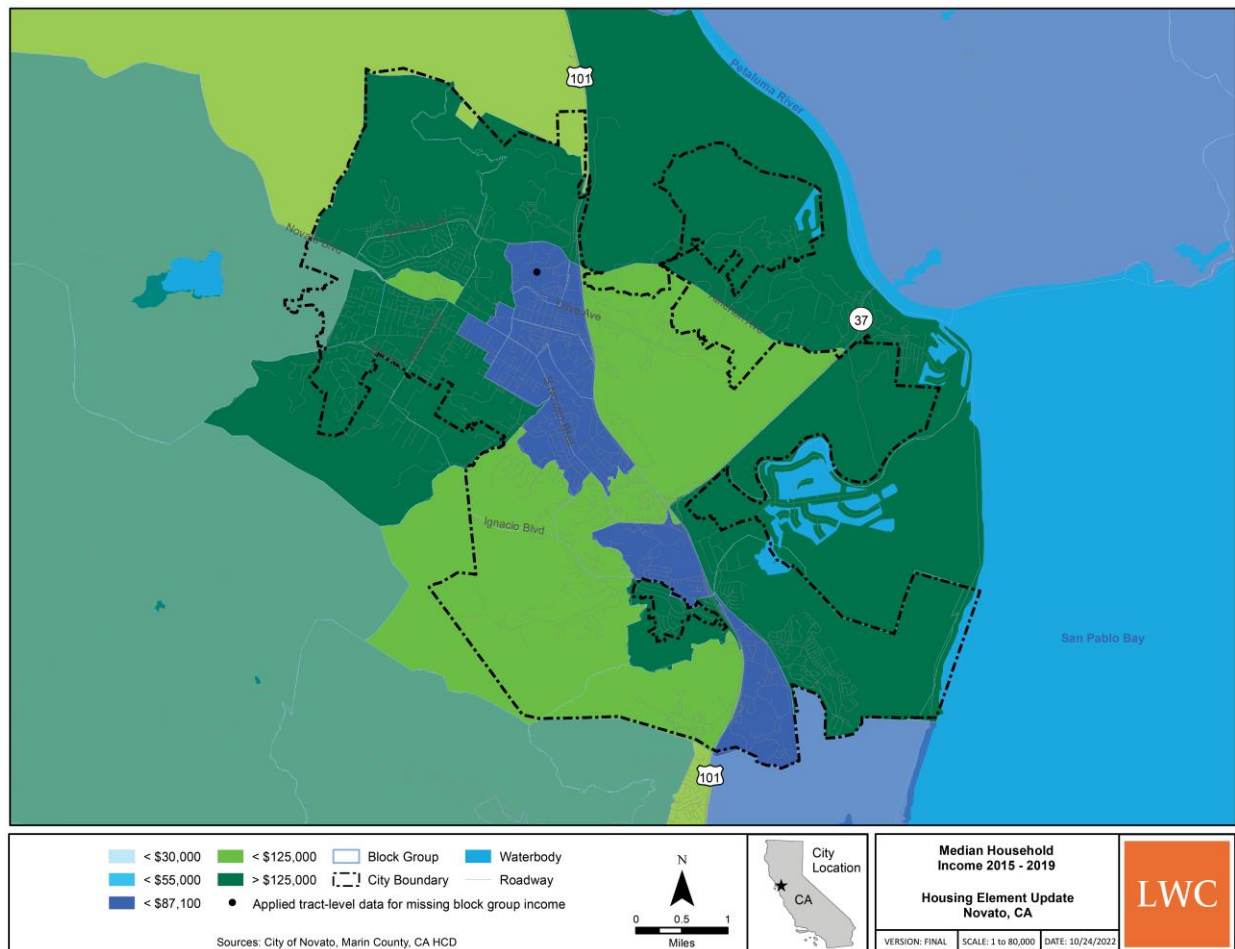
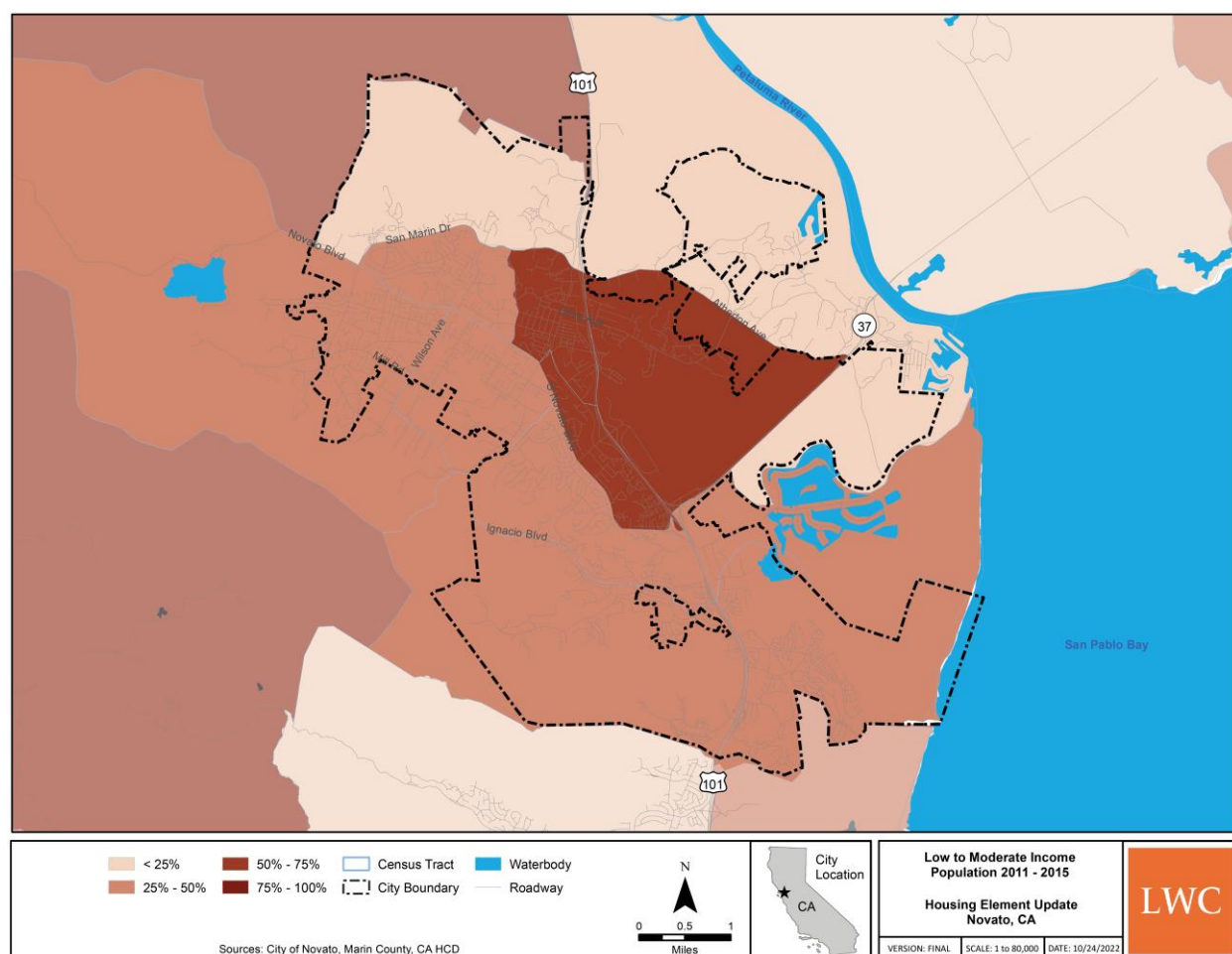


Figure F-13 presents the distribution of low- to moderate-income (LMI) households in the City in 2015, the earliest year provided as part of HCD's Geospatial Data. The LMI income designation is designed for the purposes of distributing Community Development Block Grant (CDBG) funding, which requires that the activities it funds principally benefit households making below 120 percent of area median income (AMI). In Novato, LMI households are distributed in a regular pattern across the City, with the lowest concentration in the northern periphery, the highest (50 to 75 percent) in central tracts (including Downtown), and moderate concentrations (25 to 50 percent) in all remaining tracts.

**Figure F-13: Low- to Moderate-Income (LMI) Population by Tract (2015)**



Income can also be disaggregated by race and ethnicity to further understand local patterns of segregation and integration. Table F-5 presents household income distribution by race (using 2013-2017 CHAS data) and poverty levels by race (using 2014-2019 ACS data). The former indicates that an estimated 15.2 percent of Novato housing units contain households which make zero to 30 percent of AMI. Within this income bracket, 70 percent of housing units were home to white residents alone. However, as shown in 2019 ACS data, Black, Asian, and individuals from other or multiple races experience poverty at higher rates than their portion of the City's total population and are concentrated in the Downtown area and along Highway 101 on the western and eastern Census tracts.

Though comparisons between these measurements are imperfect due to differences between the datasets (year, population) and regional AMI vs. federal poverty level, their results broadly concur. For example, per 2017 CHAS data, 13.2 percent of Hispanic or Latino households (675 housing units) are estimated to be in the zero to 30 percent AMI bracket. Per 2019 ACS data, Novato's Latino population had an 11 percent poverty rate. In both cases, Hispanic or Latino residents experienced low-income/poverty status at lower rates relative to their share of the population (18.9

percent). For further analysis, see Appendix A, Section A.3.4 (Residents Living Below the Poverty Level).

**Table F-5: Household Income and Poverty Rate by Race/Ethnicity**

Racial/ Ethnic Group	Housing Units by % AMI (2017)					Poverty Rate (2019)	% Total Population (2019)
	0-30%	31-50%	51-80%	81-100%	> 100%		
Below Poverty Level Estimate						6.4%	
White alone	2,330	2,160	2,645	1,590	7,685	4.6%	63.5%
Black or African American alone	95	99	40	65	90	13.5%	3.4%
American Indian and Alaska Native alone	0	15	0	20	40	8.6%	0.2%
Asian alone	160	135	335	105	680	12.6%	7.8%
Other race or multiple races	65	100	85	30	164	11.9%	6.2%
Hispanic or Latino origin (of any race)	675	845	485	310	770	11.0%	18.9%
Total	3,325	3,354	3,590	2,120	9,429		

Source: HUD CHAS ACS Tabulation (2017); ACS 2019 5-Year Estimates, Table B17001 (A-I)

## Patterns and Trends – Income

Between 2014 to 2019, Novato’s median household income increased, significantly increased, or remained consistent in nearly all Census tracts. While part of this reason may be attributed to the transition from ACS data being reported at the block group level rather than the Census tract level, a trend towards higher incomes persisted between 2014 and 2019 (Figures F-11 and F-12). However, in Downtown Novato and along the northern and southern block groups adjacent to the western section of Highway 101, median household income remained nearly the same during this time period. Furthermore, the Downtown Novato and northern Census tracts adjacent to Highway 101 held the highest percentage of low- to moderate-income residents in 2015 (Figure F-13). These figures indicate that while Novato experienced increased incomes in nearly all Census tracts between 2014 to 2019, this increase was not distributed across the entire City. Instead, Downtown Novato and the northern and southern block groups adjacent to Highway 101 saw stagnant changes in income. These block groups are also home to larger percentages of non-white residents. Thus, on the whole, the increase in median household income disproportionately benefited white households in Novato.

## Segregation Report

The AFFH Segregation Report for Novato has been prepared by the University of California Merced Urban Policy Lab in cooperation with ABAG and MTC. The key findings from the report include observations that white residents are the most segregated compared to other racial groups, but that they have become less segregated from 2000 to 2020. According to one measurement, neighborhood racial segregation increased overall from 2010 to 2020. In terms of

economic segregation, very low-income households are the most segregated compared to other income groups, and they became more segregated between 2010 to 2015. According to one measurement, income segregation between lower-income households and other residents was lower than average value for Bay Area jurisdictions. These findings are consistent with figures provided in this section.

#### **F.2.4 Racially or Ethnically Concentrated Areas of Poverty**

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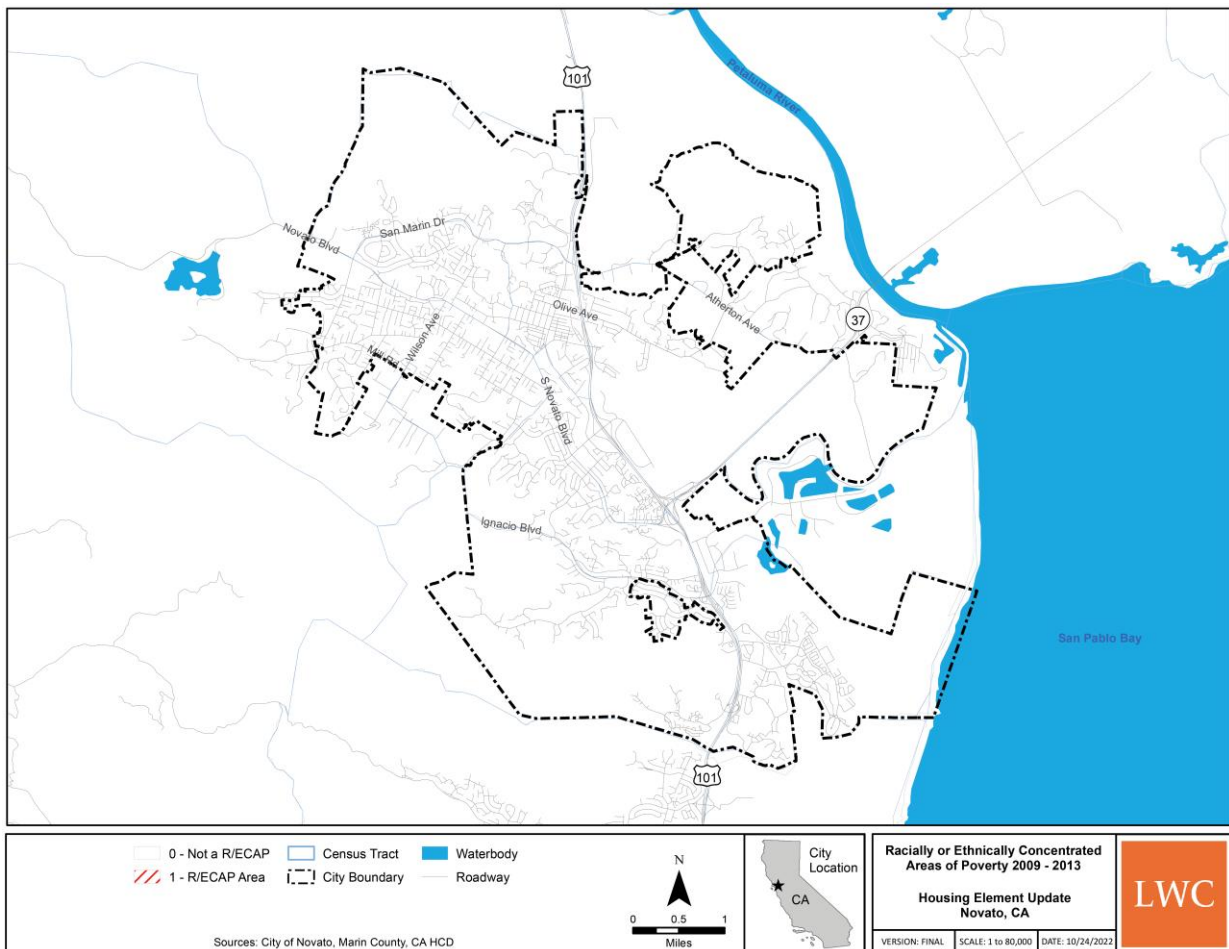
##### **Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs)**

Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) are areas that exhibit both high racial/ethnic concentrations and high poverty rates. HUD defines R/ECAPs as Census tracts with a majority non-white population (50 percent or more) and a poverty rate that exceeds 40 percent or is three times the average poverty rate for the county, whichever is lower.

R/ECAPs may indicate the presence of disadvantaged households facing housing insecurity and need. They identify areas whose residents may have faced historical discrimination and who continue to experience economic hardship, furthering entrenched inequities in these communities. As shown in Figure F-14, no R/ECAPs have been identified in Novato or in the surrounding area.



**Figure F-14: Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) (2013)**



## Patterns and Trends – R/ECAPS

As indicated above, no patterns and trends related to R/ECAPS are identified in Novato or in the surrounding area.

## Racially or Ethnically Concentrated Areas of Affluence (RCAAs)

Racially or Ethnically Concentrated Areas of Affluence (RCAAs) are neighborhoods in which there are both high concentrations of non-Hispanic white households and high household income rates. Based on research from the University of Minnesota Humphrey School of Public Affairs, RCAAs are defined as Census tracts where 80 percent or more of the population is white, and the median household income is \$125,000 or greater (which is slightly more than double the national median household income in 2016). However, HCD adjusted the RCAA methodology to track more closely with California's higher levels of diversity by setting the white population threshold to 50 percent.

According to 2019 data available from HCD (Figure F-15), seven of Novato's 12 Census tracts were considered RCAAs. This finding aligns with others summarized in this Appendix, including

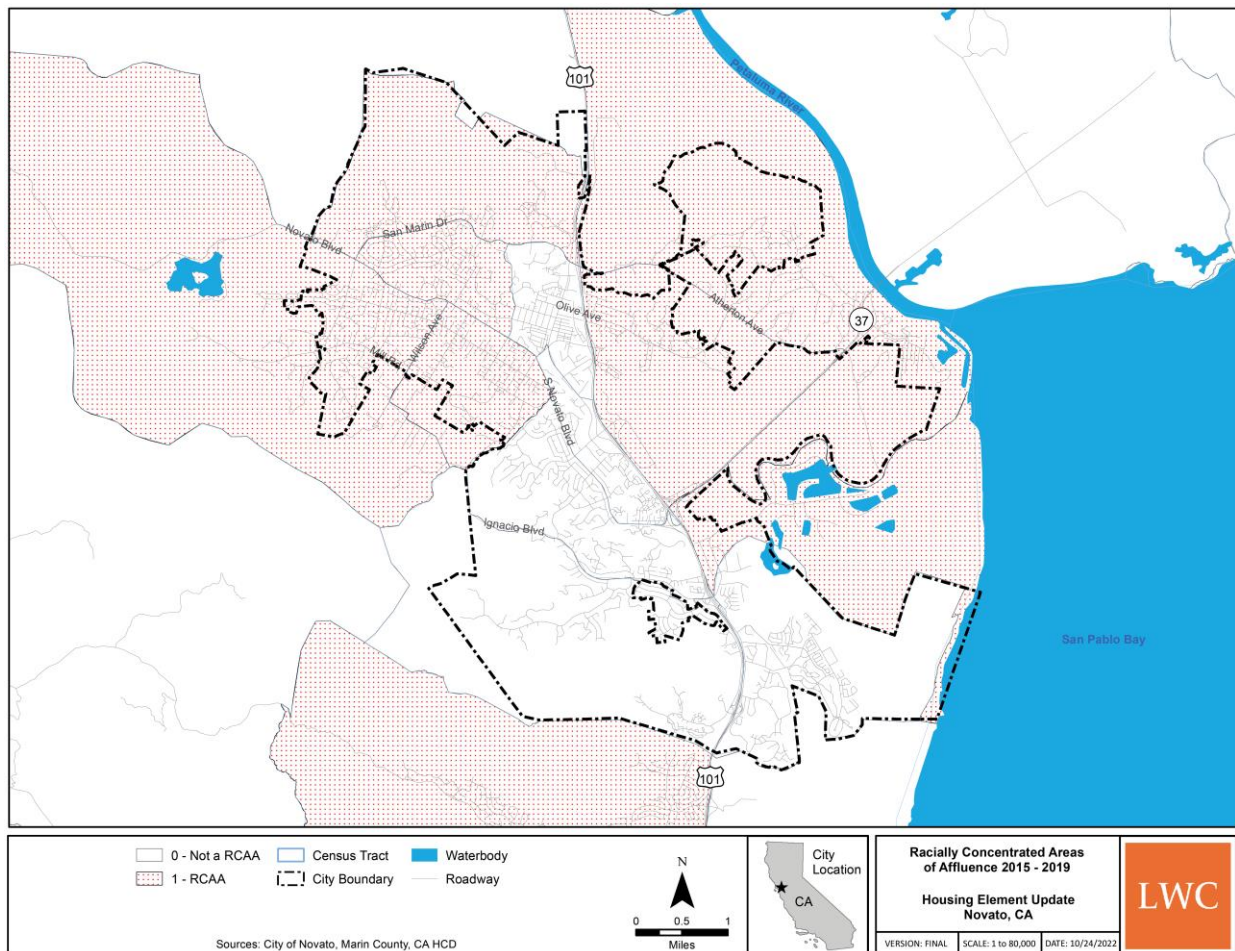
the observation that Novato's non-white residents are concentrated in block groups adjacent to Highway 101 (Figure F-4) and that northern/shoreline tracts are home to predominantly higher-income households (Figure F-12). This observation from Figure F-4 corresponds to the history of residential growth by non-white residents to the Bay Area as discussed in Section F.2.1 (History of Fair Housing Issues). As discussed in Section F.2.1, the construction of Highway 101 in 1974 and mobility of non-white residents saw population growth in Novato and across the Bay Area. While Novato and the Bay Area overall has a low percentage of non-white residents, the period of the late 1970's and early 1980's of population growth provided concentrated housing opportunities around Highway 101. The legacy of economic, education, and environmental factors contribute to segregation patterns and practices and causes disproportionate impacts across non-white populations to receive opportunities for mobility in Novato and the Bay Area.

RCAAs are not only correlated to fair housing factors such as race and highest resource areas (based on economic, educational, and environmental factors) such as in the case of Novato (see Section F.2.5 below), but RCAAs often exist given a lack of zoning for multi-family housing and a lack of publicly assisted housing. The City's current efforts in this Housing Element to adopt intentional housing mobility strategies (i.e., to remove barriers to housing and strategically enhance housing access at all income levels), as well as to actively provide a diversity of new housing choices and affordability (i.e., to promote housing supply diversity, more choices for owners and renters, and improve affordability for people who live and work in and near Novato) include several programs targeting housing for lower- and moderate-income households such as:

- Program 2.B: Maintain long-term housing affordability controls
- Program 2.C: Maintain and develop local sources of funding for affordable housing
- Program 2.D: Seek outside funding for affordable housing that leverages local resources
- Program 5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units
- Program 5.K: Continue to assist in the rehabilitation and production of housing for lower-income households



**Figure F-15: Racially Concentrated Areas of Affluence (RCAA) by Tract (2019)**



### Patterns and Trends – RCAAs

As discussed above, the findings that the seven Census tracts in Novato are considered RCAAs as of 2019 align with the observations discussed in Sections F.2.3 and F.2.4. These Census tracts are found at both the Census tract and block group levels to be home to a higher percentage of non-white residents and high-income household. In Section F.2.5, economic, educational, and environmental factors, and proximity to jobs will be discussed to further demonstrate implications of segregation found present in Novato.

### F.2.5 Access to Opportunity

One important component of fair housing is a neighborhood's access to opportunity, which correlates relative place-based characteristics of an area, such as education, employment, safety, and the environment, with critical life outcomes, such as health, wealth, and life expectancy. Ensuring access to opportunity means both investing in existing low-income and underserved communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

In February 2017, the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task Force to provide research and evidence-based policy recommendations to further HCD's fair housing goals of (1) avoiding further segregation and concentration of poverty, and (2) encouraging access to opportunity through land use policy and affordable housing, program design, and implementation. HCD and TCAC prepared opportunity maps to identify Census tracts with the highest and lowest concentration of resources.

High resource areas are areas with high index scores for a variety of opportunity indicators, including high employment rates, low poverty rates, proximity to jobs, high educational proficiency, and limited exposure to environmental health hazards. High resources tracts are areas that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health. Census tracts in the City that are categorized as moderate resource areas have access to many of the same resources as the high resource areas, but may have fewer job opportunities, lower performing schools, lower median home values, or other factors that lower their index scores across the various economic, educational, and environmental indicators. Low resources areas are characterized as having fewer opportunities for employment and education, or a lower index for other economic, environmental, and educational indicators. These areas have greater quality of life needs and should be prioritized for future investment to improve opportunities for current and future residents.

The opportunity maps inform TCAC, which oversees the Low-Income Housing Tax Credit (LIHTC) Program, to distribute funding more equitably for affordable housing in areas with the highest opportunity. The analysis evaluates total access to opportunity (e.g., high, moderate, low), but also individually assesses opportunity access across more specific indicators, such as education, transportation, economic development, and environment.

### **TCAC Opportunity Areas – Composite Score**

The 2022 TCAC Opportunity Areas Composite Score provides an aggregate index of three domains: economic, education, and environmental. Census tracts with higher composite scores indicate higher resource areas overall. As shown in Figure F-16, nearly all tracts in Novato are considered Moderate Resource, with the exception of three High Resources tracts in the northwest. Outside the City (in unincorporated Marin County), one adjacent northern tract is categorized as displaying high segregation and poverty, while another to the south is categorized as being exceptionally Highest Resource.

Figure F-16: TCAC Opportunity Areas – Composite Score by Tract (2022)

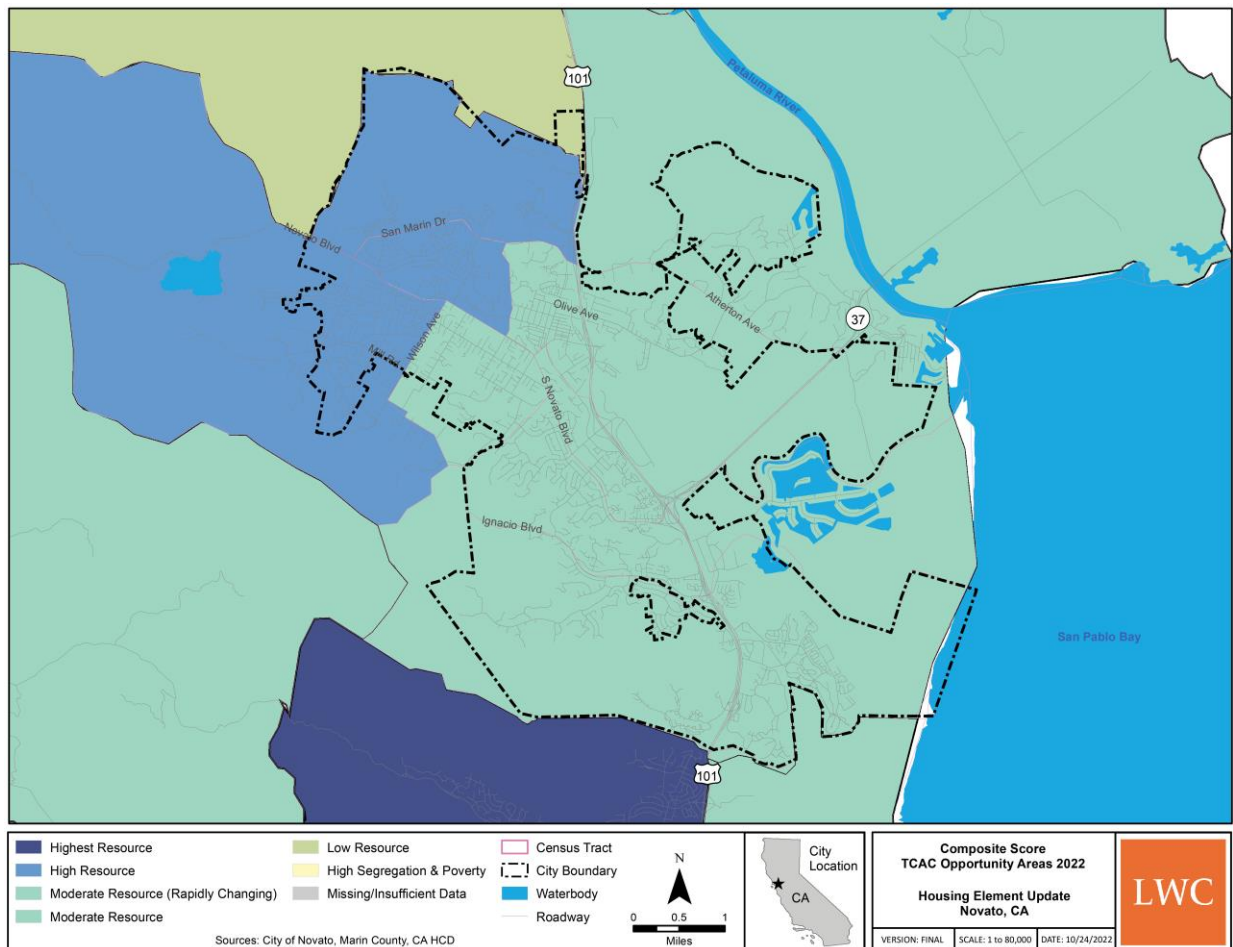
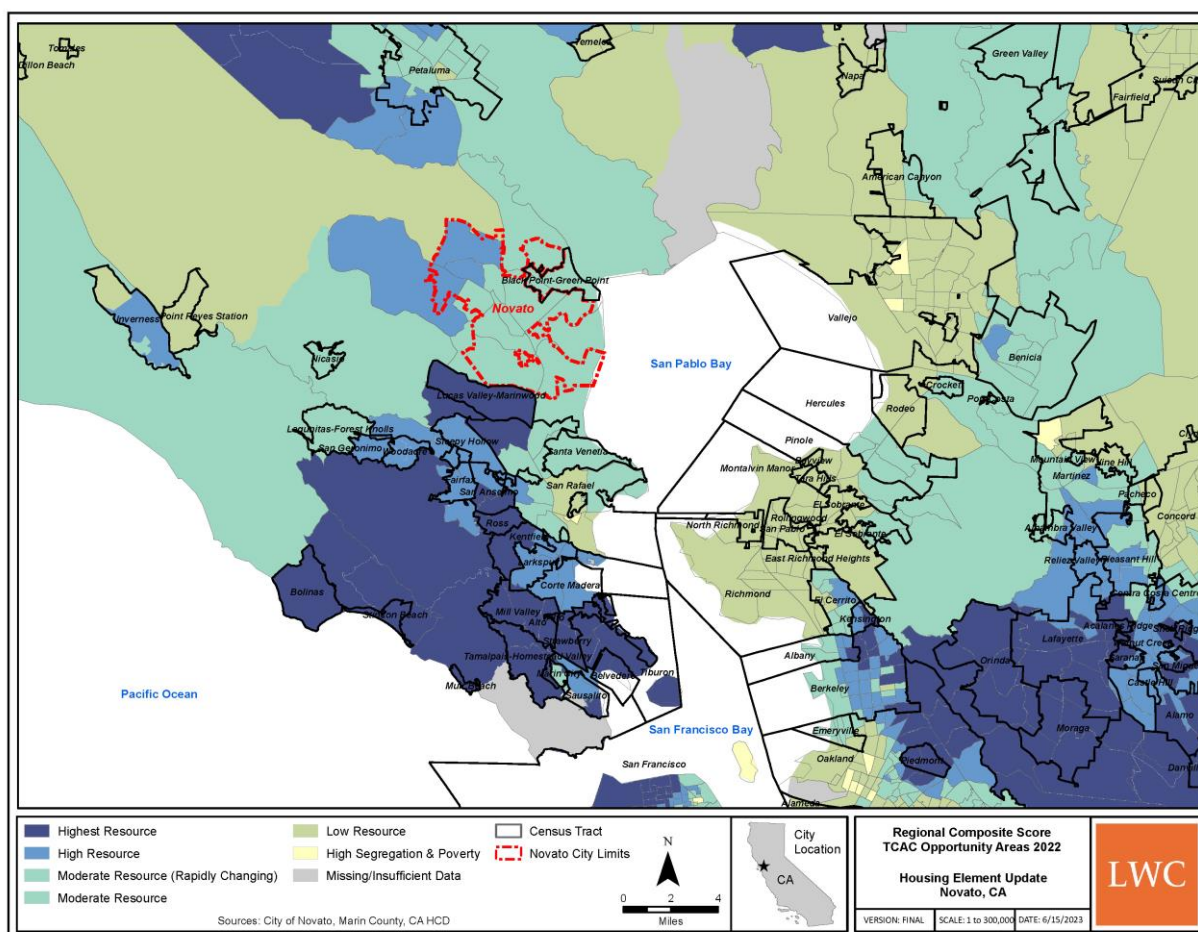


Figure F-17 displays the TCAC Composite Scores for Novato and the wider North Bay region. As noted previously when discussing income, the City of Novato is unique in that it is more affluent than many other Bay Area communities, but less so than other communities within Marin County. In terms of TCAC Composite Scores, Novato's predominantly Moderate Resource tracts indicate a greater similarity with nearby rural unincorporated Marin/Sonoma County or (across the Bay) with Benicia. By contrast, most Census tracts in southern Marin County are classified as High or Highest Resource.

**Figure F-17: Regional TCAC Opportunity Areas – Composite Score by Tract (2022)**



## Patterns and Trends – TCAC Opportunity Areas

The three High Resource Census tracts correlate with having somewhat lower percentages of non-white households by block groups as of 2018 (Figure F-4). Additionally, the three High Resource Census tracts do not include the Census tract with the lowest TCAC Economic Score (Figure F-18). This indicates that even though Novato is generally a higher resource community, non-white and lower-income households are less likely to be located in the higher resource Census tracts, potentially limiting access to economic, educational, and environmental resources which may alleviate disparities across populations.

## Economic Score

The 2022 TCAC Opportunity Areas Economic Score for a Census tract is based on poverty, adult education, employment, job proximity, and median home value indicators. The score is broken up by quartiles, with the highest quartile indicating more positive economic outcomes and the lowest score indicating least positive outcomes. As shown in Figure F-18, the majority of the City's



Census tracts have a lower economic score in the 0.25 to 0.50 range, with the tract encompassing Downtown having the lowest score and one northern hillside tract having the highest.

Economic scores in nearby unincorporated Marin County are generally similar to Novato. Economic scores generally decrease in the eastern area and increase or remain the same in the north and west areas. The Census tracts that have the lower economic score in the 0.25 to 0.50 range also score in the mid-range for the Jobs Proximity Index compared to the rest of the City (see Figure F-24).

**Figure F-18: TCAC Opportunity Areas – Economic Score by Tract (2022)**

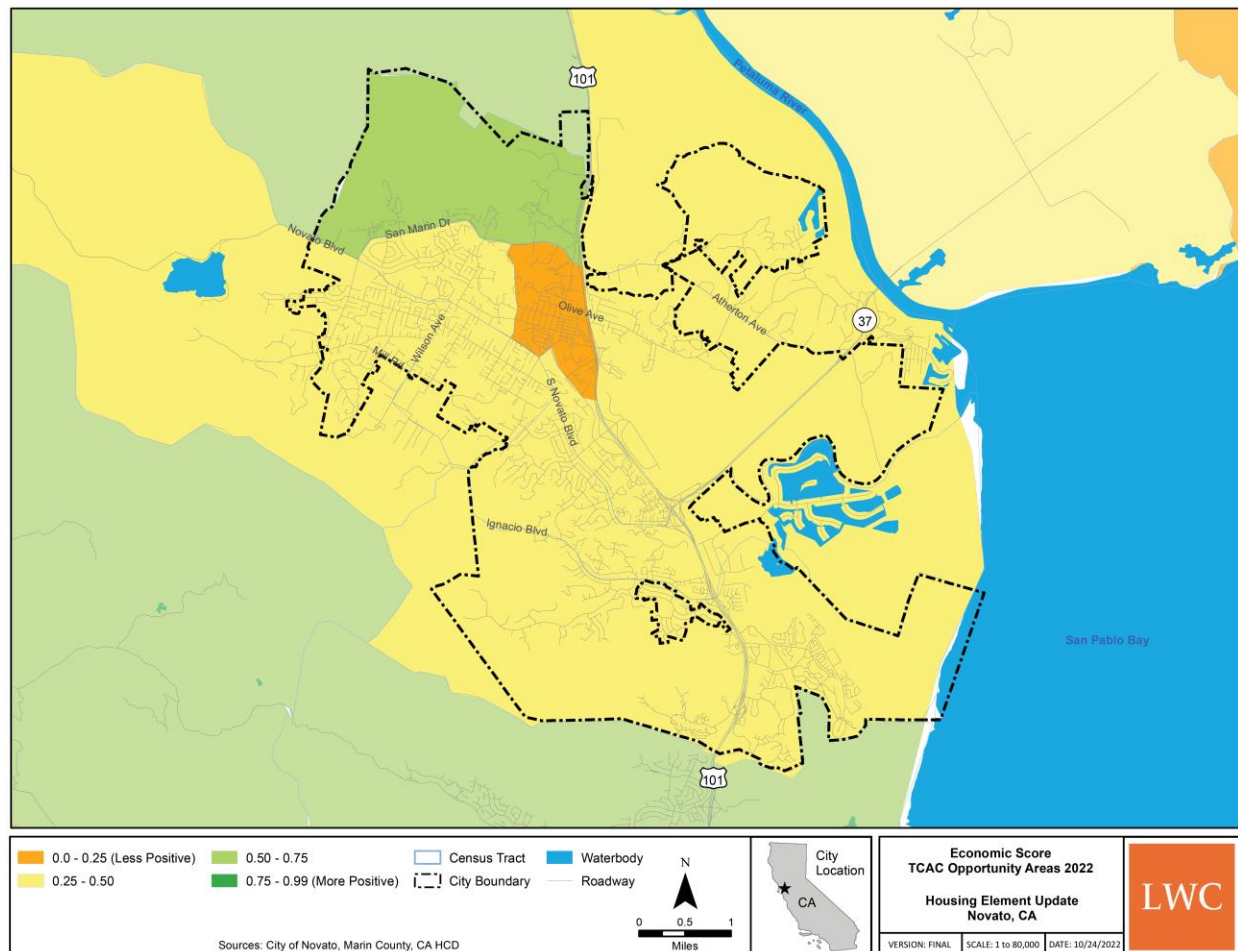
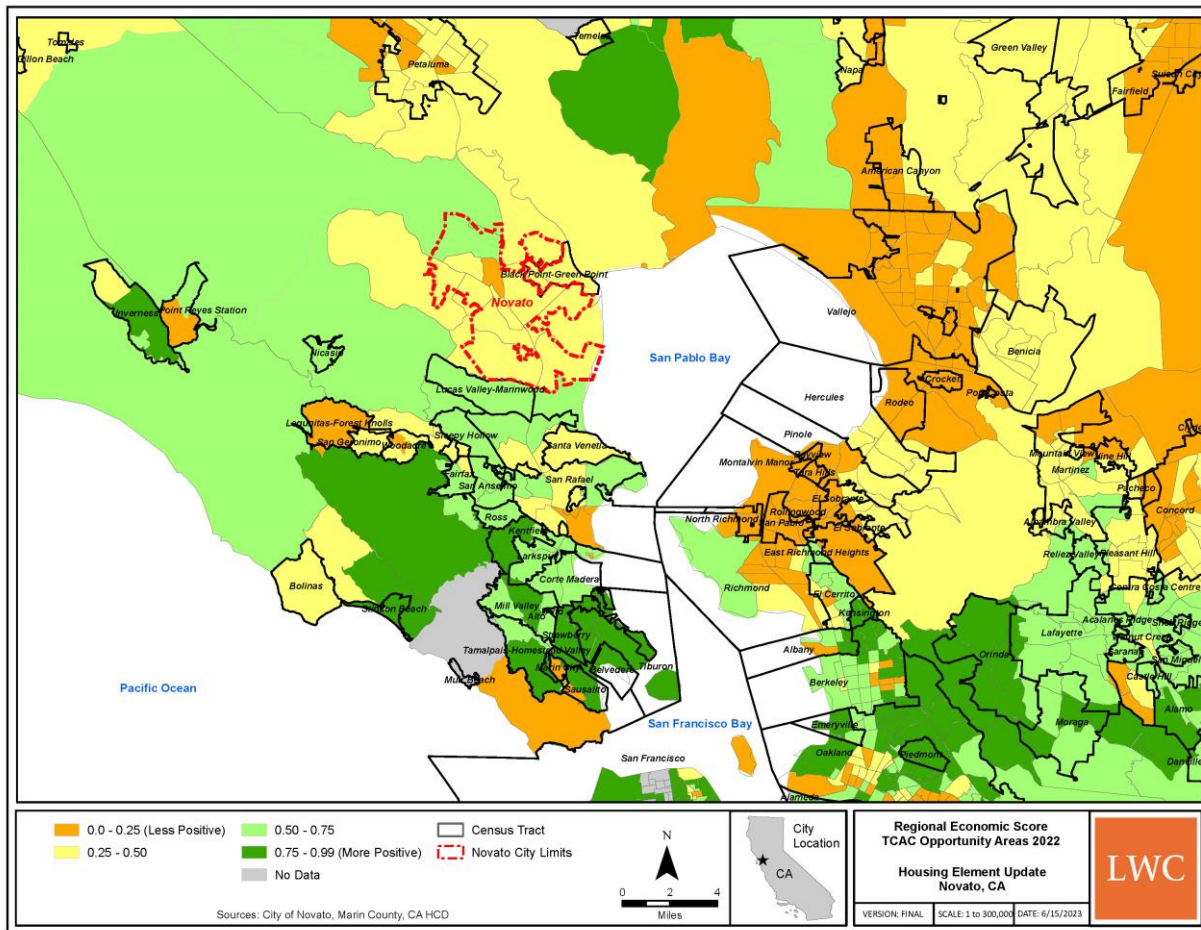


Figure F-19 displays the TCAC Economic Scores for Novato and the wider North Bay region. At this scale, Novato again contrasts with southern Marin County communities and cities like Vallejo east across San Pablo Bay. One visible pattern is Novato's similarity to Petaluma and San Rafael; all three cities have multiple "core" Census tracts classified in the 0.25 to 0.50 range and distinct neighborhoods where economic outcomes are less positive (0.0 to 0.25). Elsewhere in Marin County, Economic Scores of 0.50 or above are more common.

Figure F-19: Regional TCAC Opportunity Areas – Economic Score by Tract (2022)



## Patterns and Trends – Economic Score

The Census tract in Downtown with the lowest Economic Score correlates to the block groups with the highest percentage of non-white households in Novato (Figure F-14). This indicates further evidence that non-white households in Novato are more likely to be lower-income households.

## Education Score

The 2022 TCAC Opportunity Areas Education Score for a Census tract is based on math and reading proficiency, high school graduation rate, and student poverty rate indicators. The score is broken up by quartiles, with the highest quartile indicating more positive education outcomes and the lowest quartile signifying fewer positive outcomes. The Novato Unified School District's enrollment zone encompasses the entirety of the City, including a portion of the unincorporated areas immediately to the City's north and west. As shown in Figure F-20, five of Novato's Census tracts have education scores between 0.50 and 0.75, with all other tracts in the 0.25 to 0.50 range.

Figure F-20: TCAC Opportunity Areas – Education Score by Tract (2022)

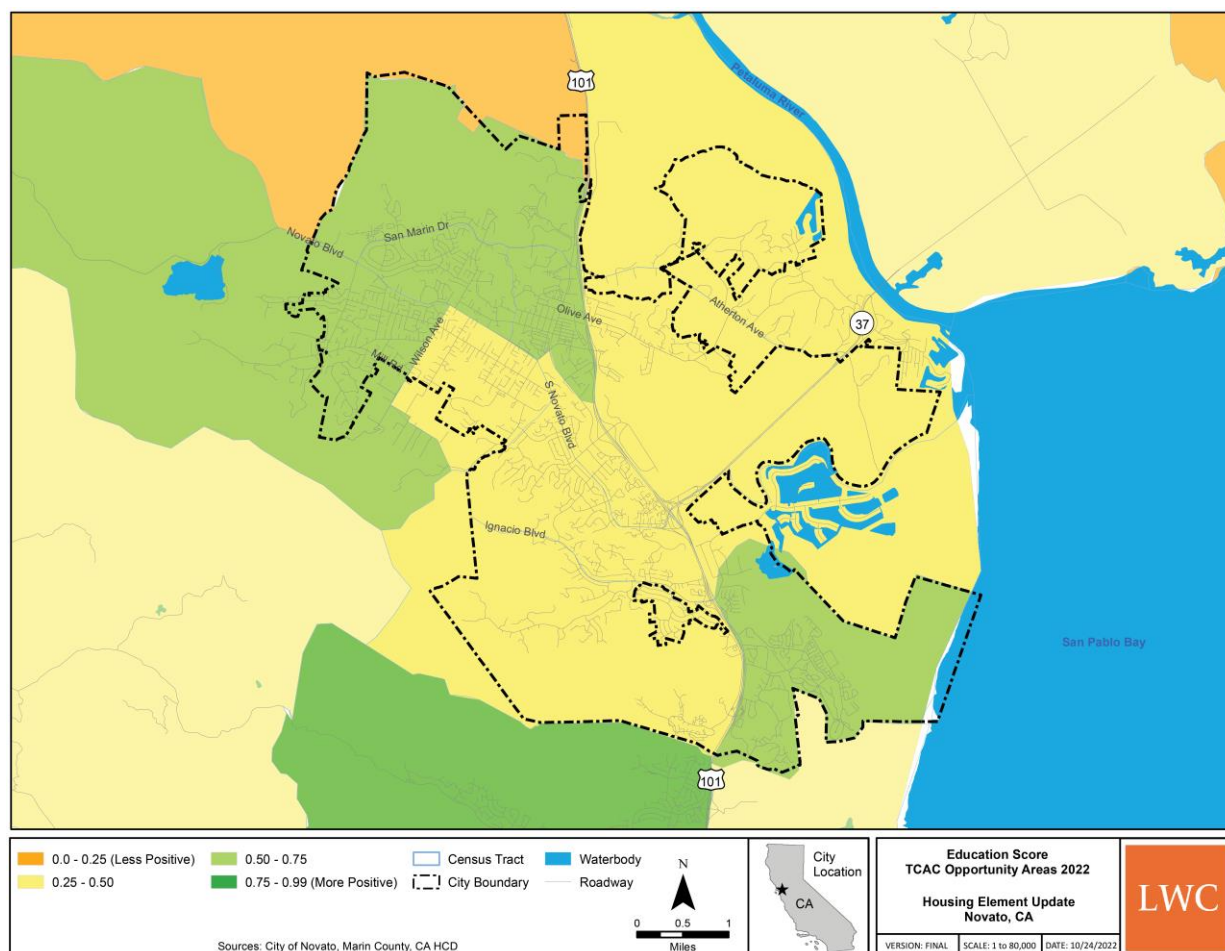


Figure F-21 displays the TCAC Education Scores for Novato and the wider North Bay region. At this scale, Novato appears most similar to Petaluma, with a mix of tracts with Education Scores ranging from 0.25 to 0.75. Education outcomes are, like economic outcomes, more positive farther south in Marin County, with the exception of portions of San Rafael.



**Regional Education Score TCAC Opportunity Areas 2022**

**Housing Element Update Novato, CA**

**LWC**

Version: FINAL | Scale: 1 to 300,000 | Date: 6/15/2023

Sources: City of Novato, Marin County, CA HCD

As shown in Figure F-20 above, the northern Census tracts correlate with the High Resource TCAC Opportunity Area Composite Score (Figure F-16) and the Census tracts with the entirety of both the highest and lowest Economic Score (Figure F-18) in Novato. The northern Census tracts scoring in Novato's highest Education Score (Figure F-20) indicate the educational system serving these Census tracts provides resources lower-income households may not otherwise receive in the City. All other Census tracts in Novato attain the Education Score of 0.25 to 0.50 (Figure F-20). Consequently, all other Census tracts would benefit from better-serving education institutions and increased resources for students.

The environmental score for a Census tract is based on indicators used in the California Office of Environmental Health Hazard Assessment (OEHHA)'s CalEnviroScreen 4.0 tool. These indicators include the "exposures" and "environmental effect" subcomponents of the tool's "pollution burden" domain. To mirror the CalEnviroScreen 4.0 approach to calculating pollution

burden scores, the exposure indicators are weighed twice as heavily as the environmental effects burden indicators because they are considered to have more of an impact on pollution burden. Examples of exposure indicators include ozone concentrations, traffic density, and drinking water contaminants. Examples of environmental effects indicators include groundwater threats and cleanup sites. The environmental score ranges from 0.0 to 1.0, where a higher score indicates more positive environmental outcomes.

As shown in Figure F-22, the Census tract on the City's southeast (encompassing the redeveloped Hamilton Airforce Base) has the lowest environmental score in the 0.0 to 0.25 range, indicating poor environmental conditions for residents. Investigating CalEnviroScreen 4.0's [Indicator Maps](#) directly reveals the tract's low score is predominantly attributed to its legacy as a military base (including sites of ongoing environmental remediation and potential groundwater threats from underground storage tanks) and biotechnology companies in the Novato Industrial Park being classified as hazardous waste generators. Though this pollution burden should not be dismissed, the former Hamilton Airforce Base has been safely redeveloped as a residential neighborhood in recent decades and does not represent an acutely environmentally-burdened community.

All other Census tracts in Novato have TCAC environmental scores between 0.25 and 1.0. Contributors to lower scores include other "pollution burden" indicators, such as adjacency to Highway 101 (diesel particulate matter), concentrations of older homes Downtown (lead exposure), proximity to agriculture on the City's southwestern border (pesticide use), and proximity to environmentally hazardous sites (as in the tract discussed above). Compared to the surrounding Marin County area, Novato has a higher environmental score concentrated around Highway 101 and in the central area of the City. The environmental score generally decreases from this area, though remains higher in the southeast area by the San Pablo Bay.

**Figure F-22: TCAC Opportunity Areas – Environmental Score by Tract (2022)**

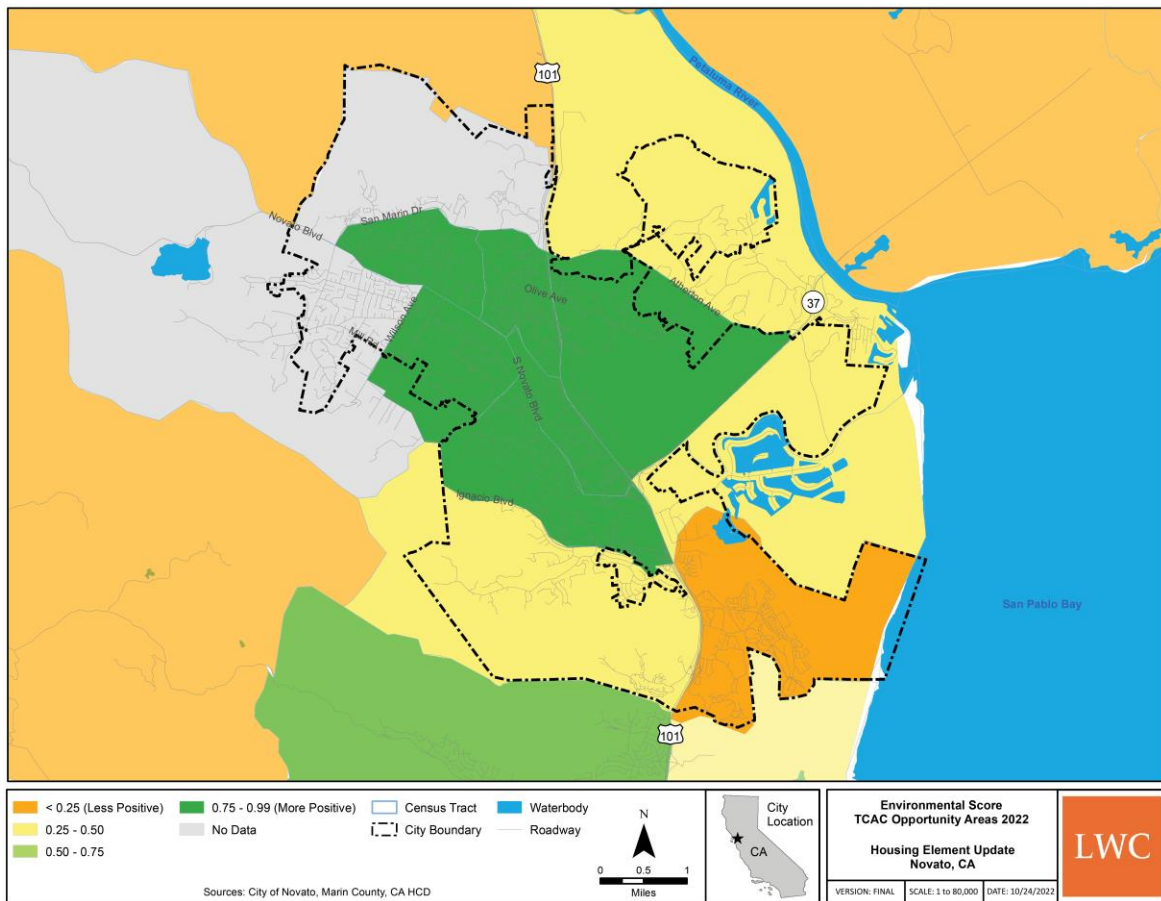
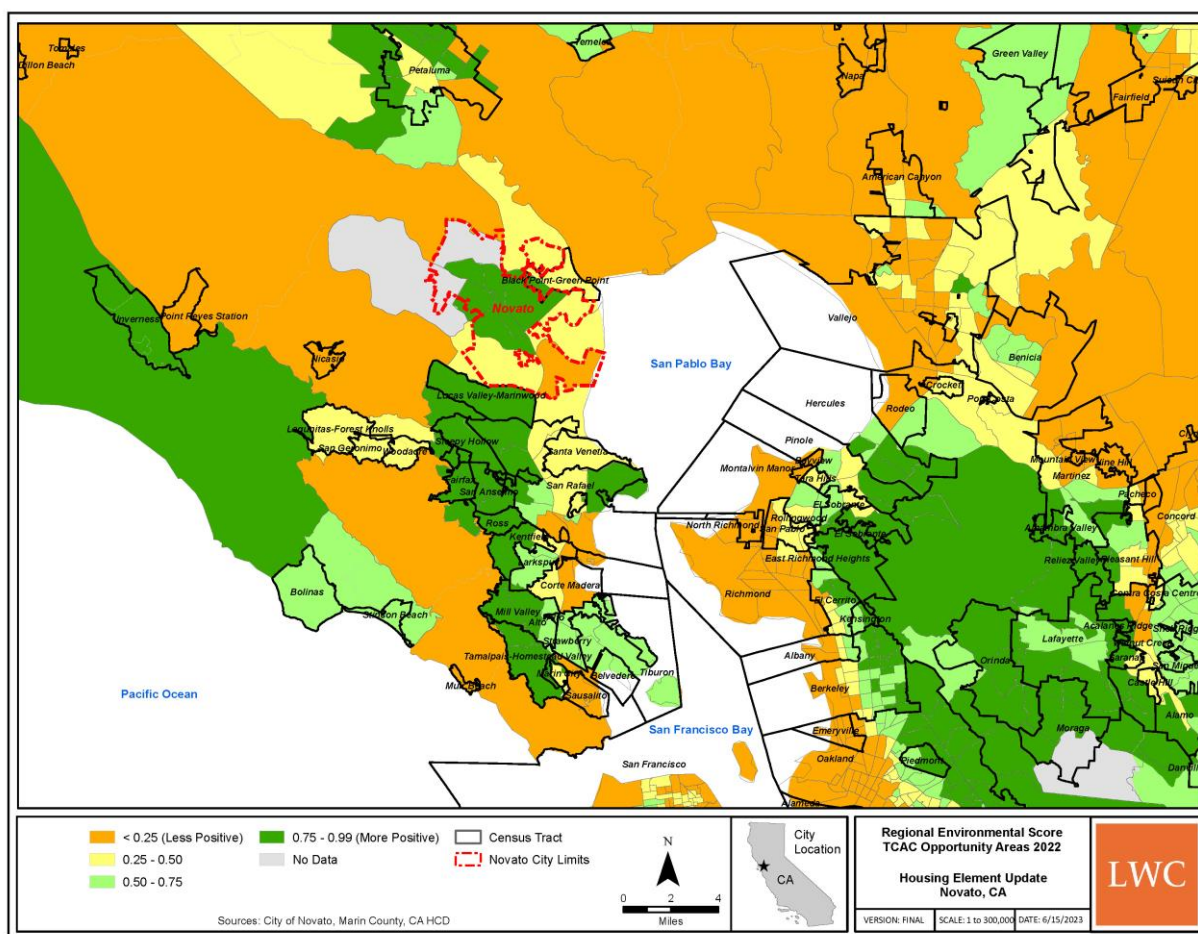


Figure-23 displays the TCAC Environmental Scores for Novato and the wider North Bay region. Lower Environmental Scores observed on Novato's eastern side appear to be part of a pattern for many Bayshore tracts in both southern Marin County (e.g., San Rafael, Corte Madera) and along the northern and eastern edge of San Pablo Bay. Unlike other TCAC indicators, central Novato has more in common with fellow Marin County communities to its south with Environmental Scores in the highest range (0.75 to 0.99).

**Figure F-23: Regional TCAC Opportunity Areas – Environmental Score by Tract (2022)**



### Patterns and Trends – Environmental Score

As shown in Figure F-22 above, the southeastern Census tract correlates with the lowest environmental score of less than 0.25 in Novato. The northeastern, central eastern, and southwestern Census tracts score in the middle to lowest category with an environmental score of 0.25 to 0.50, while the centermost Census tracts have the highest possible environmental score of 0.75 to 0.99.

As discussed above, the southeastern Census tract with the 0.25 or lower score encompasses the site of the redeveloped Hamilton Airforce Base, which has had sufficient environmental remediation programs. However, the southeastern Census tract with the lowest environmental score has a moderately high percentage of non-white residents (Figure F-4) and a moderate percentage of low- to moderate-income residents as of 2015 who may also experience higher rates of overpayment (Figures F-13 and F-27). There are no clear patterns or trends of fair housing issues currently identified in the southeastern Census tract given the environmental remediation activities in the area.

Regionally, Novato follows a pattern present across Marin County in which more inland communities and Census tracts are calculated at higher TCAC Environmental Score levels than those closer to the Bay. However, this does not clearly track with median household income (Figure F-10) or RCAA status (Figure F-15), possibly due to the value and desirability of waterfront homes.

### **Jobs Proximity Index**

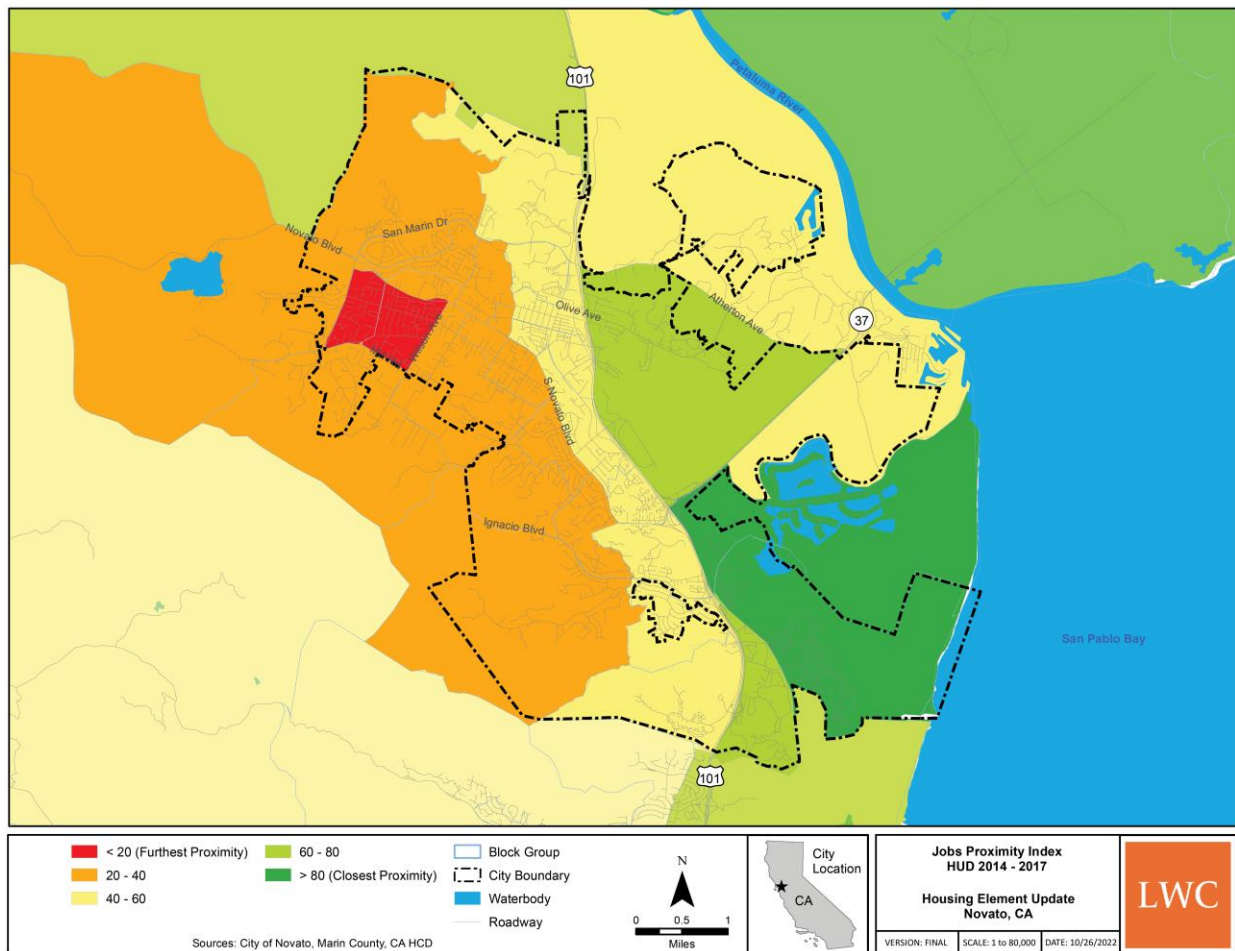
HUD's Jobs Proximity Index quantifies the accessibility of a given residential neighborhood (at the block group level) to all job locations in its region, with larger employment centers weighted more heavily. This index can be used as a proxy to indicate relative transportation needs in a community. The score ranges from 0 to 100, with higher scores representing closer proximity to job centers.

As shown in Figure F-24, Novato neighborhoods on the east side of Highway 101 have the highest scores (in the 60 to 80+ range), likely due to their proximity to large auto-oriented commercial developments, biotech/pharmaceutical firms, and institutional employers. Scores are consistently lower the farther block groups are from these employment centers, with predominantly residential neighborhoods on the City's east side having the lowest scores in the 0 to 20 range.

According to 2019 ACS data, approximately 18.6 percent of residents are both employed and live in Novato. The onset of the Covid-19 pandemic may have increased this percentage based on remote work capabilities. For further analysis, see Appendix A, Section A.2.4 (Employment).



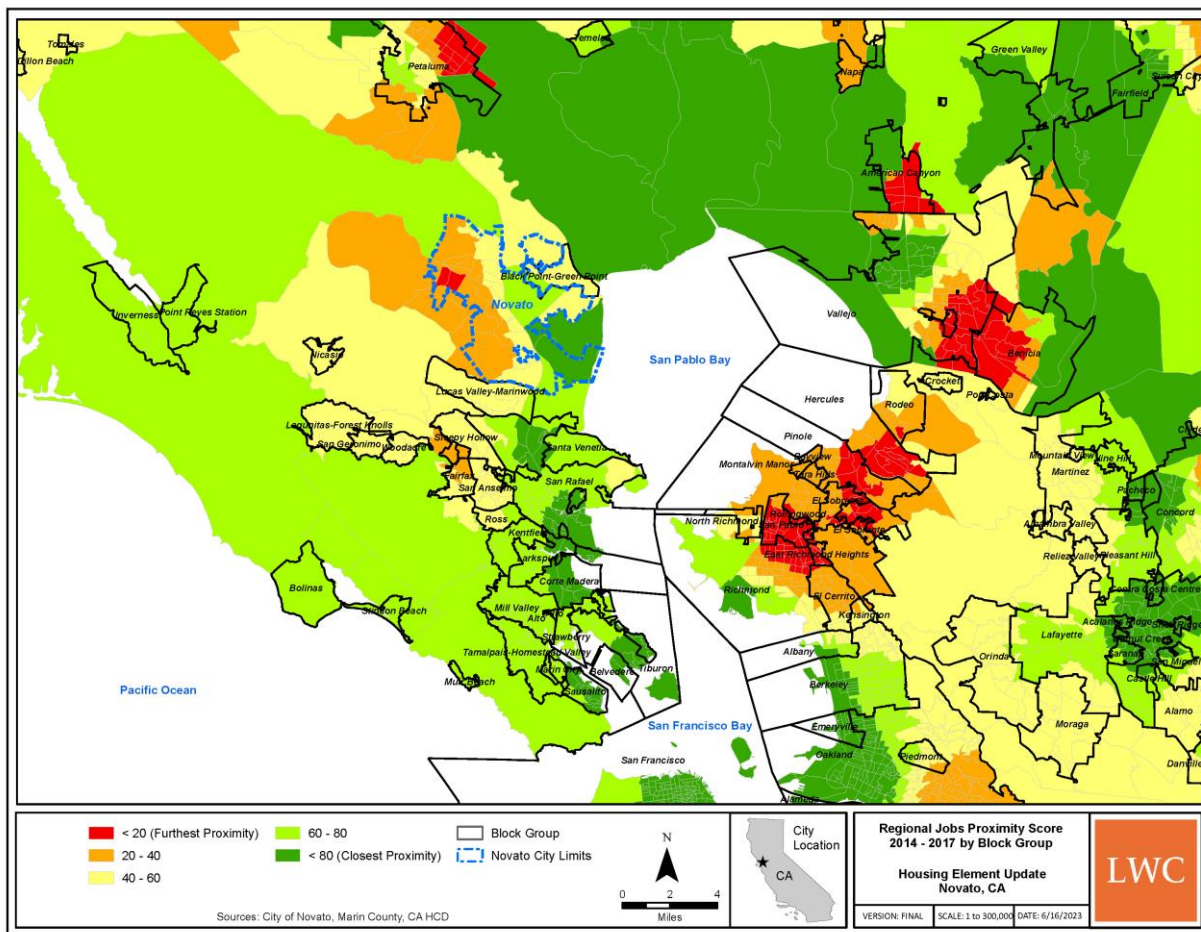
Figure F-24: Jobs Proximity Index (2017)



The land use pattern of downtowns and commercial centers clustering along the north-south Highway 101 corridor is common throughout Marin County, with lower-density neighborhoods extending westward into the foothills of Mount Tamalpais and the wider Coastal Ranges. In many cases, this greater distance from activity centers is the appeal of many suburban Marin County neighborhoods, but as noted elsewhere in this Appendix, the region's overall land use pattern is in a state of change as communities address fair housing concerns, climate change, etc.

However, a regional view of the Jobs Proximity Index (Figure F-25) does not indicate this land use pattern impacts other portions of Marin County as acutely as it does western Novato. Lower scores in 0 to 40 range are not as common elsewhere in Marin County, even in communities with similarly suburban land use patterns. Comparatively, these scores are more similar to portions of Petaluma or communities on the eastern side of San Pablo Bay.

Figure F-25: Regional Jobs Proximity Index (2017)



## Patterns and Trends – Jobs Proximity Index

No clear patterns and trends of HUD's Jobs Proximity Index are identified in Novato or in the surrounding area in relation to other analyses in this Appendix.

## Disparities in Access to Opportunity for Persons with Disabilities

People with disabilities often experience challenges with accessibility, discrimination, and housing choice that make it difficult to find suitable housing to meet their needs. According to the Needs Assessment (Appendix A, Figure A-24), the most common types of disabilities in Novato in 2019 were ambulatory disabilities, followed by independent living and cognitive disabilities.

The California Department of Developmental Services (DDS) currently provides community-based services to approximately 350,000 persons with developmental disabilities and their families through a statewide system of regional centers, developmental centers, and community-based facilities. The Golden Gate Regional Center serves individuals and families in Marin, San Francisco, and San Mateo counties. DDS provides data on developmental disabilities by age and type of residence. According to DDS and as shown in the Needs Assessment (Appendix A, Table



A-8), there are about 460 residents with a development disability in Novato, with most of them (228) able to live in a home with their parent or guardian.

There are a variety of housing types appropriate for people with disabilities, such as licensed and unlicensed single-family homes, group homes, and transitional and supportive housing. The design of housing-accessibility modifications, proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group. The Housing Constraints Appendix (Appendix C) discusses how the City permits various housing types, including the allowance for reasonable accommodations.

Additionally, the Marin County Health and Human Services agency operates the In-Home Supportive Services (IHSS) program for low-income seniors or people with disabilities. This program provides support for individuals such as meal preparation, laundry, house cleaning, and personal care to enable them to live at home.

### **Patterns and Trends – Disparities in Access to Opportunity for Persons with Disabilities**

As shown in Figure F-6, the population of Novato residents with a disability is distributed in the central Census tracts of the City. When considering HUD's Job Proximity Index (Figure F-24), Novato residents living in the westernmost and central Census tracts are located in areas further away from job centers. This indicates for those Novato residents with a disability either working or seeking a job, there can be a disparity in access to opportunity for job access compared to other residents.

### **Disparities in Access to Transportation Opportunities**

The HUD Low Transportation Cost Index is based on estimates of transportation costs for a family that meets the following description: a three-person single-parent family with income at 50 percent of the median income for renters for the region. These estimates originate from the Location Affordability Index (LAI). Transportation costs are modeled for Census tracts as a percentage of income for renters in these households. Index values are inverted, and percentile ranked nationally, with values ranging from 0 to 100. Higher index values indicate lower transportation costs in that neighborhood. Transportation costs may be low within a tract for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in that area.

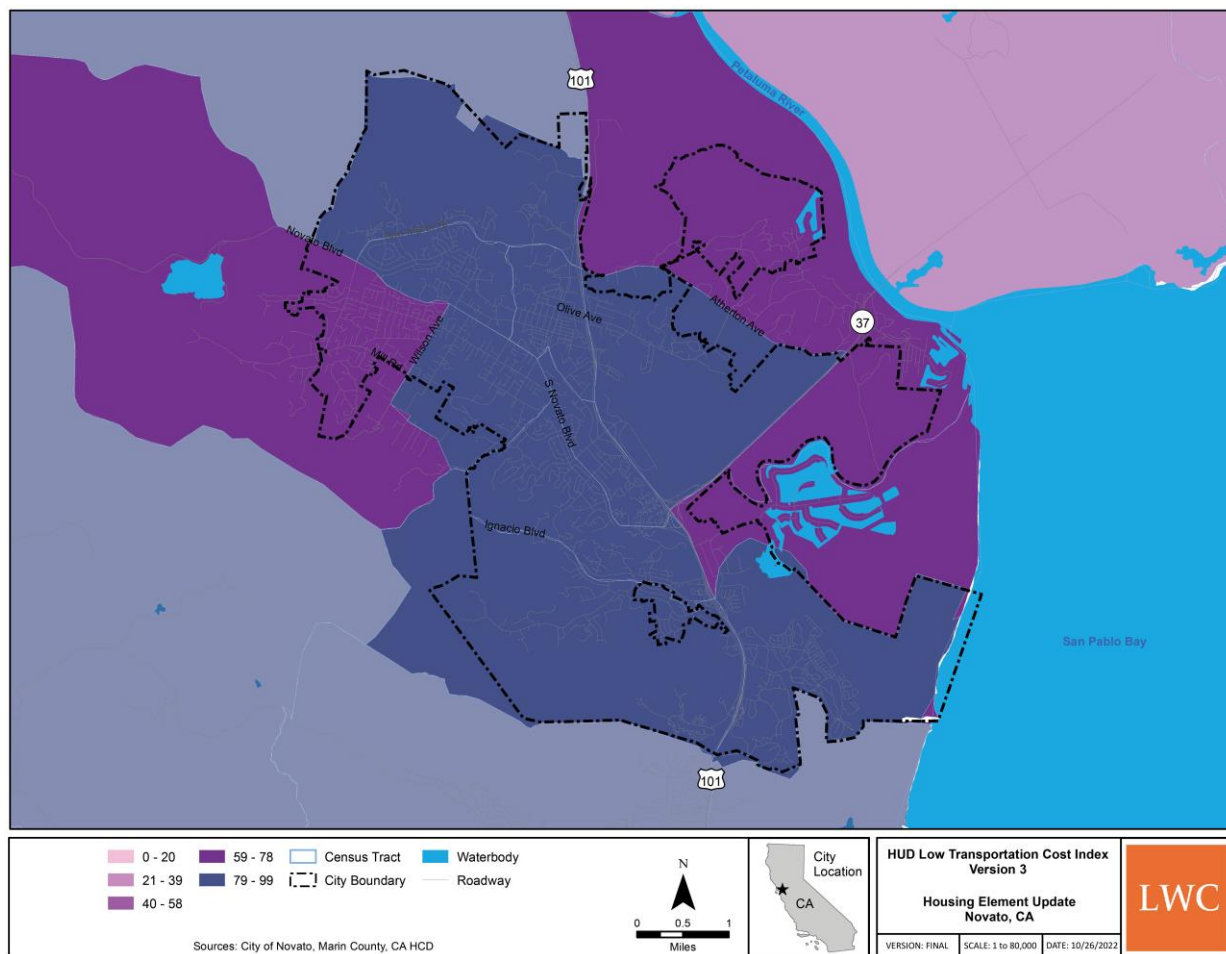
Figure F-26 displays the Transportation Cost Index ranges in Novato. The index values are in the 59 to 99 range for all Census tracts, indicating that Novato has lower transportation costs than the national average. Residents have access to a variety of transportation options, including 33 miles of bike paths connecting the community internally and to surrounding jurisdictions. The City participates in Marin County's Safe Routes to Schools program and has 11 public and private schools participating. Marin Transit is the regional agency providing local transit service, with 134 bus stops located within the City. Novato is also served by three Sonoma-Marín Area Rail Transit (SMART) stations.

The transportation cost index values in the westernmost and easternmost areas of the City (59 to 78) are lower than the remaining parts of the more central area of the City (Figure F-26). Novato in the top Transportation Cost Index range for areas not considered RCAAs in the City and areas with the lowest economic scores, suggesting the City provides low transportation cost options for residents of different backgrounds and incomes (Figure F-15; Figure F-18).

### Patterns and Trends – Disparities in Access to Transportation Opportunities

No clear patterns and trends of disparities in access to transportation opportunities are identified in Novato or in the surrounding area. This conclusion is based on Figures F-13 and F-26, demonstrating that the top Transportation Cost Index range indicating fair transportation costs are in the same Census tracts of households earning low to moderate-incomes. Thus, it is concluded lower-income households in Novato generally have good access to low-cost transportation options.

**Figure F-26: HUD Low Transportation Cost Index by Tract**



## F.2.6 Disproportionate Housing Needs

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### Overpayment

HUD defines overpayment, or “housing cost burden,” as households paying 30 percent or more of their gross income on housing expenses, including rent or mortgage payments and utilities. Housing cost burden is considered a housing need because households that overpay for housing costs may have difficulty affording other necessary expenses, such as childcare, transportation, and medical costs. Spending large portions of income on housing places low-income households at higher risk of displacement, eviction, and homelessness.

In Novato, 22 percent of households are cost-burdened, and 19 percent are severely cost-burdened, a total of 41 percent of total households experiencing some level of overpayment (See Appendix A, Figure A-45). These rates are only one percent higher compared to rates of overpayment in Marin County (18 and 21 percent, respectively), though several percent higher compared to the Bay Area as a whole (16 and 20 percent, respectively).

When evaluating overpayment by household tenure, 54 percent of renters are cost-burdened (26 percent) and severely cost-burdened (29 percent) compared to 35 percent of homeowners being cost-burdened (20 percent) and severely cost-burdened (15 percent) (See Appendix A, Figure A-46).

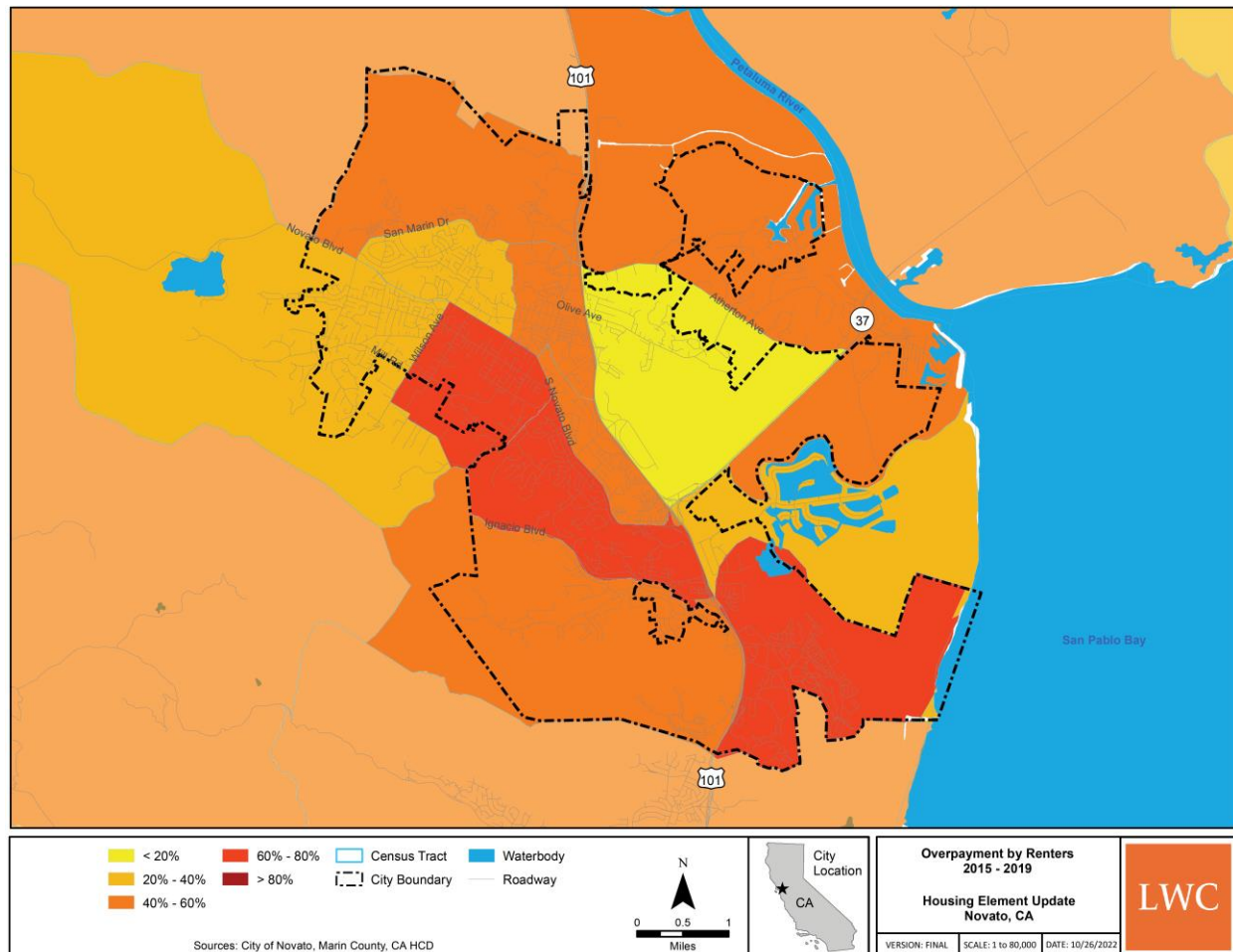
When evaluating overpayment among lower-income households in Novato, 30 percent of low-income households (earning 50-80% of AMI) are cost-burdened and 10 percent are severely cost-burdened (total of 40 percent), 28 percent of very-low income households (earning 30-50% of AMI) are cost-burdened and 38 percent are severely cost-burdened (total of 56 percent), and 16 percent of extremely-low income households (earning 0-30% of AMI) are cost-burdened and 58 percent are severely cost-burdened (total of 74 percent) (See Appendix A, Figure A-50). This indicates that as household income decreases in Novato, households are more likely to experience overpayment.

When evaluating overpayment by household size in Novato, 17 percent of larger families (5 or more persons) are cost-burdened compared to 21 percent of all other household types, and 20 percent of households for both household size categories are severely cost-burdened (See Appendix A, Figure A-49). Some stakeholders shared during the community outreach process that rent increases are unsustainable for families already experiencing a housing cost-burden because they cannot address other essential needs, such as food insecurity. During the COVID-19 pandemic, some non-profit social service providers shared that they experienced an increase in program applicants who qualified as housing cost-burdened (Public Participation Summaries, Appendix E, Section E.2.2) The disproportionate experience of Novato residents experiencing overpayment for housing limits the ability for upward economic mobility for households. This data points to the need for more affordable housing units in Novato to meet the needs of lower-income households. As discussed above, renters are typically more likely to overpay for housing costs than homeowners (see Appendix A, Figure A-43). While the housing market has resulted in home

prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. According to 2019 ACS data, the percentage of renter households experiencing a cost burden varies across the City (Figure F-27), with the highest renter overpayment percentage between 60 to 80 percent in the central western and southeastern Census tracts of the City. Figure F-13 above provides the low-to moderate income population by Census tract for both renters and homeowners combined. As shown in Figure F-13, the highest concentration of low- to moderate-income households in the 50 to 75 percent of the population range do not live in the two Census tracts in Figure F-27 below showing overpayment by renter households. Overpayment in these two Census tracts do not indicate any obvious patterns by renters in Novato.

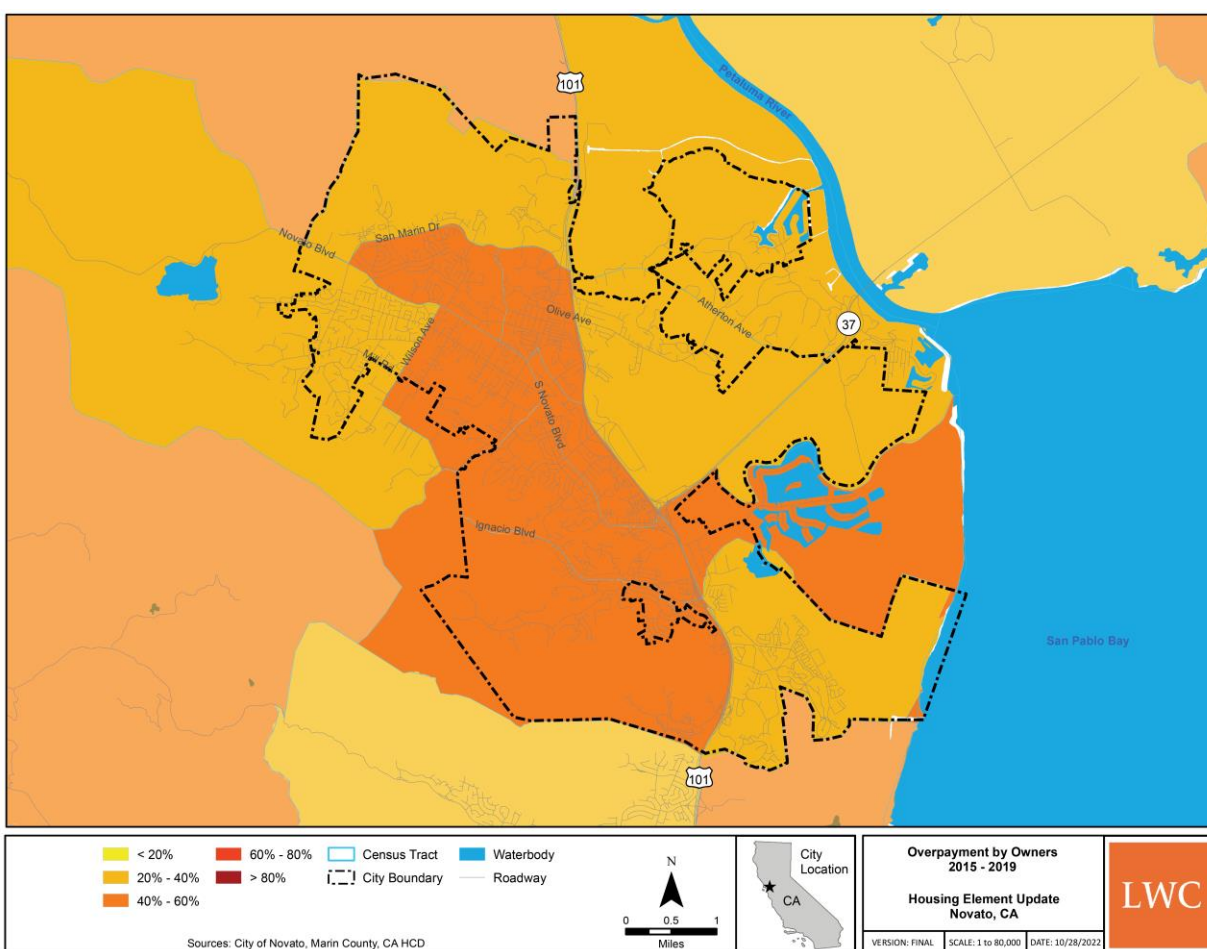
The remaining higher rate of renters experiencing overpayment is found in Downtown Novato, in the central area of Highway 101 in the City, and in the northernmost, easternmost, and southwestern most Census tracts. Of these Census tracts, part of Downtown Novato has the highest non-white population in the City at the block group level, and part of the Census tract has a lower percentage of overpayment by renters at 20 to 40 percent of the population (Figure F-4). This data indicates that at least part of the geographic area of Novato is home to a higher percentage of non-white renters experiencing overpayment at higher rates than other areas of the City. The central western area provides a mix of residential and commercial uses, and the southeastern area of the City is zoned as a planned development.

Figure F-27: Overpayment by Renters by Tract (2019)



In contrast to renter overpayment, homeowners experience a lower rate of cost burden than renters in Novato (See Appendix A, Figure A-43). Figure F-28 shows the percentages of homeowners experiencing overpayment according to 2019 ACS data. Homeowners experiencing a cost burden range from approximately 20 percent to 60 percent across the City, indicating Novato homeowners are relatively less cost burdened than renters. Overpayment by homeowners is experienced in approximately half of the same Census tracts as renters experiencing overpayment. This may indicate that generally the cost of housing exceeds household income in the areas where both a high percentage of renters and homeowners experience overpayment.

**Figure F-28: Overpayment by Owners by Tract (2019)**



## Patterns and Trends – Overpayment

Although Novato has a slightly lower proportion of cost-burdened households compared to the county and the Bay Area (Housing Needs Assessment, Appendix A, Section A.5.3), housing affordability was a key issue raised throughout the Housing Element update process. Housing in Novato is unaffordable to many households, including essential workers (e.g., teachers, firefighters, service industries, etc.), and not just lower income households. This was also reflected in responses to the community feedback form/questionnaire distributed to non-profit social service providers, where limited availability of affordable units and a lack of resources to find affordable housing were identified as barriers.

According to community feedback and the experience of City staff, Novato has historically been considered a relatively affordable community in Marin County, with median home prices and household incomes generally increasing regionally from south to north. However, as shown in the



2020 County of Marin Analysis of Impediments to Fair House Choice (Marin County AI)<sup>28</sup>, the annual wage needed to rent an average housing unit in the County was \$184,000 in 2017, a figure that is unaffordable compared to median household income for both Novato and the County as a whole.

## Overcrowding

Overcrowding is defined by the Census as a unit in which more than one person occupies a room (excluding bathrooms and kitchens), while severe overcrowding occurs when more than 1.5 people occupy a room. Overcrowding is often related to the cost of housing and can occur when demand in a City or region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. Overcrowded households are an indicator of housing needs, as lower income families or individuals may choose to live together in smaller spaces to save money on housing costs. In addition to the strain on residents' mental and physical health, overcrowding can also lead to more rapid deterioration of the property due to increased usage.

As shown in Table F-6, in Novato, one percent of owner-occupied households experienced overcrowding and 0.5 percent experienced severe overcrowding according to ACS 2019 data. For Novato renter-occupied households, 9.8 percent experienced overcrowding and 3.7 percent experienced severe overcrowding. In Novato, the overcrowding and severe overcrowding rates for renter households were significantly higher than those for homeowners. Novato has a significantly higher percentage of total households experiencing overcrowding (10.8 percent) than Marin County (2.6 percent), and a slightly higher percentage of total households experiencing overcrowding (4.2 percent) compared to Marin County (2 percent).

In Novato, the distribution of overcrowding by income level and severity is distributed relatively evenly across income levels and severity (See Appendix A, Figure A-14). For further analysis, see Appendix A, Section A.3.2 (Overcrowding).

**Table F-6: Overcrowding and Severe Overcrowding Rates**

Tenure	Novato		Marin County	
	1.01 – 1.5 Occupants/Room	1.5+ Occupants/Room	Total % 1.01 – 1.5 Occupants/Room	Total % 1.5+ Occupants/Room
Owner Occupied	1.0%	0.5%	2.6%	2.0%
Renter Occupied	9.8%	3.7%		

Source: ACS 2019 5-Year Estimates, Table DP04

<sup>28</sup> County of Marin, [Analysis of Impediments to Fair Housing Choice](#) (January 2020).



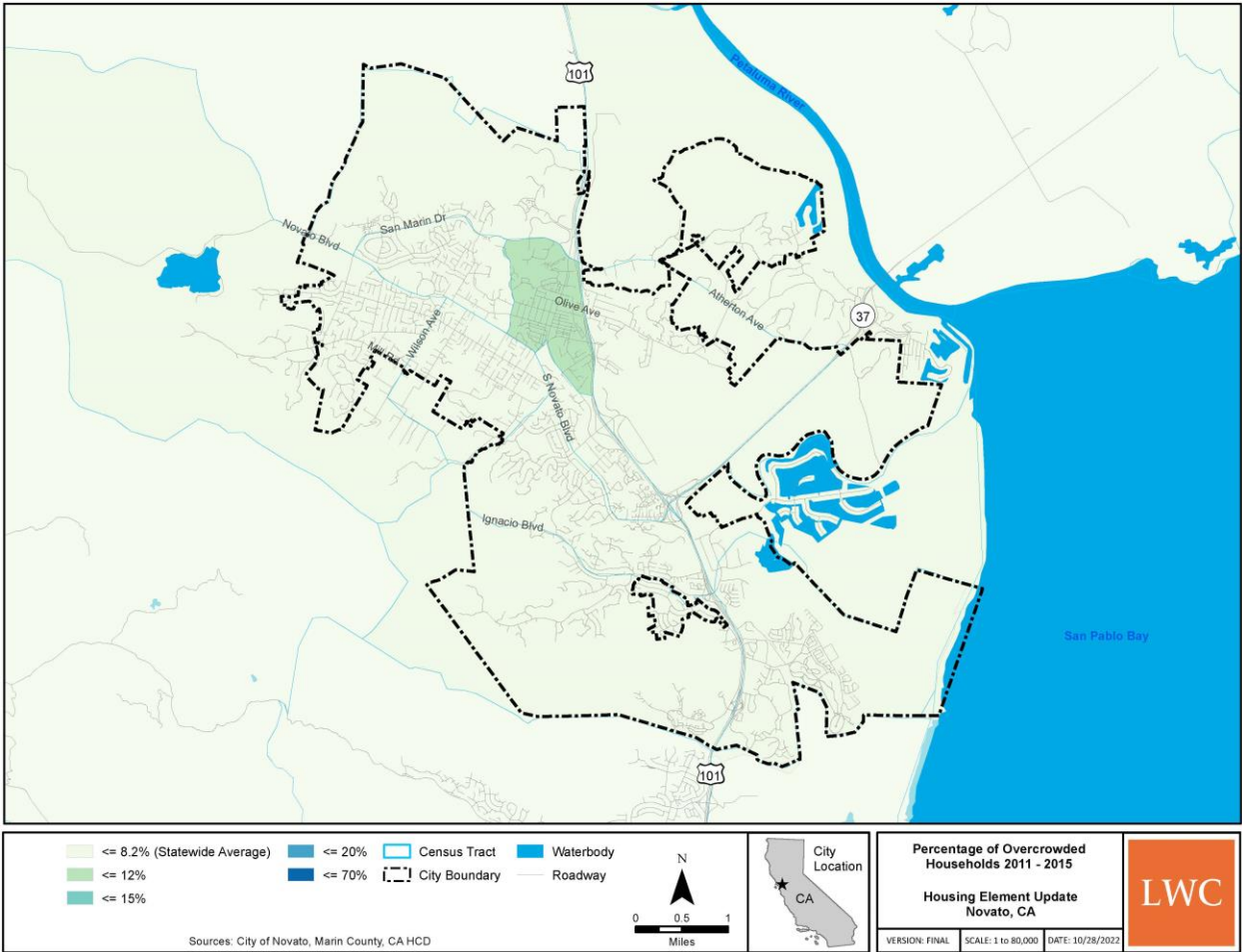
To meet the needs of larger (and potentially overcrowded) families in Novato, 66 percent of all units in the City have three or more bedrooms (see Appendix A, Figure A-20). Approximately 85.4 percent of these larger units are owner-occupied, comprising 82.6 percent of all owned homes. Of the total rental stock in Novato, 30.3 percent of the units have three or more bedrooms, which is 14.6 percent of total larger units in the city. Compared to the number of large households, the housing mix of Novato is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a potential constraint on the alleviation of overcrowding, underscoring the need for multifamily housing with a variety of unit sizes.

### **Patterns and Trends – Overcrowding**

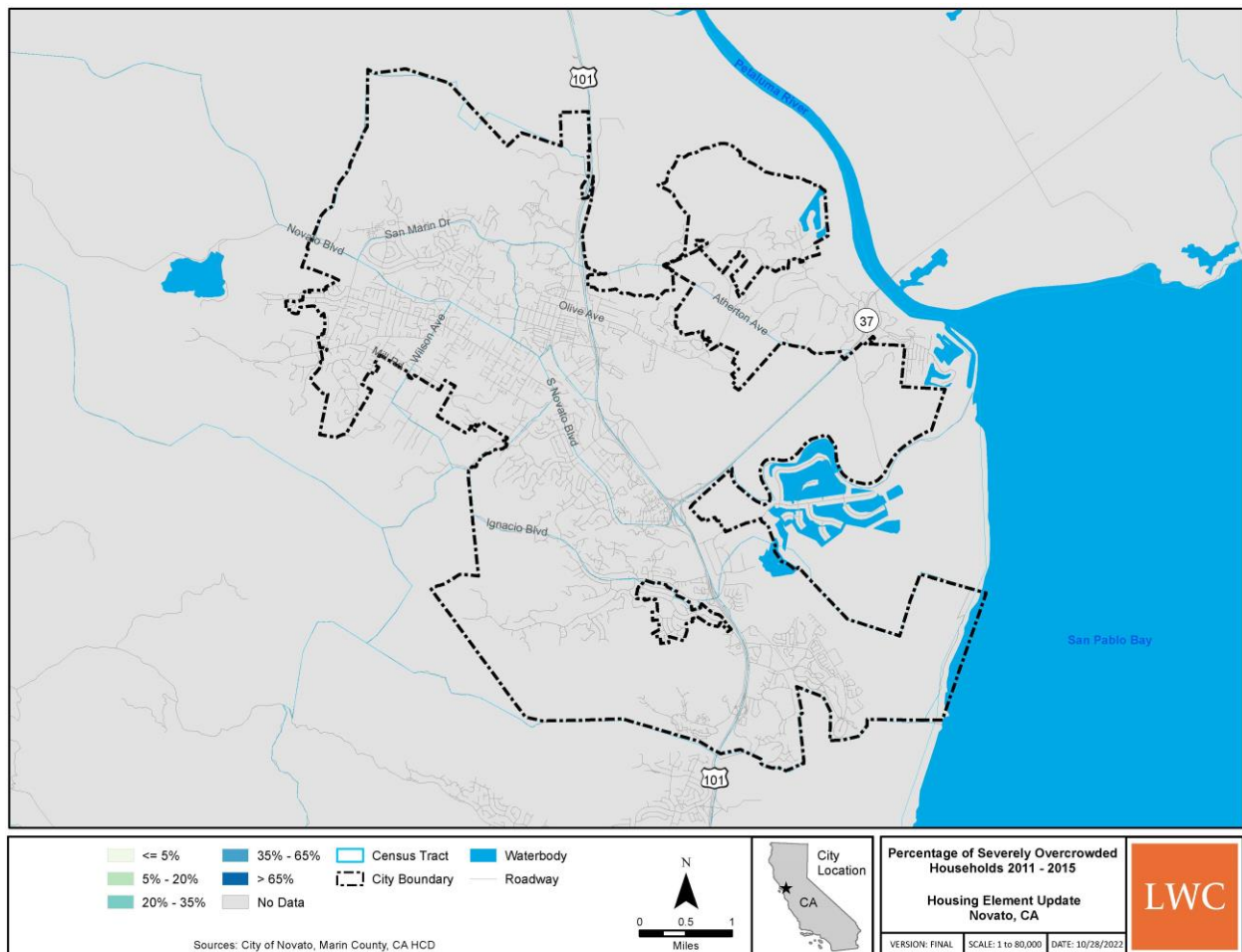
Estimated percentages of overcrowded households in Novato by Census tract are shown in Figure F-29. Only one tract is estimated to experience overcrowding higher than the State average (8.2 percent), located in the residential areas surrounding Downtown. All other tracts have 8.2 percent or less of their residents living in overcrowded households, and overcrowding levels in adjacent areas are similar to the City. The Census tract that experiences overcrowding higher than the State average includes part of the block groups where 61 to 80 percent of the population is home to non-white residents (Figure F-4). This Census tract also includes block groups where the non-white population is comprised of 21 to 40 percent and 41 to 60 percent of the population. The Census tract with the highest rate of overcrowding in Novato includes the block group category with the lowest median household income in the City (Figure F-12). Households experiencing overcrowding in Novato are more likely to be home to non-white and lower-income residents, which may exacerbate the risk for displacement.

Statewide spatial data for severe overcrowding did not contain any values in the vicinity of Novato, as shown in Figure F-30.

Figure F-29: Overcrowded Households (2015)



**Figure F-30: Severely Overcrowded Households (2015)**



In Novato, rates of overcrowding are disproportionately highest for Hispanic or Latino households, followed by those of other/multiple races (regardless of Hispanic heritage) (Table F-7). As with disability status, age likely plays a role in explaining racial and ethnic disparities in overcrowding. Relatively younger adults, around the age of the median-age Hispanic households, are more likely to have minor children in their households, which in turn increases the likelihood of overcrowding. Conversely, older adults, closer to the median age of white households, are more likely to reside in one- or two-person households.

A small percentage of overcrowded units is not uncommon, and often includes families with children who share rooms or multi-generational households. However, higher rates of overcrowding identified for specific populations may indicate a fair housing issue resulting from situations such as two families or households occupying one unit to reduce housing costs (sometimes referred to as “doubling up”). Situations such as this may indicate a shortage of appropriately sized and affordable housing units as overcrowding is often related to the cost and availability of housing and can occur when demand in a jurisdiction or region is high.

In Novato, it is evident Hispanic or Latino households and households of other/multiple races (regardless of Hispanic heritage) face an overcrowding rate which may be deemed a fair housing issue. These quantitative findings corroborate what was heard during outreach to local social service providers during this Housing Element update process. As noted above, rates of overpayment are particularly high amongst renters, who are also disproportionately Hispanic or Latino and lower-income. Some social service providers reported that in an effort to avoid disruption to their livelihood and community connection, lower-income Hispanic or Latino households will choose to live in more overcrowded conditions rather than move outside Marin County or the Bay Area altogether. This underscores the need for appropriately-sized affordable housing, as well as culturally-sensitive outreach to these households to connect them with available resources.

**Table F-7: Overcrowding Rates in Novato**

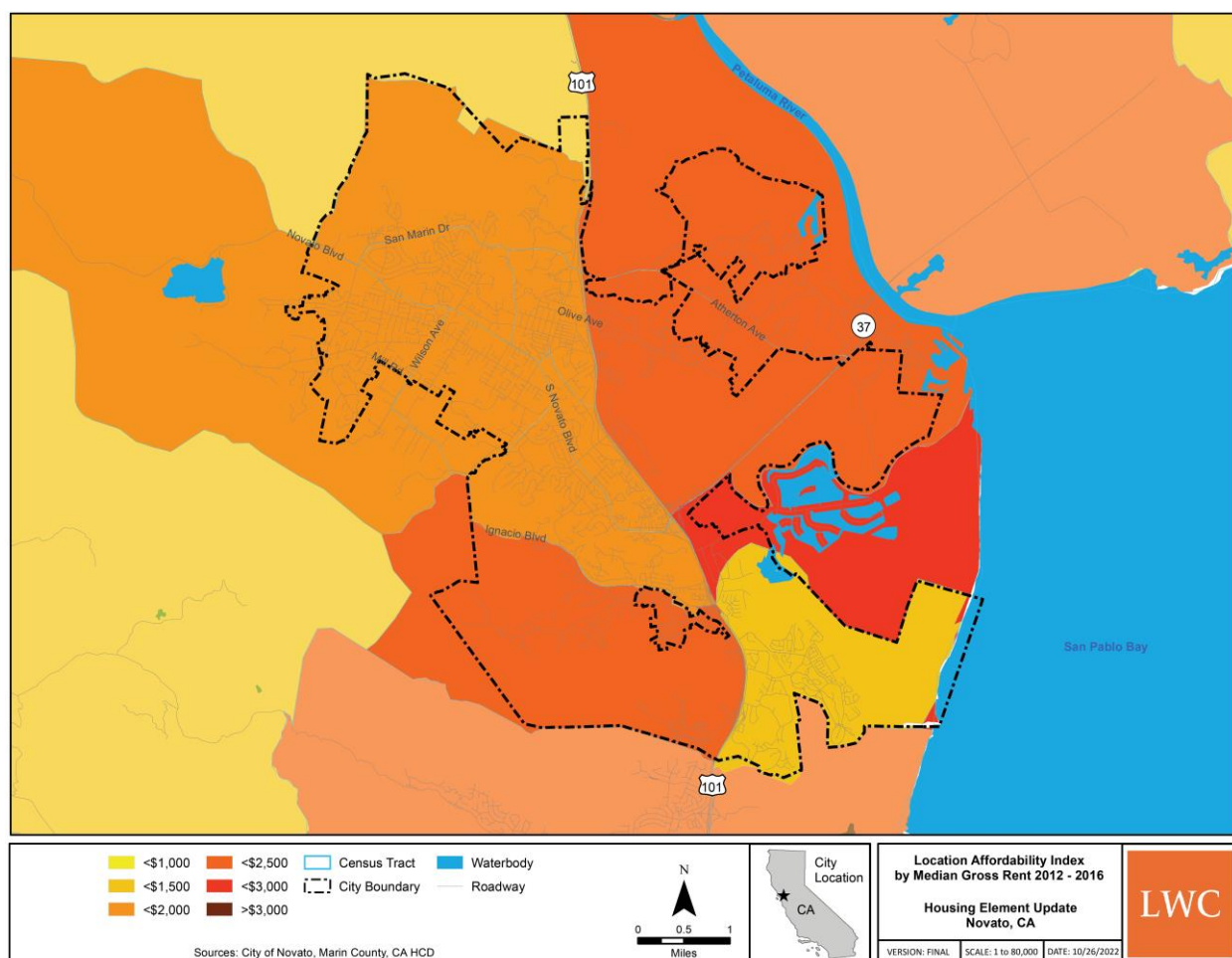
Race or Ethnicity	% in Overcrowded Units*
White Alone, Not Hispanic or Latino	2.1%
White (Hispanic and Non-Hispanic)	0.9%
Black or African American Alone	8.1%
Asian Alone	9.3%
Hispanic or Latino (of any race)	29.2%
Other Races or Multiple Races (Hispanic and Non-Hispanic)	28.9%
* Overcrowded units defined as 1.01 or more occupants per room.	

*Source: ACS 2019 5-Year Estimates (2015-2019)*

## Location Affordability Index

Figure F-31 shows the median gross rent across Novato per HUD's Location Affordability Index using 2016 ACS data, which estimates household housing and transportation costs on a neighborhood scale. The least affordable tract is predominantly outside City limits, encompassing unincorporated Bel Marin Keys, likely due to the car-dependent nature of the planned community, lack of public transportation access, and few renter households. Tracts covering Novato's core fall within the middle range of the Index, indicating moderate housing and transportation costs. The most affordable tract was located in the City's southeast, possibly due to higher-than-average public transportation access and greater housing density due to the redevelopment of Hamilton Air Force Base. Overall, this range concurs with Appendix A, Section A.5.2 (Rental Costs), which shows the median monthly rent paid in Novato in 2019 was \$1,950, a 25.1 percent increase from 2009. These rents are primarily affordable to moderate-income households but would be considered a cost burden for many lower-income households.

**Figure F-31: Location Affordability Index by Median Gross Rent by Tract (2016)**



## Patterns and Trends – Location Affordability Index

No clear patterns and trends of HUD’s Location Affordability Index are identified in Novato or in the surrounding area in relation to other analyses in this Appendix. For example, the westernmost Census tract where a small fragment of Novato is experiencing the highest location affordability index also has the highest scoring Census tract for HUD’s Jobs Proximity Index (Figure F-24). Presumably, this Census tract should have these two indexes receiving similar scores.

## Substandard Housing

Incomplete plumbing or kitchen facilities can be used as a proxy to indicate substandard housing conditions. According to 2019 ACS data, 3.4 percent of renter-occupied households in Novato lacked complete kitchen facilities and 0.3 percent lacked complete plumbing facilities, relatively higher than that of owner-occupied households (see Appendix A, Section A.4.5). In Novato, since non-white residents and younger residents are a higher share of renter-occupied units (Table A-17; Figure A-36), it is likely non-white residents and younger residents experience substandard housing conditions at a higher rate than white and older residents.

**Table F-8: Substandard Housing Rates**

	Renters	Owners
Substandard Condition	Percent of Occupied Housing Units	
Lacking complete plumbing facilities	0.3%	0.1%
Lacking complete kitchen facilities	3.4%	0.1%

*Source: ACS 5-Year Estimates (2015-2019), Table DP04*

The age of housing stock can also be an indicator of substandard housing. As homes get older, there is a greater need for maintenance and repair. If not properly addressed, an aging housing stock can result in poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

According to Appendix A, Section A.4.4 (Housing Age and Condition), Novato's housing stock is relatively new compared to Marin County, with 24.1 percent of all units in Novato older than 60 years old compared to 37.9 percent of units in Marin County. The greatest share of Novato's housing units was built between 1960 to 1979, which is consistent with Marin County. In Novato, only 0.8 percent of the total housing stock was built after 2010, compared to 1.4 percent throughout Marin County.

Generally, property owners are motivated to keep housing in good condition because of the high value of houses and rents, and minor to extensive remodeling is common throughout the City. Additionally, City Code Enforcement staff conduct the Multi-Family Inspection program for all properties consisting of three units or more; recent experience indicates that substandard conditions in renter-occupied housing units are quickly identified and addressed. Furthermore, a windshield survey conducted in May 2023 did not identify any one neighborhood with chronic substandard housing issues, a finding corroborated by the local knowledge of City staff.

## **Displacement Risk**

UC Berkeley's Urban Displacement Project (UDP) uses data-driven research to produce maps identifying sensitive communities that are at-risk of displacement. UDP defines sensitive communities as currently having "populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost." Vulnerability was determined based on the following characteristics:

- The share of very low-income residents is above 20 percent; and,
- The tract meets two of the following criteria:
  - Share of renters is above 40 percent
  - Share of people of color is above 50 percent
  - Share of very low-income households that are severely rent burdened households is above the county median



- Percent change in rent is above county median rent increase
- Rent gap, which is the difference between tract median rent and median rent for surrounding areas

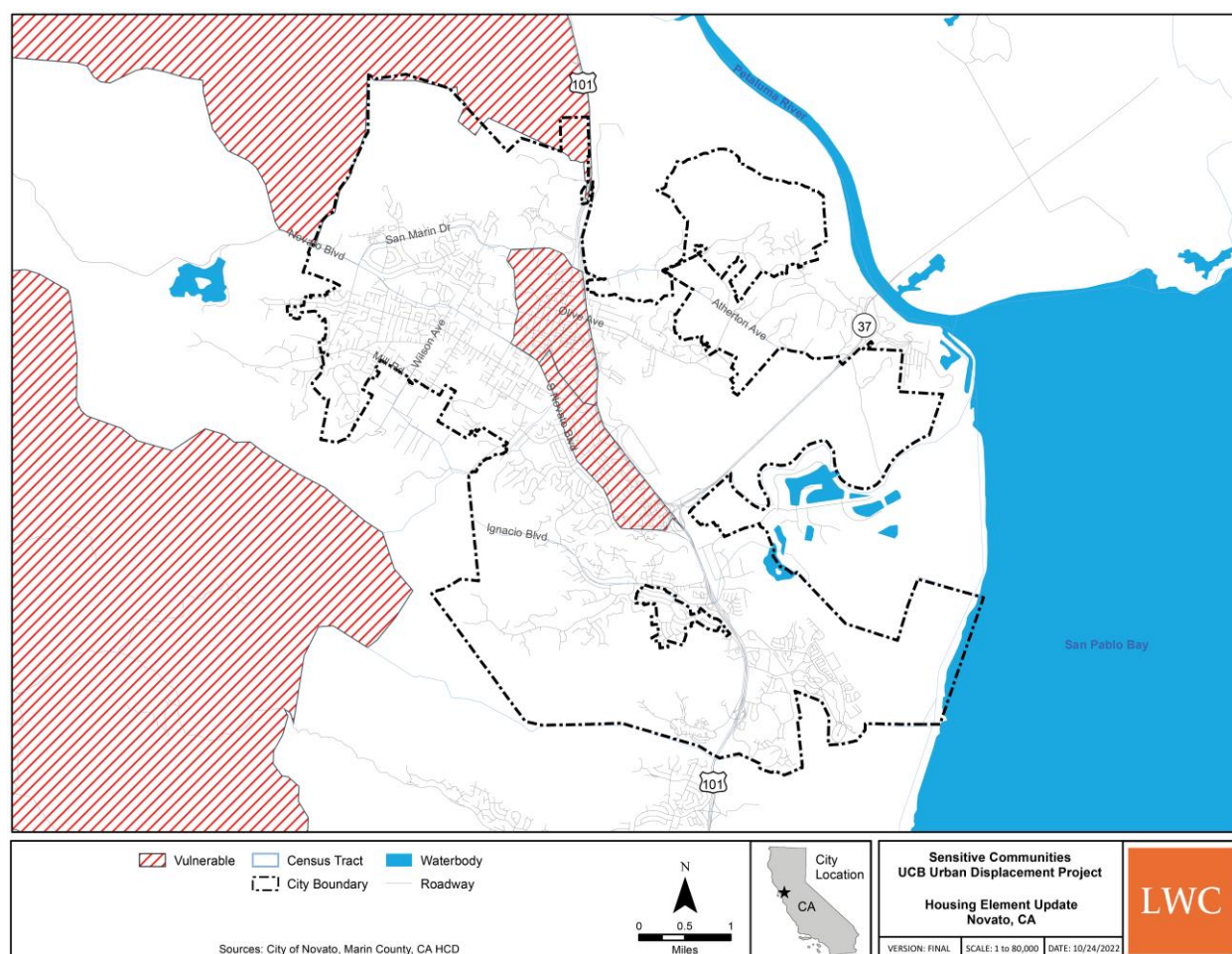
UDP has identified vulnerable communities in two Census tracts in the central portion of the City, located west of and adjacent to Highway 101 (Figure F-32). These vulnerable tracts have higher concentrations of LMI households and are more racially diverse. The northern tract is also more likely to experience overcrowding (as shown in Figure F-29), indicating a greater need for more affordable housing for lower-income households to meet demand. More housing options can provide greater access to housing opportunities and stability for these residents.

Based on the above information, this area is likely to have a greater need for more affordable housing to alleviate housing demand. Also, downtown Novato is an increasingly desirable place to live due to its concentration of shopping and dining, historic character, walkability, transit, and services, suggesting there may be greater risk of displacement for lower-income residents.

The AFFH-related programs in this Housing Element include strategies to preserve and improve the existing housing stock, provide fair housing resources and support for tenants, and continue to implement strategies that encourage investment and provision of additional housing opportunities in this area.



**Figure F-32: Vulnerable Communities**



## Homelessness

Marin County's history of racial and economic segregation (see Section F.2.1) exacerbates the already complex nature of California's widespread homelessness crisis. Matters of jurisdiction, funding, and legality complicate the task of addressing homelessness against the backdrop of high and ever-rising housing costs (see preceding subsections on Overpayment). Homelessness in Marin County is in some ways very similar to other Bay Area counties. For example, 78 percent of homeless residents in Marin County resided in Marin County prior to becoming homeless, similar to figures observed in neighboring San Francisco (71 percent)<sup>29</sup> and Sonoma County (68

<sup>29</sup> San Francisco Department of Homelessness and Supportive Housing (HSH) and Applied Survey Research (ASR), [San Francisco Homeless Count and Survey 2022 Comprehensive Report](#) (August 2022).

percent)<sup>30</sup>. However, the scale of the homelessness crisis differs in each county, as do geographic patterns of need and access to services.

The Marin County 2022 Point-in-Time (PIT) Count is a census and survey that identifies the sheltered and unsheltered homeless population. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. The 2022 PIT Count was conducted on February 17, 2022, by the Marin County Department of Health & Human Services, the Marin County Continuum of Care (CoC), and social research firm Applied Survey Research (ASR). Results of this survey predominantly relate to Marin County as a whole, with only limited data as to the nature of homelessness within local jurisdictions like the City of Novato. Below, results of the 2022 PIT Count are described at both the County and City level to reflect regional nature of the homelessness crisis and joint efforts to address it across jurisdictions. Local data and knowledge are provided where available or relevant.

## Marin County

The 2022 PIT Count identified a total of 1,121 sheltered and unsheltered homeless adults and children in Marin County, an increase of 8.4 percent from the 2019 Count. Compared to 2019, the shelter count decreased by almost 11 percent (326 to 291), while the unsheltered count increased 17 percent (708 to 830).<sup>31</sup> Approximately 74 percent of Marin County's homeless population is unsheltered. There was a significant increase in families experiencing homelessness (35.2 percent) between 2019 and 2022. However, Marin County was likely able to avoid an anticipated sharp increase in homelessness in the past three years due in part to the implementation of system-wide Housing First approach to ending homelessness and the utilization of COVID-19 emergency housing solutions to limit the impact of the pandemic on homeless residents.

Table F-9 reports the demographic characteristics of the homeless population as reported in the 2022 PIT Count. These characteristics can be compared to the County's total population to identify whether a particular protected characteristic is disproportionately represented as part of the homeless population and thus represents a fair housing concern. The percentages for a demographic characteristic in **bold** indicate overrepresentation in the unhoused population.

Demographic Characteristic	Count (2022)		Share (2022)	
	Unhoused	County	Unhoused	Total
<b>Total Persons</b>	1,121	256,018	100%	100%
<i>Sheltered</i>	291	n/a	26%	n/a
<i>Unsheltered</i>	830	n/a	74%	n/a
<b>Age</b>				

<sup>30</sup> Sonoma County Continuum of Care (CoC) and Applied Survey Research (ASR), [County of Sonoma 2022 Point-in-Time Count Results](#) (September 2022).

<sup>31</sup> Marin County Continuum of Care (CoC) and Marin County Department of Health & Human Services, [2022 Homeless Point-in-Time Count and Survey](#) (May 2022).

<i>0-17</i>	81	48,404	8%	19%
<i>18-24</i>	142	15,718	<b>14%</b>	6%
<i>25-59</i>	506	110,378	<b>50%</b>	43%
<i>60+</i>	283	81,518	28%	32%
<b>Gender</b>				
<i>Male</i>	661	124,273	<b>59%</b>	49%
<i>Female</i>	437	131,745	39%	52%
<b>Race</b>				
<i>White</i>	729	201,684	65%	79%
<i>Black</i>	247	9,768	<b>22%</b>	4%
<i>Multi-Race/Other</i>	56	43,024	5%	17%
<i>Asian</i>	22	24,874	2%	10%
<i>American Indian or Alaska Native</i>	45	6,967	<b>4%</b>	3%
<i>Native Hawaiian or Pacific Islander</i>	–	611	<b>2%</b>	<1%
<b>Ethnicity</b>				
<i>Hispanic or Latino (of any race)</i>	258	43,801	<b>23%</b>	17%
<i>Not Hispanic or Latino</i>	863	212,217	77%	83%

**Table F-9: Demographic Composition of Marin County Homeless Population (2022)**

Demographic Characteristic	Count (2022)		Share (2022)	
	Unhoused	County	Unhoused	Total
<b>Total Persons</b>	1,121	256,018	100%	100%
<i>Sheltered</i>	291	n/a	26%	n/a
<i>Unsheltered</i>	830	n/a	74%	n/a
<b>Age</b>				
<i>0-17</i>	81	48,404	8%	19%
<i>18-24</i>	142	15,718	<b>14%</b>	6%
<i>25-59</i>	506	110,378	<b>50%</b>	43%
<i>60+</i>	283	81,518	28%	32%
<b>Gender</b>				
<i>Male</i>	661	124,273	<b>59%</b>	49%
<i>Female</i>	437	131,745	39%	52%
<b>Race</b>				
<i>White</i>	729	201,684	65%	79%
<i>Black</i>	247	9,768	<b>22%</b>	4%
<i>Multi-Race/Other</i>	56	43,024	5%	17%
<i>Asian</i>	22	24,874	2%	10%
<i>American Indian or Alaska Native</i>	45	6,967	<b>4%</b>	3%
<i>Native Hawaiian or Pacific Islander</i>	–	611	<b>2%</b>	<1%
<b>Ethnicity</b>				
<i>Hispanic or Latino (of any race)</i>	258	43,801	<b>23%</b>	17%
<i>Not Hispanic or Latino</i>	863	212,217	77%	83%

Source: County of Marin PIT Report on Homelessness (2022); ACS 1-Year Estimates (2022)

In 2022, the following populations were overrepresented in Marin County’s unhoused population: individuals aged 18-59; men; those identifying as Black, American Indian or Alaska Native, and Native Hawaiian or Pacific Islander; and those identifying as Hispanic or Latin (of any race). The greatest overrepresentation in comparison with the general population of Marin County was those identifying as Black (22 percent vs. four percent).

The 2022 PIT Count also recorded other protected characteristics and “select populations,” including veterans and families with children, as well as whether they are sheltered or unsheltered. Table F-10 identifies these sub-populations by shelter status and indicates what proportion of the total unhoused population they represent.

**Table F-10: Select Populations of Marin County Homeless Population (2022)**

Select Population	2022	
	Count	% of Total Unhoused Pop.
<b>Chronically Homeless</b>	<b>284</b>	<b>25%</b>
<i>Sheltered</i>	77	7%
<i>Unsheltered</i>	207	18%
<b>Veterans</b>	<b>65</b>	<b>6%</b>
<i>Sheltered</i>	14	1%
<i>Unsheltered</i>	51	5%
<b>Families with Children</b>	<b>73</b>	<b>7%</b>
<i>Sheltered</i>	45	4%
<i>Unsheltered</i>	28	2%
<b>Unaccompanied Children and Transition-Age Youth</b>	<b>126</b>	<b>11%</b>
<i>Sheltered</i>	120	11%
<i>Unsheltered</i>	6	1%
<b>Older Adults Age 60+</b>	<b>280</b>	<b>25%</b>
<i>Sheltered</i>	56	5%
<i>Unsheltered</i>	224	20%
<b>Sexual Orientation and Gender Identity</b>		
<i>LGBTQ</i>	235	21%
<i>Not LGBTQ</i>	886	79%
<b>Disability or Other Chronic Health Condition</b>	<b>340</b>	<b>30%</b>

Source: County of Marin PIT Report on Homelessness (2022)

These results indicate some improvements for select populations amidst an overall increase in homelessness driven by skyrocketing rents, inflation, and widening income inequality. The 2022 PIT Count also reports that Marin County housed 285 of the most vulnerable chronically homeless residents of Marin in supportive housing. Additionally, there are fewer veterans experiencing homelessness, down 34 percent from 2019, and more veterans are being sheltered: 22 percent in 2022, up from 19 percent in 2019.

### City of Novato

The City of Novato's local experience of the homelessness crisis has shifted significantly in recent years amidst the COVID-19 pandemic, its aftermath, and drastic changes to the capacity and funding of relevant social services.

In 2022, the PIT Count identified 265 persons experiencing homelessness in Novato, a 14.5 percent decrease from 2019. This represents 24 percent of Marin County's total unhoused population. Of these individuals in, 150 were unsheltered and 115 were sheltered. Data are not available on protected characteristics at the jurisdictional level. Overall, homelessness in the City has been consistently trending downwards over the past five years, due in part to significant local efforts to connect the unhoused with services, extend the efficacy of existing programs, and develop new strategies as part of a collaborative, Countywide strategy.

**Table F-11 City of Novato Homeless Population (2017-2022)**

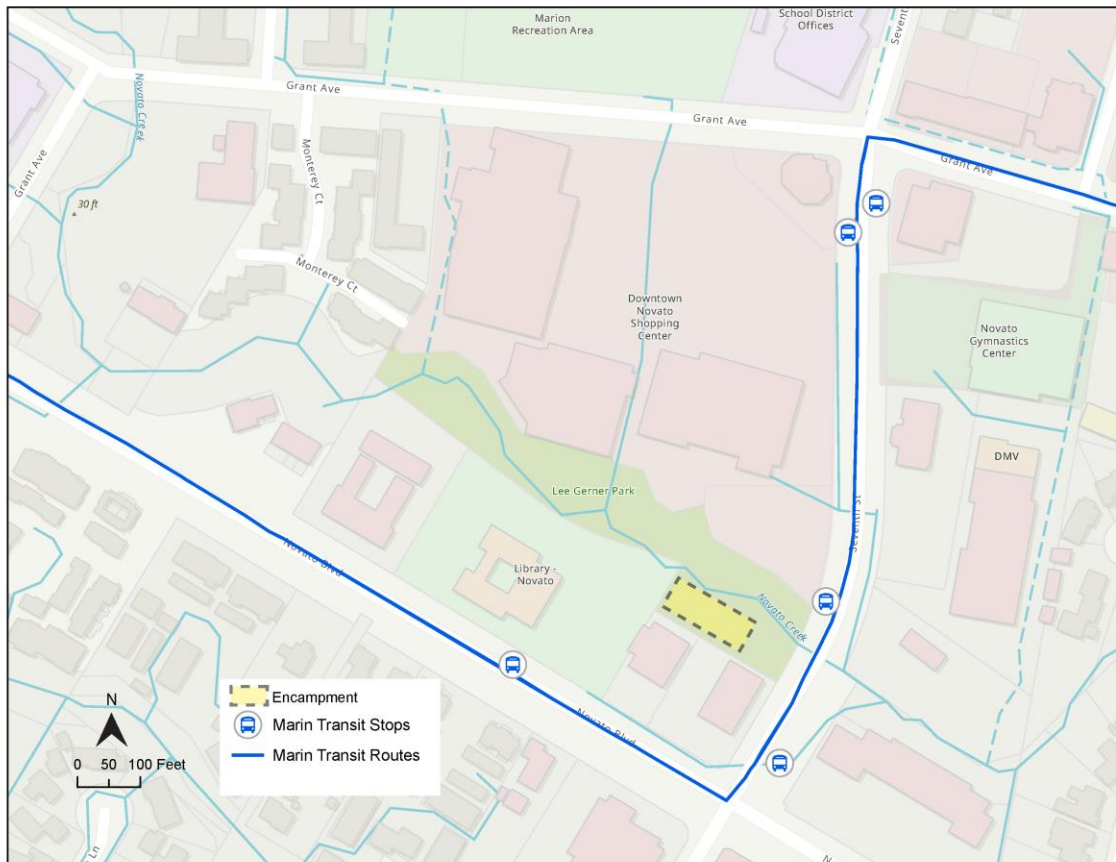
Year	Sheltered			Unsheltered			Total		
	Marin Co.	Novato		Marin Co.	Novato		Marin Co.	Novato	
		Count	% of County		Count	% of County		Count	% of County
<b>2017</b>	409	181	44%	708	169	24%	1,117	350	31%
<b>2019</b>	326	163	50%	708	147	21%	1,034	310	30%
<b>2022</b>	291	115	40%	830	150	18%	1,121	265	24%

*Source: County of Marin PIT Report on Homelessness (2022)*

Though the 2022 PIT Count does not report on the geographic location of homeless individuals or encampments within jurisdictions, local data and knowledge can indicate patterns of need within the City and access to transportation and homelessness services. These observed patterns have informed this HEU's programs related to serving homeless residents and extremely low-income households, including Program 4.G (Support programs to address homelessness) and Program 5.K (Continue to assist in the rehabilitation and production of housing for Special Needs and lower-income households).



**Figure F-33: Lee Gerner Park Encampment and Nearby Transportation Services**



### *Lee Gerner Park*

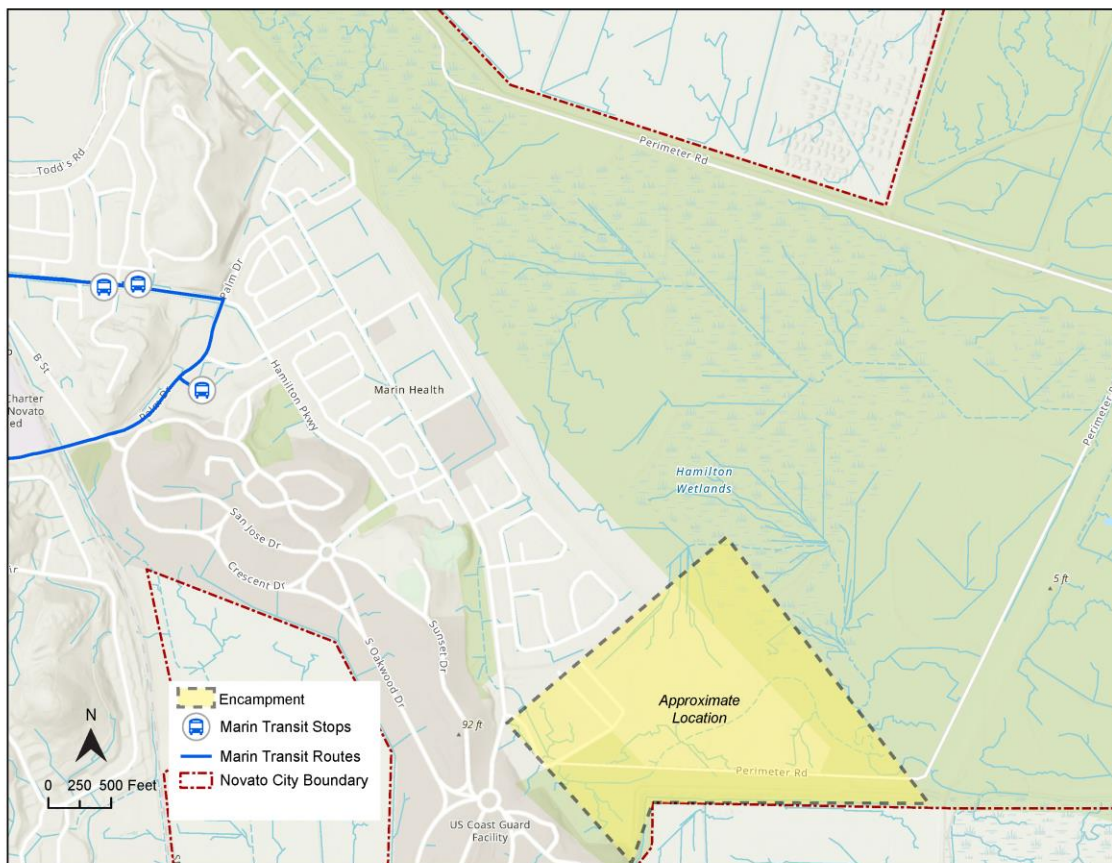
In March of 2020, the City collaborated with Marin County Health and Human Services to develop an outreach strategy to address the needs of approximately 30 unsheltered homeless individuals residing at “Camp Compassion,” an encampment established in a section of Lee Gerner Park. The mission of this project was to help find housing, provide outreach, and offer services to those experiencing homelessness. In June 2021, the City enacted amendments to the Municipal Code to restrict daytime camping near Stream Protection Zones, which include portions of the Park. The enforcement of these ordinances was challenged by a lawsuit brought by Camp residents and the California Homeless Union. In October 2021, a settlement was reached which authorized the City to establish a Temporary Camp for those residing in the Park and established a Housing and Homeless Committee.

By January 2022, the City had designed and constructed the Temporary Camp, which features established camping spaces, sanitizer/handwashing stations, waste receptacles, and toilets. The Camp is located one block away from the Novato DMV, a Goodwill Store, and a CVS. Transportation services include three adjacent Marin Transit bus stops (Routes 49 and 654) along Novato Blvd. and 7<sup>th</sup> St. (see Figure F-33).



Since its establishment, the City has facilitated offers of case management, outreach services, security, showers, and bathrooms in partnership with the County of Marin Health and Human Services (Homelessness & Whole Person Care). As of March 2024, 12 people reside in the camp and 22 former residents have been housed.<sup>32</sup>

**Figure F-34: Hamilton Wetlands Encampment and Nearby Transportation Services**



### *Hamilton Wetlands*

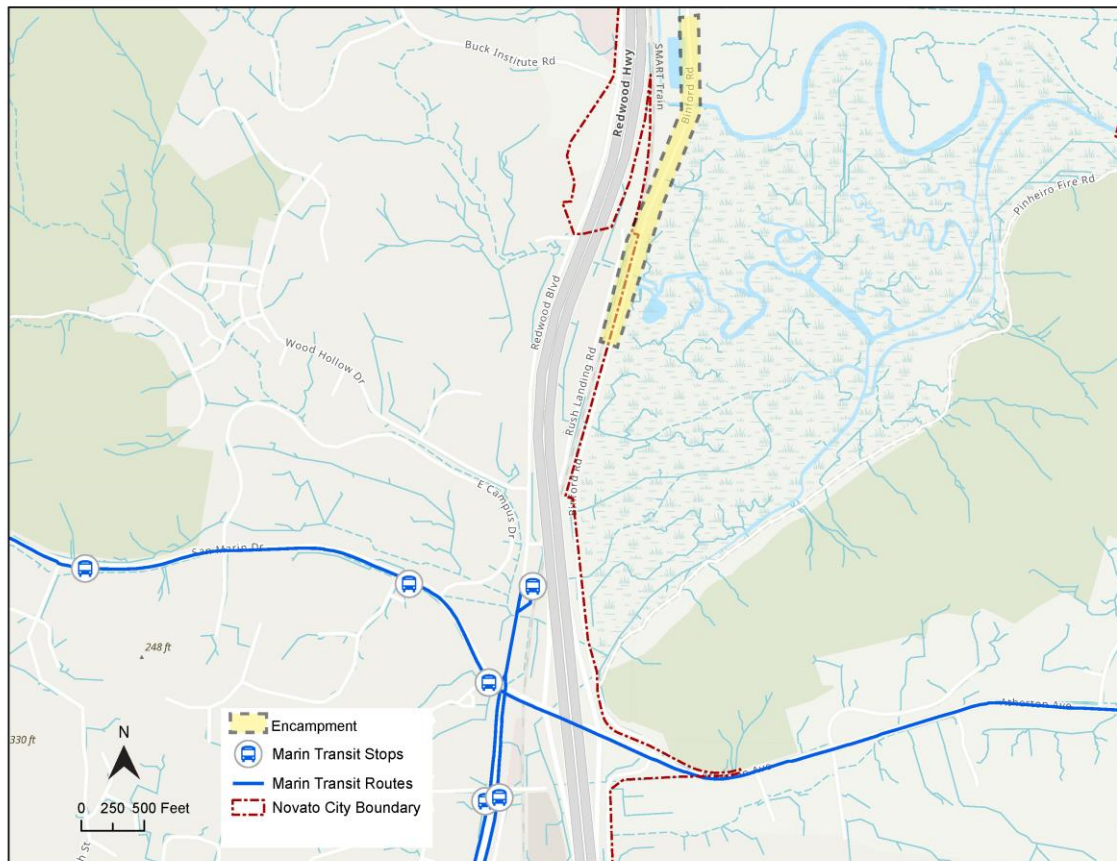
Another encampment is located near the Hamilton Wetlands, adjacent to the City's Hamilton neighborhood. This encampment is within one mile of the South Novato Library and a mile and a half of a grocery store. In terms of transportation services, it is within one mile of a Marin Transit bus stop (Routes 49 and 57) and the Novato Hamilton SMART rail station (see Figure F-34).

Due to this encampment's greater distance from existing resources, it is a priority target for supportive services and relocation into housing. In FY 22/23, with the County of Marin Health and

<sup>32</sup> Houston, Will. [Novato sets new criteria for homeless camp at park](#). Marin Independent Journal. July 30, 2023.

Human Services (HHS) as the lead applicant and support from the City, HHS was awarded \$1.1 million in State Encampment Resolution Funds to serve 45 people at the City’s Hamilton Marsh encampment. Funds will support outreach & case management, client engagement & direct assistance, mobile showers, portable toilets & handwashing stations, and motel vouchers.<sup>33</sup>

**Figure F-35: Binford Rd. Encampment and Nearby Transportation Services**



### *Binford Rd.*

Another significant vehicle encampment is just outside Novato city limits, along Binford Rd. between the Rush Creek Open Space Preserve and Highway 101. As the encampment is predominantly within Marin County’s jurisdiction, HHS has led efforts to serve the its residents with support from the Downtown Streets Team, which provides support and hygiene services at encampments, churches, medical facilities, and other places in need. In terms of transportation

<sup>33</sup> Halstead, Richard. *Marin awarded \$2.9M to aid homeless campers*. Marin Independent Journal. June 19, 2023.

services, the encampment is located within roughly half a mile of the Novato San Marin SMART rail station and associated bus routes (see Figure F-35).

Though relatively close to Downtown Novato and services, numerous health and safety concerns have also made this encampment a priority target for supportive services. Marin County was awarded \$1.6 million in State Encampment Resolution Funds to serve the Binford Road encampment<sup>34</sup> and has recently adopted a plan to utilize \$500,000 to buyback vehicles and connect residents with permanent supportive housing.<sup>35</sup> According to HHS' [Homelessness Data Dashboard](#), as of March 2024, 89 individuals reside in approximately 104 vehicles, with 22 former residents housed and 14 individuals on an identified housing pathway.

Currently, Novato provides 80 emergency shelter beds, 55 transitional housing units, and 101 supportive housing units, a total of 236 beds or units (Appendix A, Table A-18). As shown in Table F-11, this represents 40 percent of the County's sheltered unhoused population. While the gap of the total number of unsheltered and sheltered individuals is greater than the number of emergency and transitional units the City currently provides, in August 2022 the Novato City Council approved the development of 24 one-bedroom apartments of permanent supportive housing for veterans and 26 one-bedroom apartments of workforce affordable housing (Appendix A, Section A.3.4). The City continues to work towards providing housing opportunities for all unsheltered and sheltered individuals in Novato as detailed in Program 4.G (Support Programs to Address Homelessness).

Also as discussed in Appendix A, people of color in Novato are more likely to experience poverty than white residents (Figure A-25). Consequently, these economic disparities also leave people of color at higher risk for housing insecurity, displacement, or homelessness. During the 2019-20 school year, the student population experiencing homelessness increased by 95.6 percent from 90 to 176 students in Novato. The increase is significantly higher than that of Marin County (29.9 percent) during that time.

Novato is part of the Marin County Continuum of Care (CoC), which is a regional planning body funded by HUD that coordinates housing and services funding across Marin County. The CoC provides a list of emergency shelters and services for each district in the County. Homeward Bound of Marin is the primary provider of countywide homeless shelters and services and operates two shelters in Novato, the New Beginnings Center and the Next Key Center. The New Beginnings Center provides 80 emergency shelter beds and Next Key Center provides 29 transitional housing units in Novato. Additionally, Gilead House, a separate non-profit, provides 12 units of transitional housing for homeless single mothers and their children in a Novato apartment complex.

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<sup>34</sup> Ibid.

<sup>35</sup> Halstead, Richard. [Marin supervisors approve vehicle buyback at Novato encampment](#). Marin Independent Journal. December 14, 2023.

## F.2.7 Other Relevant Factors

### Rates of Homeownership by Race and Ethnicity

As described in Appendix A, Section A.4.2 (Housing Tenure), there were 22,325 housing units estimated in Novato in 2019, 68 percent of which were owner-occupied, a higher rate than Marin County (64 percent) and the Bay Area as a whole (56 percent). Homeownership rates often vary considerably across race/ethnicity, and these disparities reflect not only differences in income and wealth, but also stem from federal, State, and local policies that limited access to homeownership to communities of color while facilitating it for white residents. While many of these policies have been outlawed, their impacts are still evident today.

Table F-12 presents 2019 ACS data for housing tenure by race in Novato. Homeownership is far more predominant among white residents (73.7 percent) than the next-largest racial/ethnic group, Hispanic or Latino residents (40.5 percent). However, despite their higher-than-average poverty rate described above in Table F-5, other racial/ethnic groups own homes at rates higher than Hispanic or Latino residents, including Asian residents (62.5 percent), Black residents (47.7 percent), and residents other or multiple races (43.3 percent).

**Table F-12: Housing Tenure by Race of Householder (2019)**

Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non-Hispanic)	31	0.1%	51	0.4%	82
Asian / API (Hispanic and Non-Hispanic)	1,015	3.5%	608	4.6%	1,623
Black or African American (Hispanic and Non-Hispanic)	218	0.8%	239	1.8%	457
Hispanic or Latino	1,152	4.0%	1,689	12.8%	2,841
Other Race or Multiple Races (Hispanic and Non-Hispanic)	928	3.2%	1,213	9.2%	2,141
White (Hispanic and Non-Hispanic)	13,021	45.3%	5,001	37.8%	18,022
White, Non-Hispanic	12,405	43.1%	4,417	33.4%	16,822
<b>Total</b>	<b>28,770</b>	<b>100.0%</b>	<b>13,218</b>	<b>100.0%</b>	<b>41,988</b>
Universe: Occupied housing units For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.					

Source: ACS 5-Year Estimates (2015-2019), Table B25003(A-I)

One obstacle to home ownership is lack of access to the first tier of the financial system to obtain banking services and loans. The Federal Financial Institutions Examination Council's (FFIEC)

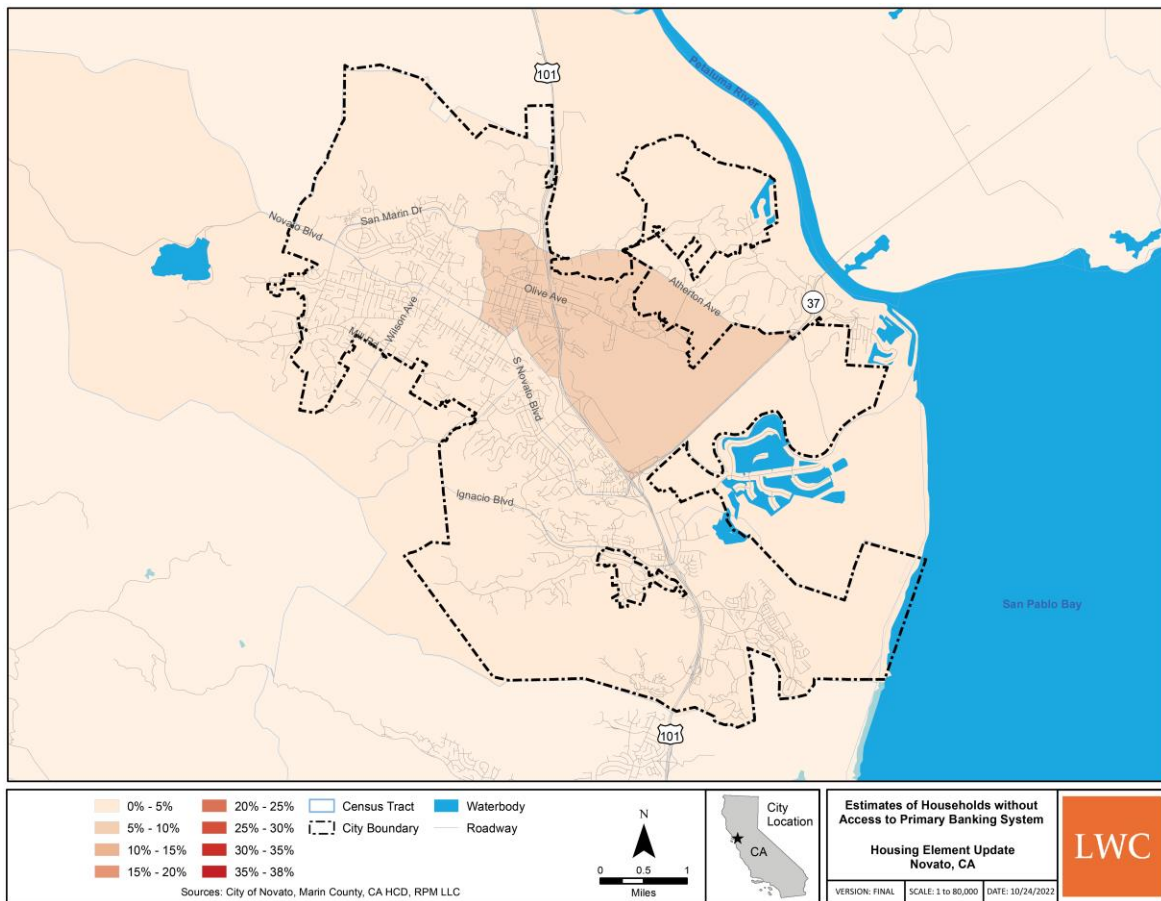
provides the Community Reinvestment Act (CRA) July 2021 Census tract spatial data known as the [CRAMap 2021](#). Included in the CRAMap 2021 spatial data is the Unbanked Index (developed by RPM Consulting) which provides an estimate of households lacking access to the primary banking system. This index estimates the likelihood of a household will lack both a savings and checking account with a bank, thrift, or credit union.

Figure F-36 presents estimates for the percentages of households that lack access to banking and credit from the Unbanked Index. Identifying areas with relatively high levels of residents without access to the primary banking system can facilitate the process of providing them with first-tier financial services. This may aid lower-income residents in avoiding a dependency on second-tier services, particularly predatory lenders.

In Novato, two central Census tracts are recorded as containing five to 10 percent of households without primary banking access, with lower rates throughout the rest of the City. One of these two Census tracts also record the lowest 2022 TCAC Opportunity Areas Economic Score in Novato (Figure F-33), demonstrating a correlation between lower income levels and lower access to banking or credit systems. Additionally, the Census tract which includes Downtown Novato correlates to having higher percentages of non-white (Figure F-4) and lower-income households (Figure F-12). These issues can compound and continue a cycle of lower incomes, rates of ownership, and access to opportunities.



**Figure F-36: Percentage of Households without Access to Banking or Credit by Tract (2021)**



## F.2.8 Summary of Fair Housing Issues

Access to opportunity in Novato is distributed relatively evenly across the City, as evidenced by fairly consistent TCAC scores citywide. However, many hillside and Bayshore Census tracts meet the criteria of Racially or Ethnically Concentrated Areas of Affluence (RCAA), indicating that non-white residents experience significantly different economic conditions in these neighborhoods than white residents. Meanwhile, the west-central area of the City, encompassing Downtown and adjacent to Highway 101, was identified by the UC Berkeley Urban Displacement Project (UDP) as a Vulnerable Community, a finding corroborated by lower TCAC Economic Scores, the highest overcrowding rate, and some of the highest concentrations of LMI and non-white households in the City. These demographic and economic findings indicate conditions that may exacerbate local inequitable outcomes for communities already impacted by fair housing issues across the region.

The need for more affordable housing is the primary fair housing issue in Novato. Housing affordability impacts nearly all residents but is disproportionately felt by a wide range of protected classes. For example, both renters and homeowners experience overpayment, but renters are more likely to be cost-burdened overall. Furthermore, overpayment impacts both higher- and lower-income households, though non-white racial/ethnic groups are more likely to be below the

poverty line or earn lower-than-average incomes. The contributing factor to this issue is land use and zoning laws either limiting where multi-family housing can be built or procedures resulting in a protracted entitlement effort. The data indicate that both higher- and lower-income households, encompassing various household sizes and characteristics, may choose more affordable housing if it was available.

A second fair housing issue is disproportionate housing needs due to the contributing factor of a lack of available affordable units in a range of sizes. A combination of very high Location Affordability Index rates and high levels of overpayment indicate the need for more affordable housing, which could be provided through smaller unit sizes and a mix of housing types. Additionally, higher overcrowding rates among renter households, especially Hispanic or Latino and other/multiple race households, indicate that many residents are struggling to afford housing costs which can lead to increased homelessness rates for at-risk populations.

A third fair housing issue is segregation and integration, as evidenced by a concentration of whiter, wealthier households in hillside residential neighborhoods and Bayshore planned communities, with lower-income communities of color concentrated in and around Downtown and along the Highway 101 corridor. Comments received during the Housing Element Update process corroborate these findings, indicating that the availability of affordable housing is a critical issue and housing affordable to low- and moderate-income households, young families, essential workers, and seniors is needed. New residential development throughout Novato would provide housing in high and highest resources areas, as well as in Racially or Ethnically Concentrated Areas of Affluence (RCAA).

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## **Section F.3    Sites Inventory**

State law requires potential new housing sites to be analyzed and evaluated in a manner consistent with the City's duty to affirmatively further fair housing (AB 686). The framework for this analysis utilizes fair housing indicators used throughout this Appendix to see if the sites identified will improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity in Novato. Where the analysis indicates that the City does not have sufficient sites available to meet its RHNA goals in a manner that affirmatively furthers fair housing, the Housing Element must include strategies to address this, such as making additional sites available.

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### **F.3.1            Entitled and Proposed Development Pipeline**

Because Novato's housing development pipeline is central to satisfying the majority of the City's RHNA obligation, it is discussed here first (and separately from the sites inventory and rezone sites) to examine potential effects on access to opportunity, segregation, and displacement risk and disproportionate housing needs.



As identified in Appendix B, Table B-8 (Residential Development Potential and RHNA), the City has satisfied the majority of its RHNA through the following:

1. **Accessory Dwelling Units (ADUs):** The City issued an average of 14.75 ADU permits per year during a 4-year period from 2018 through 2021. Based on this annual average, the City is projecting that 118 ADUs will be permitted over the eight-year planning period, **105** of which will be affordable to lower- or moderate-income households.
2. **Entitled and Proposed Development Pipeline:** Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have received a certificate of occupancy between July 1, 2022 and January 31, 2031 can be credited toward the RHNA. This includes housing developments that are already entitled (approved) or currently under review. The City is anticipating 2,459 net new units, **1,163** of which will be affordable to lower- or moderate-income households.
  - a. Based on these sources (ADU projections and approved/entitled projects), the City has excess capacity in the lower and above moderate- income categories, but a shortfall in the moderate-income category of 7 units.

### **F.3.2 Identified Sites and AFFH Sub-Area Analysis**

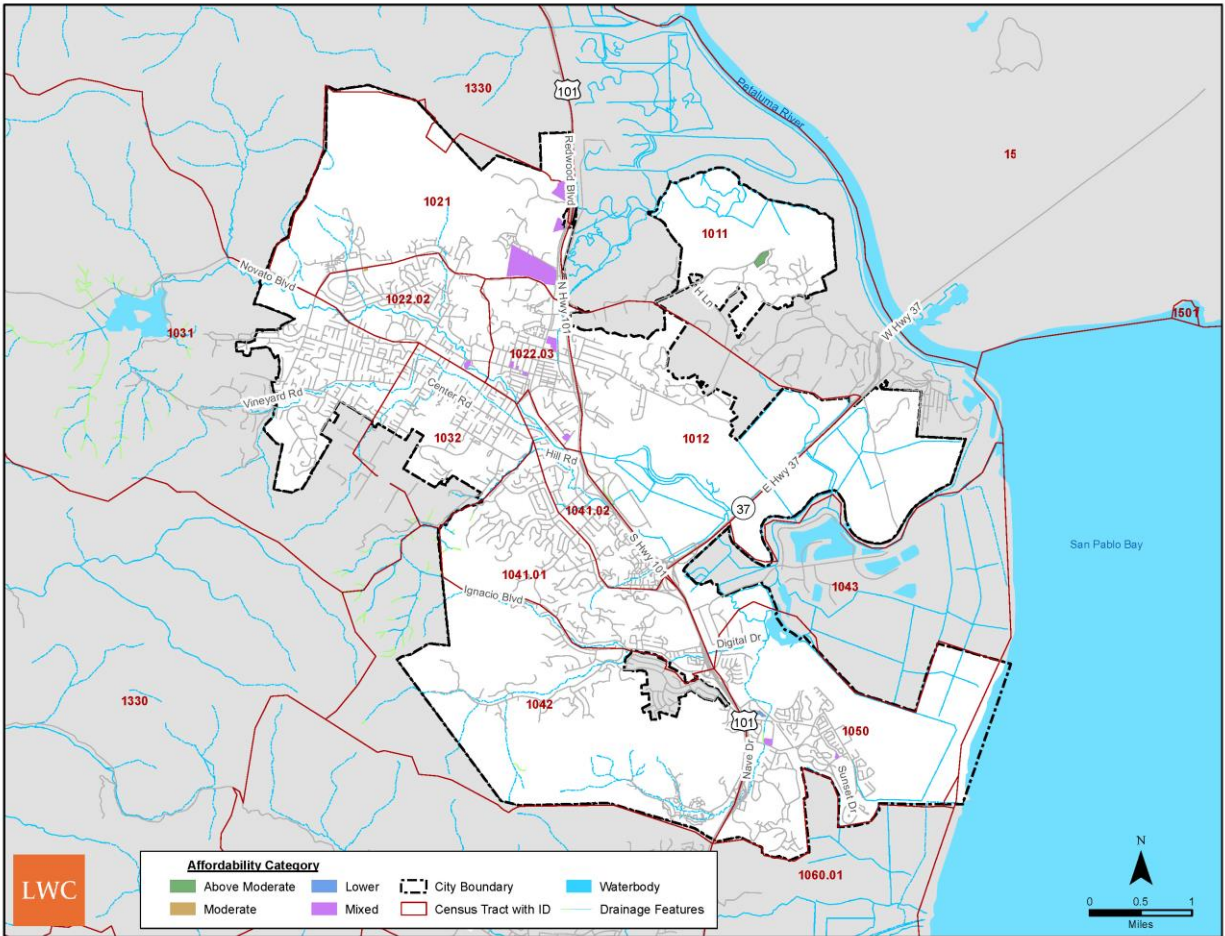
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This section analyzes Novato by Census tract to analyze the potential effect identified RHNA sites (i.e., the entitled and proposed development pipeline, the sites inventory, and rezone sites) may have on access to opportunity, segregation, displacement risk, and disproportionate housing needs. The goal is to ensure that the City's housing policies do not contribute to existing fair housing challenges at the neighborhood level.<sup>5</sup>

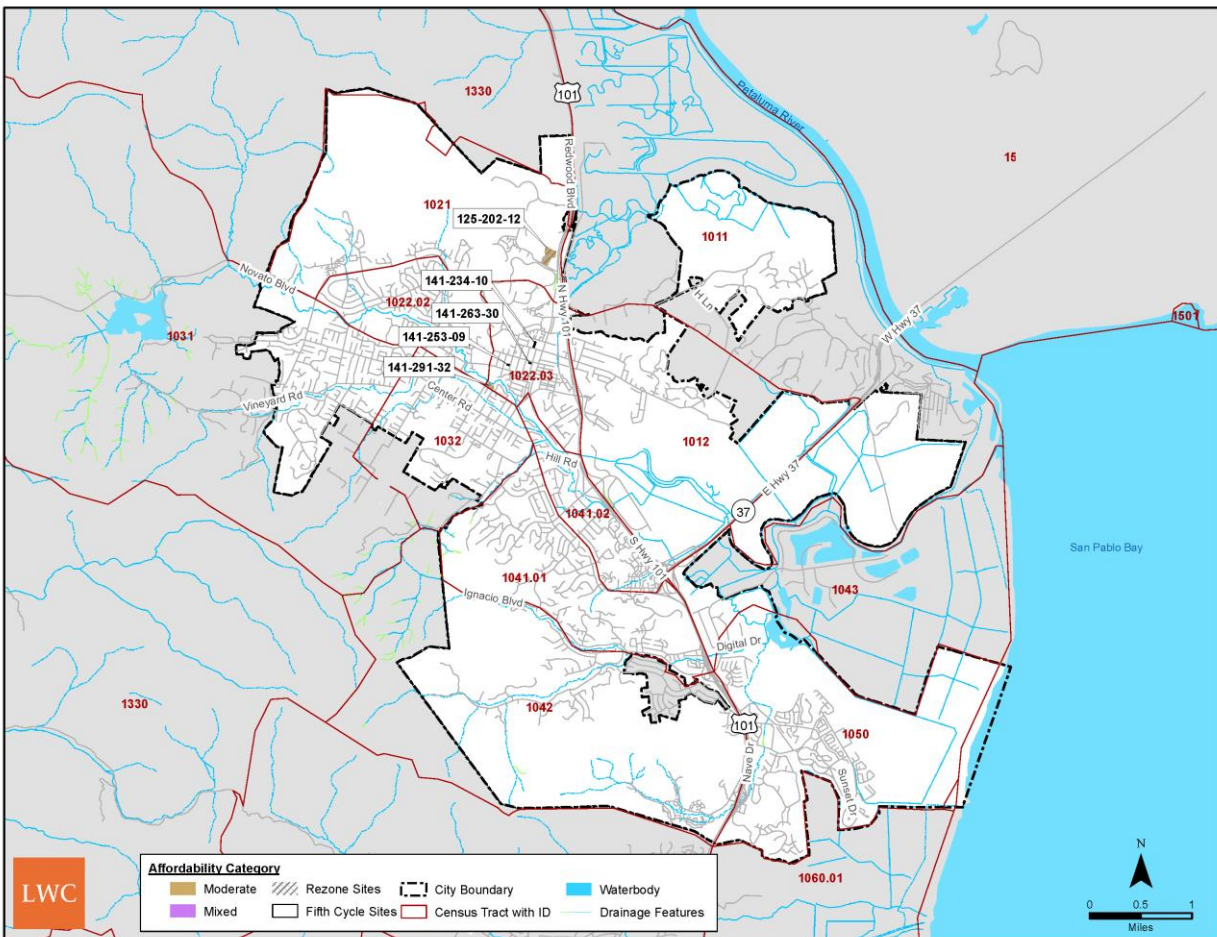
Figure F-37 illustrates the locations of all entitled and proposed developments by anticipated income affordability group, with Census tracts labelled. For a complete list, see Appendix B, Table B-3 (Entitled and Proposed Development Pipeline).

Figure F-38 illustrates all sites inventory and rezone sites by anticipated income affordability group, with Census tracts labelled. For a complete list, see Appendix B, Table B-7 (Sites Inventory) and Table B-10 (Rezone Sites).

**Figure F-37: Entitled and Proposed Developments by Income Affordability Category**



**Figure F-38: Sites Inventory and Rezone Sites by Income Affordability Category**



- Identified RHNA sites are concentrated in five Census tracts: 1021, 1022.02, 1022.03, 1011, and 1050. These represent several distinct neighborhoods:
  - **Tract 1021:** A higher-income, predominantly single-family neighborhood north of San Marin Dr., following the foothills of Mount Burdell. San Marin High School and a multi-family development are located on the western side of the tract, and large office parks are located on the eastern side. Designated as an RCAA and High Resource area.
  - **Tract 1022.02:** A higher-income, predominantly single-family neighborhood on flat ground between low hills. Novato Creek runs through the southern half of the tract. Commercial, multifamily, and public uses, including the Novato Public Library, are concentrated along Novato Blvd. Though predominantly white at the tract level, the neighborhood also contains the block group with the highest proportion of non-white households in the City (73.1 percent). Designated as an RCAA and High Resource area.

- **Tract 1022.03:** This tract encompasses the entirety of Downtown Novato and its adjacent residential areas, including the [Northwest Quad Neighborhood](#), and is home to one of City's SMART rail stations. Homes are a mix of older, smaller single-family residences and mid-size apartments buildings added in the 1960's and 70's, and the majority of households are renters. The neighborhood is one of three predominantly LMI tracts, has the highest proportion of non-white households, has the lowest TCAC Economic Score in the City (0.0 to 0.25 range), and the highest overcrowding rate (9.3 percent). Designated as a Moderate Resource area and identified as one of two Vulnerable Communities in Novato by the UC Berkeley UDP.
- **Tract 1011:** A remote, entirely single-family residential neighborhood located on hills adjacent to the mouth of the Petaluma River, also known as Bahia. Designated as an RCAA and Moderate Resource area.
- **Tract 1050:** This tract encompasses the entirety of the former Hamilton Airforce Base and, due to significant redevelopment, now features a wide variety of residential uses – single-family homes, multi-family complexes, senior housing, affordable housing, and the City's only emergency shelter. The neighborhood also contains many public amenities, including parks, a library, and a SMART rail station. Households are economically and racially mixed, and the neighborhood has the highest Job Proximity Index score (>80) of any tract, as many commercial and light industrial uses are clustered adjacent to Highway 101. Despite featuring some of the highest rates of renter overpayment (69.3 percent), it also has the lowest (i.e., most positive) Location Affordability Index score. Additionally, this neighborhood has the lowest TCAC Environmental Score of any in the City due to ongoing environmental remediation efforts (see discussion above). Designated as a Moderate Resource Area.
- Pipeline projects are slated to occur on vacant land or on parcels which currently feature non-residential uses. The sole exception is the Grant Avenue Mixed-Use Project (APN 141-261-29), which will see one single-family residence demolished. This is a market rate (above moderate-income) home and is not subject to a deed-restriction.
- As described above, Tract 1022.03 (Downtown Novato and environs) presents some of the most meaningful fair housing issues of any other City neighborhood due to its high proportion of non-white, lower-income, tenant households with a high (9.3 percent) overcrowding rate. Though this neighborhood will see the greatest number of individual development projects (six), over 51 percent of pipeline units affordable to lower- and moderate-income households will be built here. Due to the neighborhood's walkability and proximity to Downtown restaurants, shopping, services, and transit, this concentration of mixed-income development has the potential to reduce overcrowding and address other fair housing concerns. Program 6.D (Implement General Plan Policies Related to the

Northwest Quadrant Neighborhood) directs the City to implement General Plan 2035 policies which seek to improve significant portions of Tract 1022.03 (i.e., Policies LU 28b – LU 28e). These place-based strategies will address fair housing issues in this portion of the City, conserving and improving the existing affordable housing stock without contributing to invest-driven displacement.

- The Fireman's Fund project (APN 125-202-03, 125-202-04, 125-202-05) will result in the construction of a large number of units in one of the least residential portions of the City. The project's immediate vicinity is a High Resource area and will not cause displacement or concentrate either above moderate or affordable units in a lower-income area.
- The majority of pipeline projects will provide residential units affordable to a variety of income levels, with no projects proposing a disproportionate number of affordable units in lower-resource or lower-income areas.



Table F-13: Sub-Area Analysis Summary

APN	Census Tract		Units by Income Level					TCAC Composite	% Non-White <sup>1</sup>	% LMI	R/ECAP	% HH with Children		% Disabled	% Overcrowded	% Cost Burden	
	#	Total HH	Very Low	Low	Mod	Above Mod	Net New					Married Couple	Female-Headed			Renter	Owner
Entitled and Proposed Development Pipeline																	
125-180-49	1021	1,005	–	40	40	–	80	High	16.6	18.7	0	89.5	9.0	7.0	0.0	51.1	32.4
125-202-03, 125-202-04, 125-202-05			130	130	–	1,040	1,300										
125-180-23, 125-180-38			49	8	12	61	130										
124-282-18	1022.02	2,360	–	–	6	–	6	High	26.9	45.6	0	68.6	21.2	9.9	4.2	33.1	40.7
141-201-12, 141-201-48			4	4	27	–	35		73.1								
141-261-29	1022.03	2,201	23	158	46	–	227	Moderate	62.7	57.6	0	74.6	19.1	9.9	9.3	57.6	40.1
141-262-14, 141-262-13			7	46	14	–	67										
143-011-05, 143-011-08			18	7	40	113	178										
141-282-07, 141-282-04			20	138	40	–	198		44.1								
153-162-70			4	3	25	–	32										
153-170-56			–	3	3	22	32										
143-151-06	1011	1,098	–	–	–	5	5	Moderate	17.1	24.2	0	89.7	6.7	8.8	4.6	53.2	29.0
157-690-37, 157-690-53	1050	2,790	–	36	–	55	91	Moderate	30.6	46.2	0	93.9	5.2	7.6	1.7	69.3	33.5
157-970-07			50	–	–	–	50		57.1								
157-162-70			4	3	25	–	32										
Total		9,454	305	576	282	1,296	2,459										
Sites Inventory																	
141-234-10	1022.03	2,201	–	–	3	–	3	Moderate	62.7	57.6	0	74.6	19.1	9.9	9.3	57.6	40.1
141-253-09			–	–	1	–	1										
141-263-30			–	–	4	–	4										
Total		2,201	–	–	8	–	8										
Rezone Sites																	
125-202-12	1021	1,005	–	–	20	–	20	High	16.6	18.7	0	89.5	9.0	7.0	0.0	51.1	32.4
141-291-32	1022.03	2,201	–	–	22	–	22	Moderate	44.1	57.6	0	74.6	19.1	9.9	9.3	57.6	40.1
Total		5,566	–	–	44	0	44										

<sup>1</sup> Non-white population data are reported at the block group level. Where appropriate, the racial demographics of block groups contained within individual tracts are reported.

Source: City of Novato, ABAG/MTC, LWC

### **F.3.3 Potential Effects on Patterns of Segregation**

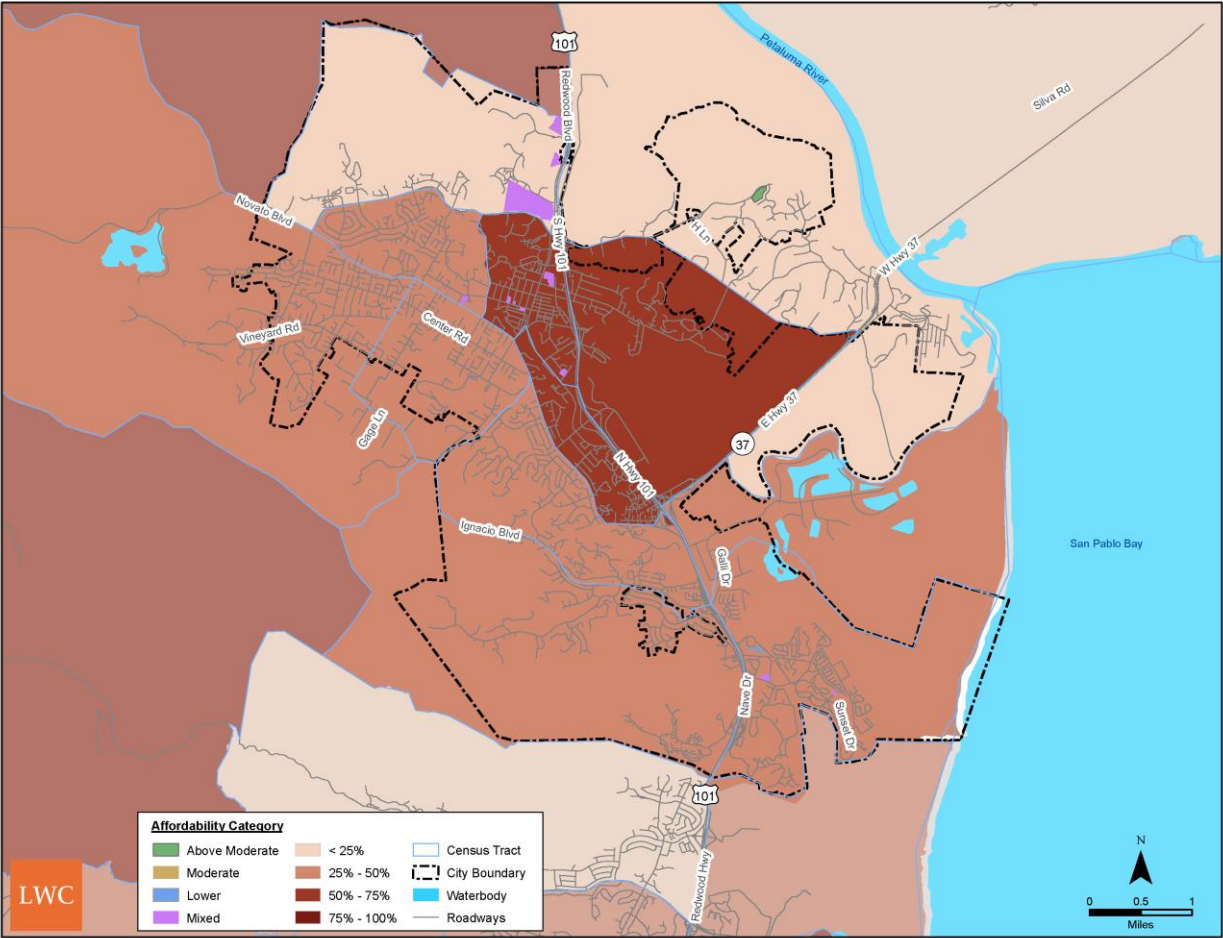
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A comparison of a jurisdiction's site inventory against its LMI households and R/ECAP area can reveal if the City's accommodation of housing is exacerbating or ameliorating segregation and social inequity. Figure F-39 shows the locations of all entitled and proposed developments and LMI population percentages. Figure F-40 shows the locations of the Novato sites inventory and rezone sites and LMI concentrations. Figure F-41 displays the distribution of entitled and proposed developments, sites inventory, and rezone sites combined area relative to the area of LMI population percentages within the City.

The City contains three LMI percentage quartiles. The City's lowest LMI percentage category (less than 25 percent) encompasses 26 percent of the City. The amount of future and potential project area within this category is about 72 percent. The second LMI quartile (25 to 50 percent) covers 55 percent of the City and contains about 7 percent of future and potential project area. The third LMI category (50 to 75 percent) contains 20 percent of City area and approximately 22 percent of the future and potential project area. Future and potential project locations in Novato relative to LMI population concentrations are not expected to worsen income distributions through further concentration in higher LMI categories due to the relative City and site areas in each LMI category.



Figure F-39 Entitled and Proposed Developments and LMI Households by Tract



**Affordability Category**

Moderate	< 25%	Census Tract
Mixed	25% - 50%	City Boundary
	50% - 75%	Waterbody
	75% - 100%	Roadways

Map labels include: Novato Blvd, Vineyard Rd, Center Rd, Gorda Ln, Ignacio Blvd, Redwood Blvd, S Hwy 101, Highway 101, Highway 37, E Hwy 37, W Hwy 37, Silva Rd, San Pablo Bay, and various local streets like Gorda Dr, Nava Dr, and Sunset Dr.

Scale: 0 to 1 Miles. North arrow pointing up.

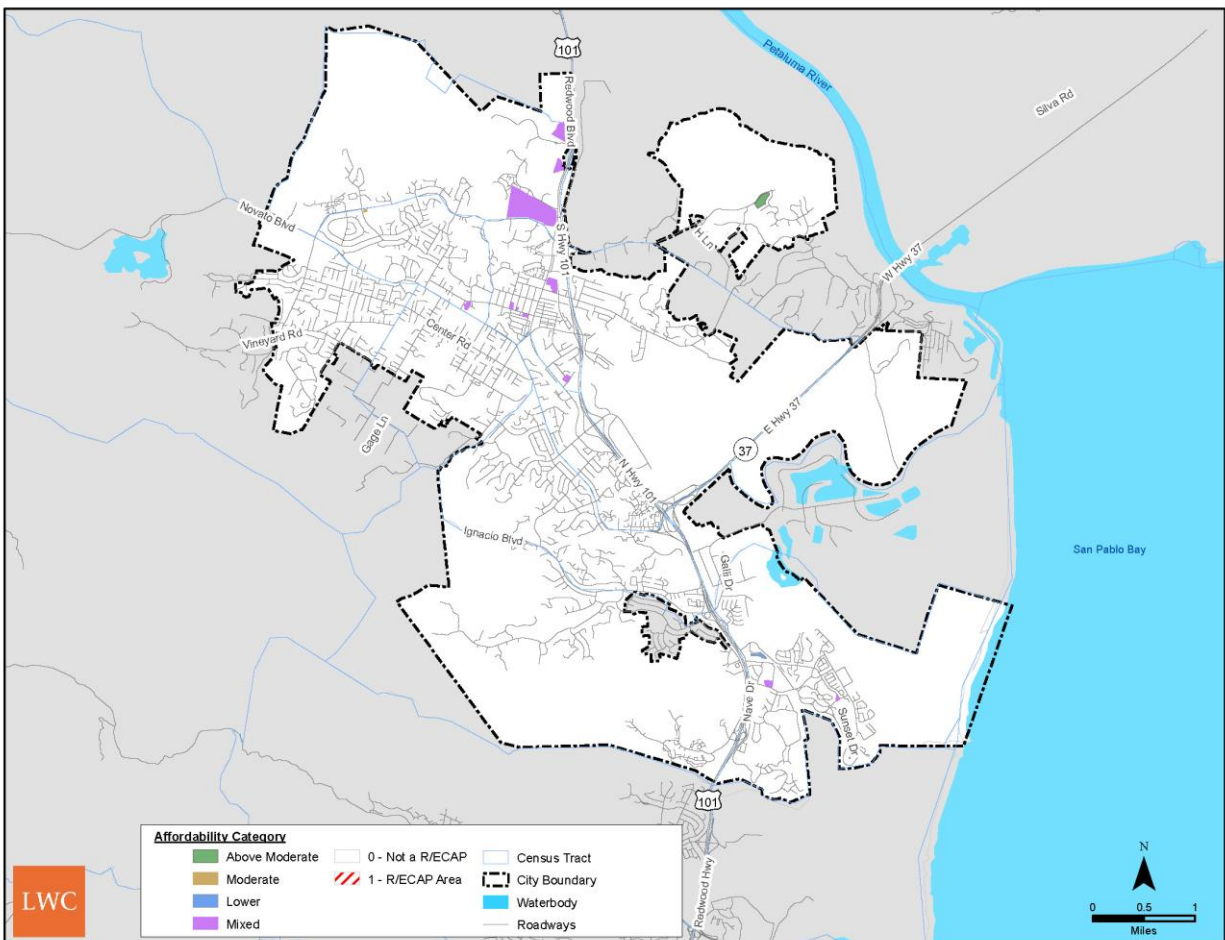
LWC

Low to Moderate Income Population Percentages	Percentage of City Area	Percentage of Entitled, Proposed, Sites, and Rezone Area
< 25	26	72
25 - 50	55	7
50 - 75	20	22
75 - 100	0	0

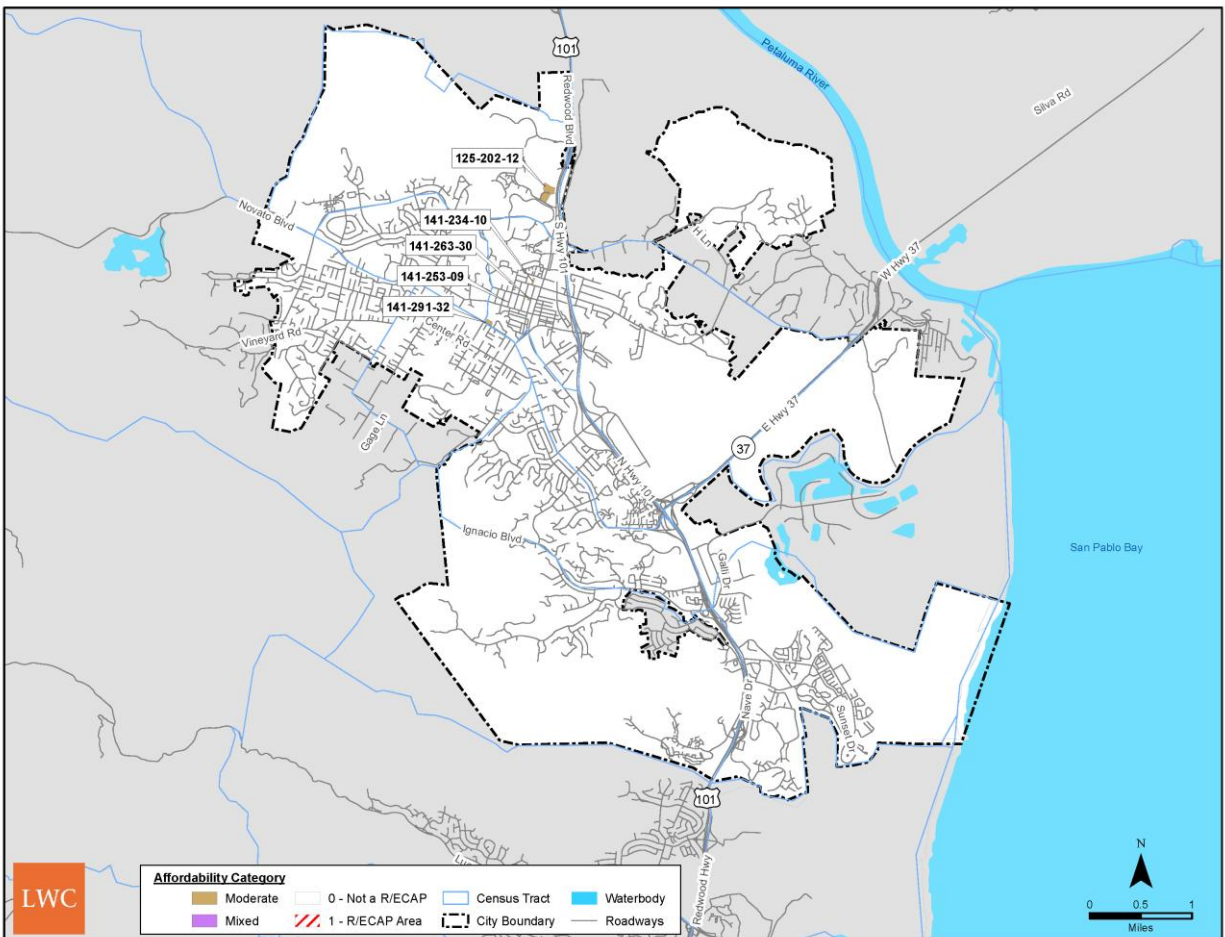
Figure F-42 shows the locations of all entitled and proposed developments and R/ECAPs. Figure F-43 shows the sites inventory area and rezone sites and R/ECAPs. Figure F-44 displays the distribution of entitled and proposed developments, sites inventory, and rezone sites combined area (housing element sites area) relative to the presence of R/ECAPs within the City.

As previously noted, Novato does not have any R/ECAPs within its boundaries. The amount of City and Housing Element sites area that is not within a R/ECAP is therefore 100 percent.

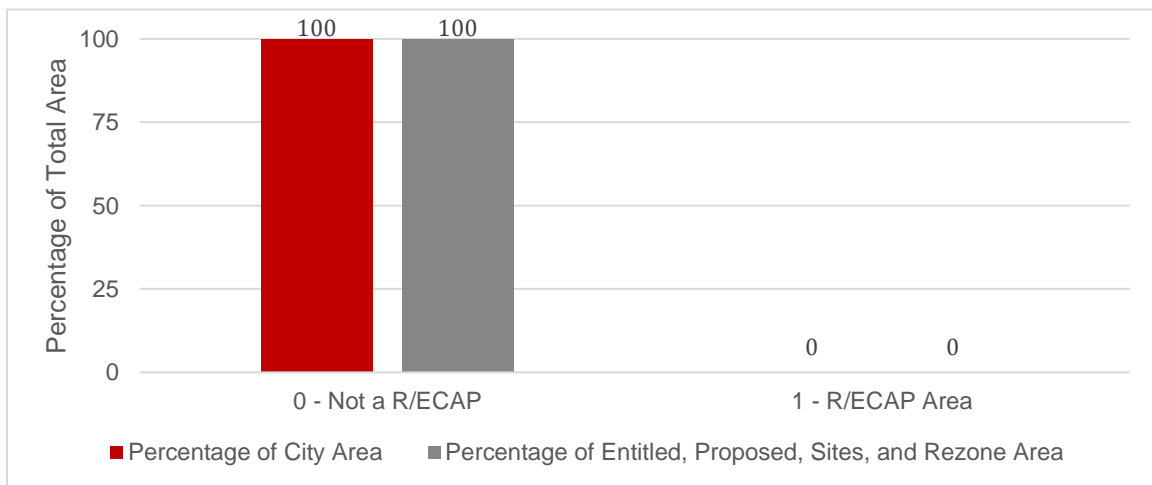
**Figure F-42: Entitled and Proposed Developments and R/ECAPs by Tract**



**Figure F-43: Sites Inventory and Rezone Sites and R/ECAPs by Tract**



**Figure F-44: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites Across R/ECAPs**

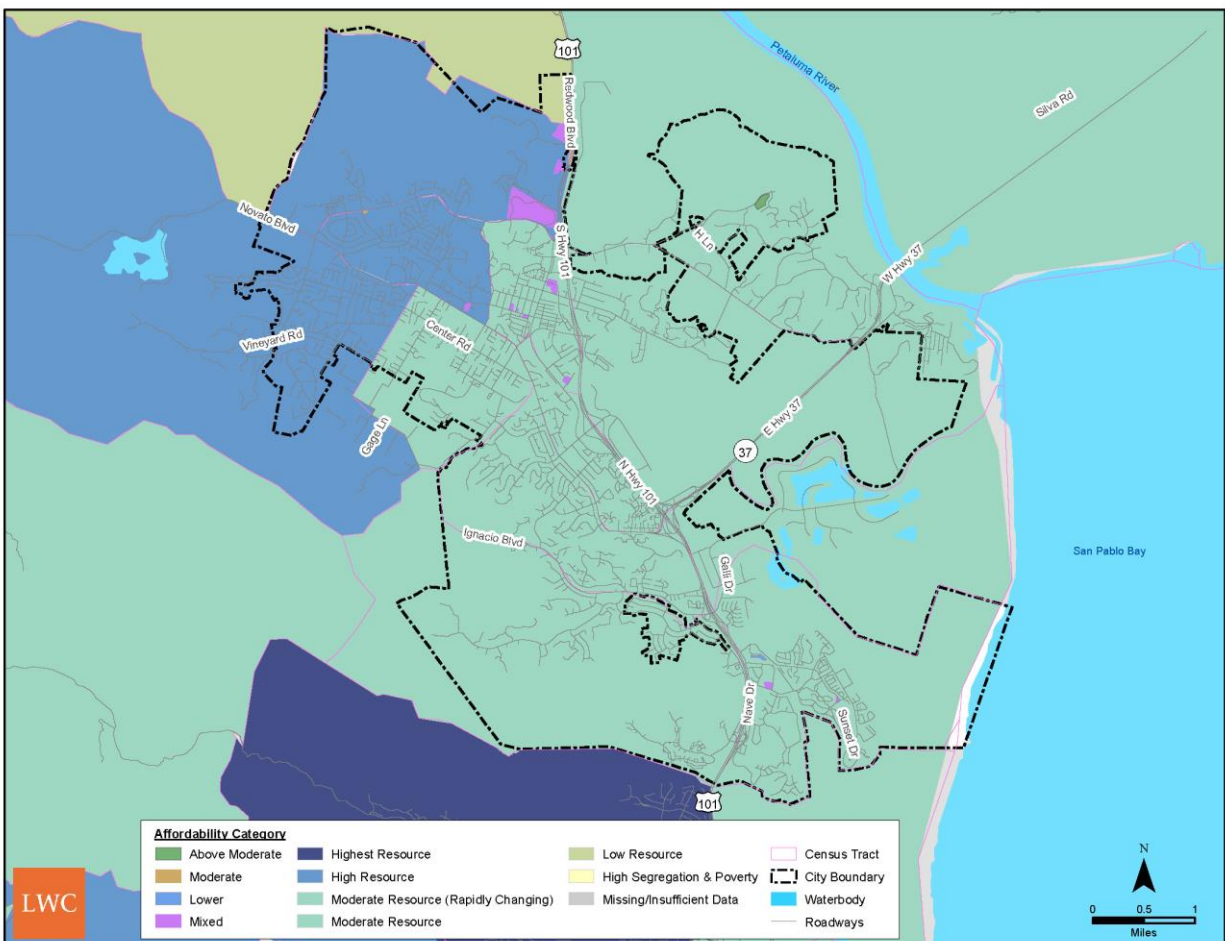




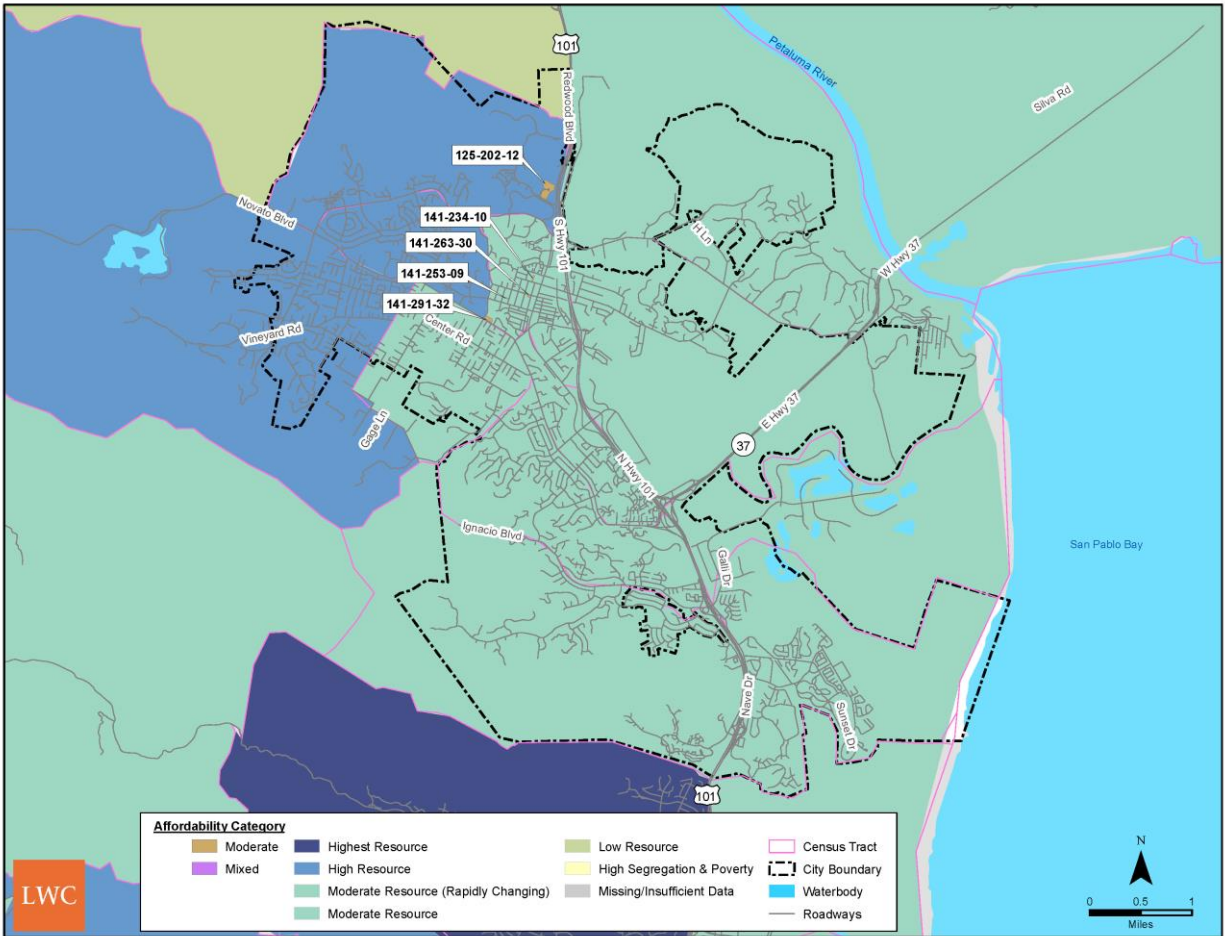
### F.3.4 Potential Effects on Access to Opportunity

Figure F-45 shows the location of all entitled and proposed developments alongside TCAC Composite Score by Census tract. Figure F-46 shows the sites inventory and rezone sites across the City's TCAC Opportunity Areas Composite Score. The City is categorized as Moderate and High Resource areas based on the TCAC Composite Score. Figure F-47 shows the distribution of Novato sites across the TCAC Composite Score categories. The High Resource area accounts for 23 percent of the City and the Moderate Resource area comprises 76 percent of the City. The entitled/proposed development, sites inventory, and rezone sites area distribution is predominantly located in the High Resource area at 59 percent and in the Moderate Resource area at 41 percent. These locations will likely not impede access to opportunity because housing development potential in the City is aligned with higher resources overall.

**Figure F-45: Entitled and Proposed Developments and TCAC Composite Score by Tract**



**Figure F-46: Sites Inventory and Rezone Sites and TCAC Composite Score by Tract**



**Figure F-47: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites by TCAC Composite Score**

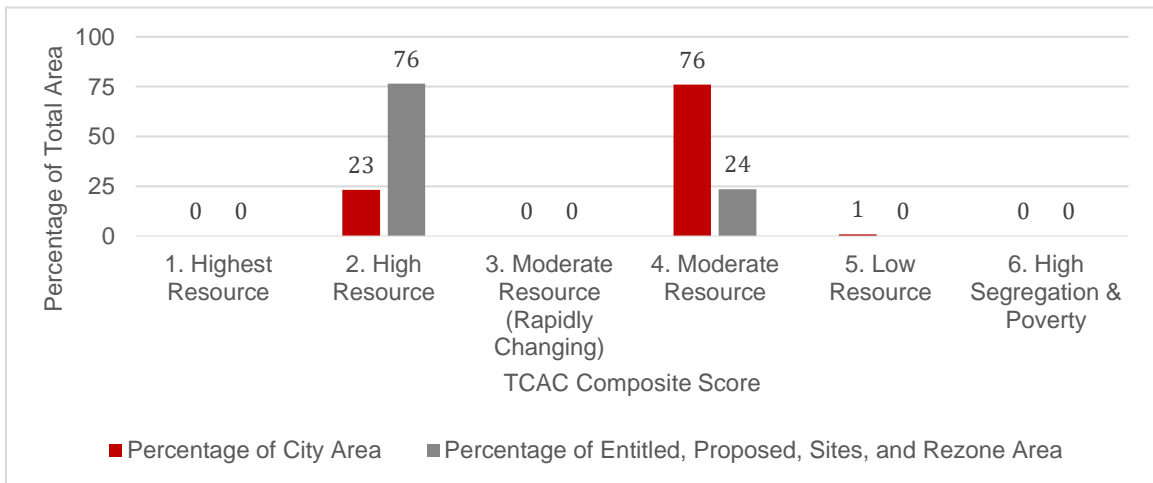
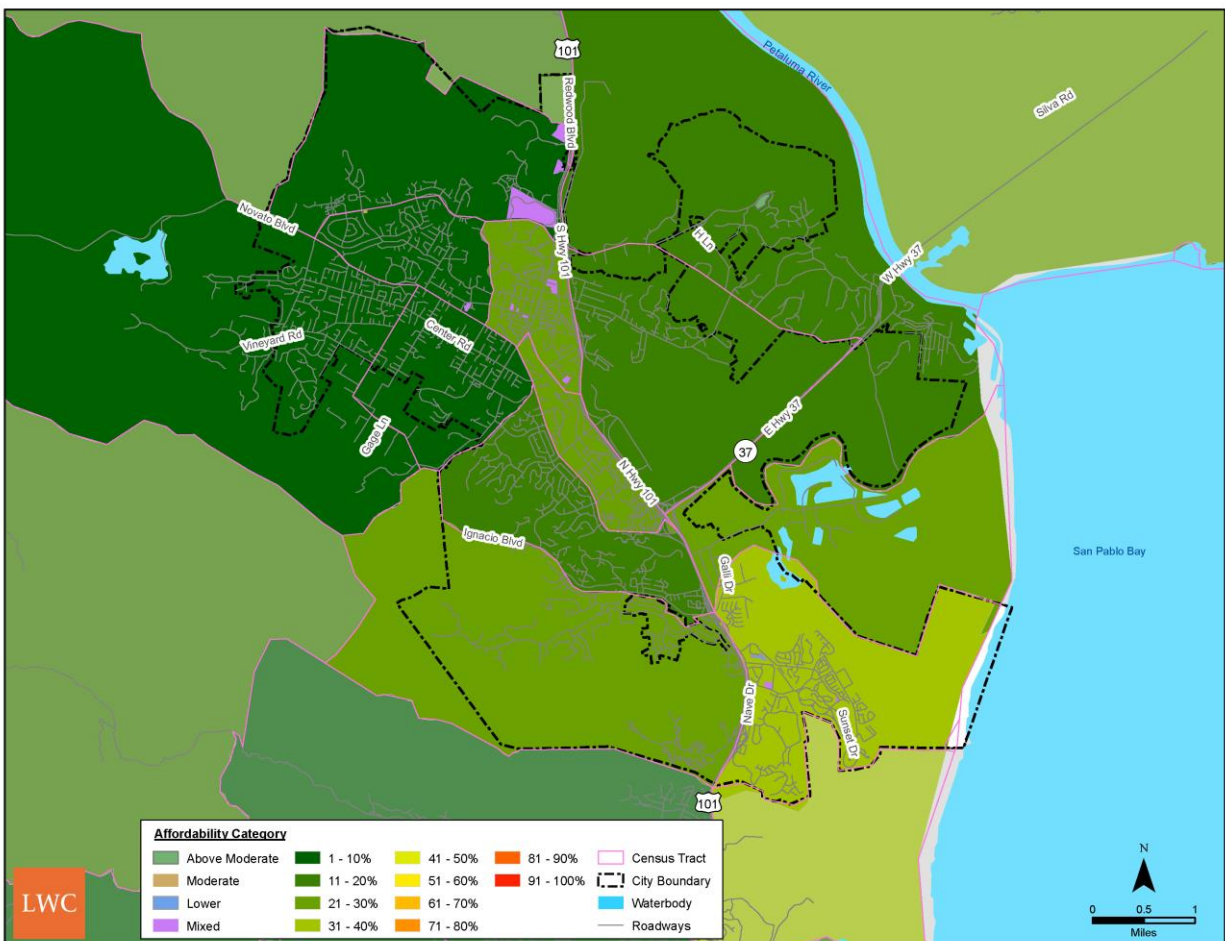


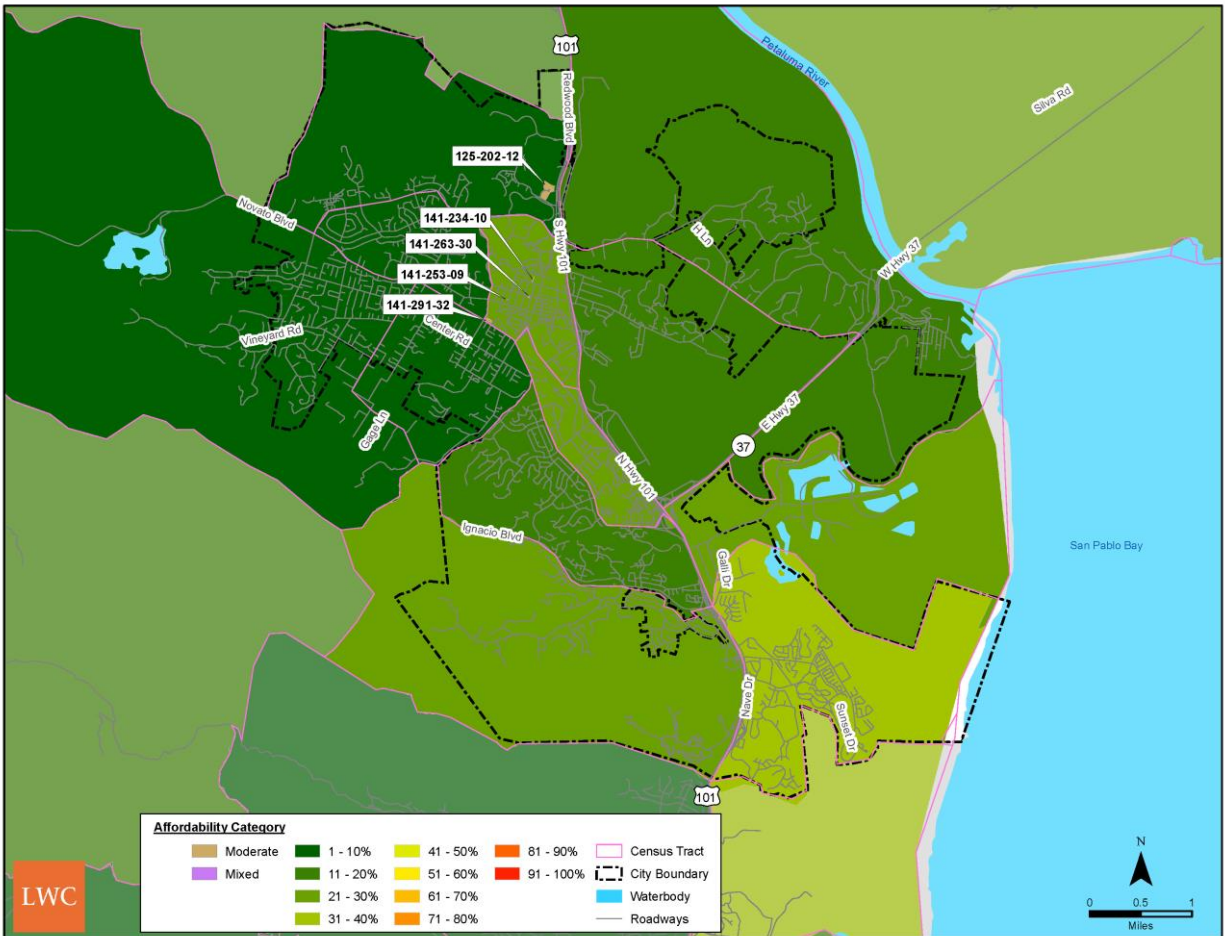
Figure F-48 shows the locations of all entitled and proposed developments alongside Cal EnviroScreen 4.0 Scores by Census tract. Figure F-49 shows the sites inventory and rezone sites across the City's CalEnviroScreen scores. The City contains four CalEnviroScreen scores ranging from the lowest one (first decile of one to 10 percent, lowest environmental risk) up to four (31 to 40 percent). Figure F-50 shows the distribution of sites in Novato across the range of CalEnviroScreen scores presented as deciles. The area with the highest amount of environmental risk to residents (score four) accounts for the lowest percentage of City area (13 percent) and contains only five percent of entitled/proposed, sites inventory, and rezone site area. Most of the future and potential project area is in CalEnviroScreen decile one at 76 percent, which accounts for 28 percent of the City's area. Most of the City area is in decile two at 34 percent but contains only five percent of future and potential project sites. Decile three contains 25 percent of City area and 13 percent of the future and potential project area. Future and potential project locations are concentrated in areas associated with the lowest environmental risk according to the CalEnviroScreen scores. Based on this assessment, these locations are not likely to expose residents to environmental hazards.

**Figure F-48: Distribution of Entitled and Proposed Developments by CalEnviroScreen 4.0 Scores by Tract**

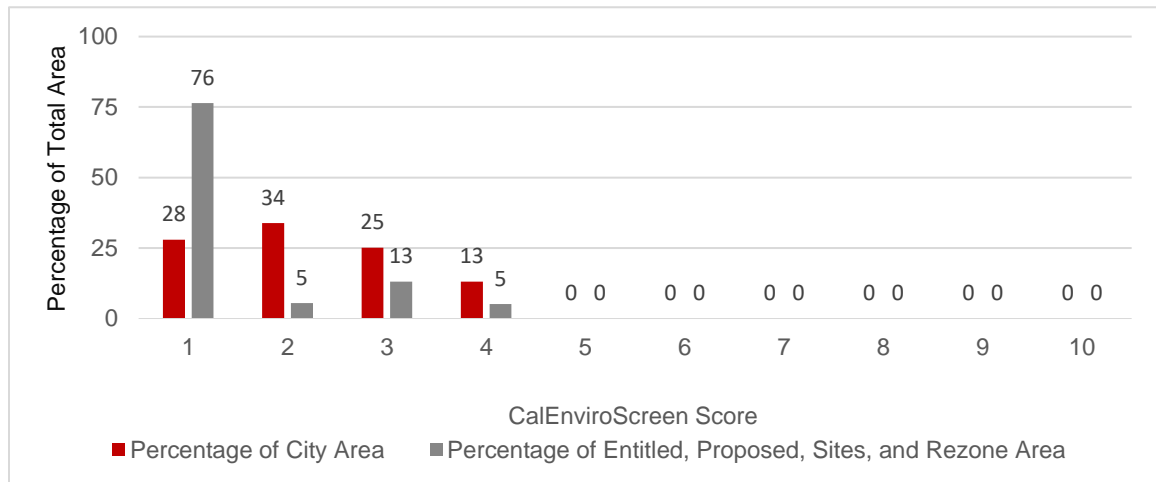




**Figure F-49: Distribution of Sites Inventory and Rezone Sites by CalEnviroScreen 4.0 Scores by Tract**



**Figure F-50: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites by CalEnviroScreen 4.0 Scores**



## Section F.4 Contributing Factors and Meaningful Actions

Table F-14 lists the prevalent fair housing issues and their corresponding contributing factors for the City of Novato as prioritized through the findings from the above assessment and as outlined in Section F.2.8 (Summary of Fair Housing Issues).

**Table F-14: Contributing Factors**

Priority	Contributing Factor	Fair Housing Issue
1	Land use and zoning laws	Disproportionate Housing Needs
2	Availability of affordable units in a range of sizes	Disproportionate Housing Needs
3	Location and type of affordable housing	Segregation and Integration

Table F-15 consists of proposed housing programs the City will pursue to specifically overcome identified patterns and trends from the above assessment and proactively affirmatively further fair housing in Novato. To reflect the importance of meaningful action on land use and zoning (the highest-priority AFFH contributing factor), associated housing implementation programs will be implemented within two years of 6<sup>th</sup> Cycle Housing Element adoption. The programs' detailed metrics and milestones are located in Section III of the Housing Element.

**Table F-15: Meaningful Actions**

Contributing Factor	AFFH Strategy	Housing Implementation Programs
Land use and zoning laws	New housing choices and affordability in areas of opportunity	1.A: Rezone for RHNA shortfall. 2.G: Amend and monitor Inclusionary Housing Ordinance 3.C: Adopt Marin County objective design standards for multi-family housing. 3.D: Design review and use permit process improvements.
Availability of affordable units in a range of sizes	New housing choices and affordability in areas of opportunity	1.B: Streamline the construction of Accessory Dwelling Units (ADUs). 3.F: Evaluate and adjust impact fees. 3.G: Modify multi-family residential parking standards.
Location and type of affordable housing	New housing choices and affordability in areas of opportunity	3.H: Adopt a parking reduction incentive program to facilitate transit-oriented development.
	Protect existing residents from displacement	2.B: Maintain long-term housing affordability controls. 5.A: Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units. 5.B: Link code enforcement with public information campaigns. 5.C: Amend the City's condominium conversion ordinance.

**Table F-15: Meaningful Actions**

Contributing Factor	AFFH Strategy	Housing Implementation Programs
		<p>5.F: Preserve mobile home parks.</p> <p>5.G: Regulate the displacement of residential units.</p> <p>5.H: Promote and support rental assistance programs.</p> <p>5.I: Expand “just cause” eviction protections to all tenants.</p> <p>5.J: Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</p> <p>6.A: Prepare information and conduct community outreach activities on fair housing issues.</p> <p>6.B: Require non-discrimination clauses in affordable housing agreements.</p> <p>6.D: Implement General Plan policies related to the Northwest Quadrant neighborhood.</p>
	Housing mobility strategies	<p>2.C: Maintain and develop local sources of funding for affordable housing.</p> <p>2.D: Seek outside funding for affordable housing that leverages local resources.</p> <p>5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.</p> <p>5.K: Continue to assist in the rehabilitation and production of housing for lower-income households.</p>

# Appendix G: Housing Resources

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## Section G.1 Financial and Administrative Resources

The following section (Appendix G) presents financial, administrative, and other resources that can support the City in addressing its housing needs. Availability of these resources is dependent on governmental and administrative priorities, legislation, and the availability of funding, which is constantly subject to change.



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### G.1.1 Local Resources

Novato's Affordable Housing Program is managed by the Community Development Department. The program provides both rental and ownership units to households of very low, low, and moderate incomes. Historically, the City has been able to provide funding to housing developers who develop affordable housing. Since 2000, the City assisted in the construction of over 700 units of affordable housing as part of the Hamilton Airfield redevelopment and has supported other deed-restricted units throughout the City. Below is a brief summary of Novato's Affordable Housing Program resources.

#### **Below Market Rate (BMR) Ownership Housing Program**

The Below Market Rate (BMR) program is a home ownership program where units throughout the City are sold below the market rate value. Homebuyers who previously benefited from programs pass along the opportunity to the next owner when they sell their home. This ensures that there will be affordable housing available for future generations of Novato residents.

As of March 23, 2021, [Rise Housing Solutions](#) manages the City's BMR ownership program, a local non-profit partner that manages similar programs in Cupertino and Menlo Park. Rise Housing Solutions works with the City and its Real Estate Agent Partner to process BMR program applications, housing lotteries, and screening. They also manage similar processes for developers working in the City, most recently [Verandah at Valley Oaks](#) and [Ascend at Hamilton Field](#).

Novato manages its new BMR housing stock separate from the County program managed by the Marin Housing Authority [BMR Home Ownership program](#).

#### **Below Market Rate (BMR) Rental Program**

There is a number of affordable BMR rental units provided throughout the City. The rents are restricted for households of very-low and low incomes. These include the following:

- **Bay Vista at Meadow Park** (5 Hutchins Way): 220 units, max. income 30-60% AMI
- **Creekside at Meadow Park** (5 Hutchins Way): 77 units, max. income 35-69% AMI
- **Millworks** (900 Reichert Ave.): seven units, max. income 50% AMI
- **Next Key Center** (1385 N. Hamilton Pkwy.): 32 units, max. income 50% AMI (job training available)
- **Villa Entrada** (510-530 Entrada Dr., 8-12 Oak Grove Dr.): 65 for-sale units
- **Illes Court**: three for-sale units

## **Gilead House**

Established in 1999, Gilead House provides housing, support, and learning opportunities for up to twelve low-income single mothers and their children at two locations in Novato. The 24-month program offers women the opportunity to learn vital skills in a supportive environment and make permanent and positive changes in their life. The main components of the program include a strong focus on education, family advocacy, mental health support, mentoring, and personal goal-setting. Through each of these avenues, the residents learn independence and self-sufficiency and make plans for life beyond transitional housing.

## **Fair Housing Ordinance**

The City of Novato Fair Housing Ordinance precludes discrimination of potential renters based on their source of income, such as those who receive third-party housing subsidies or vouchers. This means that landlords may not preclude potential tenants with housing assistance, such as the Housing Choice Voucher Program (formerly Section 8), in advertising the availability of an apartment, and may not evaluate applications, charge a higher deposit, or treat an applicant differently based on source of income. This ordinance does not prevent or hinder landlords from screening applications or selecting tenants based on other factors, such as having sufficient total income, adequate credit scores, an acceptable rental history or references, or applying other typical screening criteria.

## **Funding**

Since 2000, the City has funded over 700 affordable housing units throughout the City. Developers constructing affordable housing may request "gap financing" from the City to complete the needed funding for the project.

For example, in 2020 the City Council unanimously voted to commit \$750,000 of the City's \$1.1 million affordable housing fund to Homeward Bound of Marin to support the first phase of its effort to construct 24 one-bedroom apartments of permanent supportive housing for veterans, 26 one-bedroom apartments of workforce affordable housing, and a job training center at 826 State Access Road. The City's funding helped leverage more funding from State, federal and local agencies and organizations, including a \$3 million Veterans Housing and Homelessness Prevention grant from HCD. As of 2022, Homeward Bound was awarded a further \$392,446 in grant money from Marin County's Affordable Housing Trust Fund and the State's Permanent Local Housing Allocation (PLHA) program. This second infusion of funding followed action from the County Board of Supervisors, due in part to ongoing support from Novato's City Council, who helps decide which projects receive funds. Construction began in November 2022.

## **Mobile Home Rent Control**

The Novato Rent Control Ordinance for mobile home parks was enacted to protect tenants' investments in their mobile homes and ensure affordable spaces for rent, while at the same time recognizing mobile home park owners' rights to earn a fair return on investment. The ordinance

governs rents, rent increases, and other protections for current and potential future tenants of mobile home parks. The Ordinance can be found in the Novato Municipal Code as Chapter 20 (Rent Control – Mobilehomes).

## Senior Housing

Novato has affordable ownership and rental developments for seniors with minimum age restrictions starting at 55 years. These include the following:

### *Rentals*

- The Villas at Hamilton (419 S. Palm Dr.)
- Nova Ro I Apartments (1128 Olive Ave.)
- Nova Ro II Apartments (1130 7<sup>th</sup> St.)
- Nova Ro III Apartments (31 Pinheiro Cr.)
- Creekside at Meadow Park (46 Tinker Way)
- Mackey Terrace (626 Owens Dr.)
- Warner Creek Senior Housing (806 Diablo Ave.)

### *For Purchase*

- Villa Entrada (510-530 Entrada Dr., 8-12 Oak Grove Dr.)

## G.1.2 Regional Resources

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### Community Action Marin

- **Application Assistance for Housing, Energy, and other Programs:** Staff are available to assist applicants who do not have access to a computer or smart phone or need other assistance.
- **Emergency Family Needs Program:** This program offers small one-time cash grants to support emergency rental, mortgage, or security deposit assistance. The program supports longer-term help finding affordable housing through a coaching program.
- **Financial & Credit Coaching:** Community Action Marin's coaching helps people develop strategies and manage their overall finances and achieve better financial stability and greater independence. This is defined as a self-sufficient income which includes three months of savings, a credit score of 700 or above, and no revolving debt. Participants commit to being in the program for at least six months, working with a coach to identify personal goals, create an action plan, and meet regularly to check on progress and address barriers. The program collaborates with local banks, colleges, county offices, and other nonprofits to provide a hub of integrated services with the collective goal of helping participants attain long-term financial security.
- **Long Term Housing Assistance:** As part of the coaching program, clients can meet with a Volunteer Housing Navigator who can assist with:



- Information on shared housing, Housing Choice Voucher Program housing (formerly Section 8), and senior subsidized housing options;
  - Planning a housing search (where and how to look);
  - Learning how to present yourself to a landlord;
  - Discussing how to be a good tenant;
  - Creating tools: housing resume and letters of reference; and,
  - Referrals to outside resources.
- **Pet Security Deposit Help:** The Marin Humane Society partners with Community Action Marin to provide up to \$500 towards a pet security deposit for qualifying individuals or families. This financial support is paid directly to the housing manager or landlord.

## Marin Housing Authority

- **Family Self-Sufficiency Program:** Family Self-Sufficiency (FSS) serves Housing Choice Voucher (HCV) and Public Housing participants who wish to increase their earned income and reduce their dependency on welfare assistance and rental subsidies. With support of local agencies, FSS combines case management and advocacy with individual plans for education, training, and employment. Participants in the program can receive support services for up to five years while improving their standard of living and building tools for creating sustainable change.
- **Housing Choice Voucher (HCV) Program:** Marin Housing administers 50 housing choice vouchers (formerly known as Section 8) under HUD guidelines. The HCV Program provides decent, safe, and sanitary affordable rental housing for very low-income families throughout Marin County. Housing is made affordable by assisting the family with a portion of the rent. In this program, the family pays approximately 30 percent of their monthly income for rent and Marin Housing pays the remainder of the rent directly to the owner or property manager.
- **Public Housing:** Public housing is funded by the federal government and administered by the Marin Housing Authority for Marin County. Novato has one public housing development, Casa Nova. It includes 40 units owned by Marin Housing Authority near shopping and bus lines for income-eligible seniors or disabled people capable of independent living. Rent is federally subsidized, so tenants pay 30 percent of their monthly gross income, less a utility allowance.
- **Residential Rehabilitation Loan Program:** This program provides low-interest property improvement loans and technical assistance to qualified very low-income homeowners to make basic repairs and improvements, correct substandard

conditions, and eliminate health and safety hazards in their homes or apartments. Energy efficiency improvements are eligible through this program as well.

- **Shelter Plus Care Program:** Marin County Shelter plus Care Program is a housing subsidy program for individuals who are chronically homeless and suffer from a qualifying disability. The Program is funded by the U.S. Department of Housing and Urban Development (HUD) and Marin County Behavioral Health and Substance Use Services. Participants pay approximately 30 percent of their income toward rent and receive ongoing supportive services from Marin Housing Authority case managers.

### G.1.3 State Resources

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- **Affordable Housing and Sustainable Communities Program (AHSC):** Administered by the Strategic Growth Council, this program provides grants and/or loans to fund land-use, housing, transportation, and land preservation projects that support infill and compact development that reduce greenhouse gas emissions.
- **CalHome:** HCD-provided grants to local public agencies and non-profit housing developers to assist first-time homebuyers become or remain homeowners through deferred-payment loans. Funds can also be used to assist in the development of multiple-unit homeownership programs.
- **California Emergency Solutions and Housing (CESH):** This program provides funds for a variety of activities to assist persons experiencing or at risk of homelessness, such as housing relocation and stabilization services (including rental assistance), operating subsidies for permanent housing, flexible housing subsidies, and emergency housing operating support.
- **California Housing Finance Agency (CalHFA):** CalHFA offers a variety of low-cost loan programs to support the development of affordable multi-family rental housing, mixed-income housing, and special needs housing.
- **California Housing Finance Agency (CalHFA), Mortgage Credit Certificate Program:** The MCC program is a homebuyer assistance program designed to help lower-income families afford home ownership. The program enables home buyers to claim a dollar-for-dollar tax credit for a portion of the annual mortgage interest, up to \$2,000. The remaining mortgage interest may still be calculated as an itemized deduction.
- **California Self-Help Housing Program (CSHHP):** Provides grants for sponsor organizations that provide technical assistance for low- and moderate-income families to build their homes with their own labor.
- **Elderlink:** A senior care referral service licensed by the Department of Public Health. This organization provides independent and free personalized senior care placement

services to fully screened and approved nursing home, board and care, and assisted living facilities.

- **Golden State Acquisition Fund (GSAF):** This \$93 million fund provides low-cost financing aimed at supporting the creation and preservation of affordable housing across the state. GSAF makes up to five-year loans to developers for acquisition or preservation of affordable housing.
- **Homekey:** Homekey provides grants to acquire and rehabilitate a variety of housing types, such as hotels and residential care facilities, to serve people experiencing homelessness or who are also at risk of serious illness from COVID-19.
- **Housing for a Healthy California (HHC) Program:** This program provides funding to deliver supportive housing opportunities to developers using the federal National Housing Trust Funds (NHTF) allocations for operating reserve grants and capital loans. The HHC program is intended to create supportive housing for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services' Medi-Cal program.
- **Housing Navigator's Program:** This grant program allocates funding to counties for the support of housing navigators to help young adults aged 18 to 21 years secure and maintain housing, with priority for individuals in the foster care system.
- **Infill Infrastructure Grant Program (IIG):** This program promotes infill housing development by providing grant funding, in the form of gap assistance, for infrastructure improvements required for qualifying multi-family or mixed-use residential development.
- **Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program:** This program provides deferred payment loans for owner-occupied and rental housing for agricultural workers, with a priority for lower income households.
- **Local Housing Trust Fund (LHTF) Program:** This program provides matching funds to local or regional housing trust funds for the creation, preservation, and rehabilitation of affordable housing, transitional housing, or emergency shelters.
- **Mills Act:** The Mills Act is an economic incentive programs for the restoration and preservation of qualified historic buildings by private property owners. It grants local governments the authority to enter into contracts with owners of qualified historic properties who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief.
- **Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRP):** This program provides financing to support the preservation of affordable mobilehome parks through conversion of the park to ownership or control by resident organizations, nonprofit housing sponsors, or local public entities.

- **Multifamily Housing Program (MHP):** This program provides deferred payment loans for the construction, preservation, and rehabilitation of permanent and transitional rental housing for lower-income households.
- **No Place Like Home Program:** This program invests in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness.
- **National Housing Trust Fund:** This program provides deferred payment or forgivable loans for the construction of permanent housing for extremely low-income households. The required affordability covenant is for 55 years.
- **Permanent Local Housing Allocation (PLHA) Program:** This program provides a permanent source of funding to all local governments in California to help cities and counties implement plans to increase affordable housing stock. Funding for this program is provided through a \$75 recording fee on real estate transactions.
- **Predevelopment Loan Program (PDLF):** This program provides financing to cover pre-development costs to construct, preserve, or rehabilitate assisted housing.
- **Supportive Housing Multifamily Housing Program (SHMHP):** This program provides low interest deferred loan payments to developers building affordable rental housing that contain supportive housing units.
- **Transit-Oriented Development (TOD) Housing Program:** This program provides low-interest loans as gap financing for higher density affordable rental housing within one-quarter mile of transit stations. Grants are also available to municipalities and transit agencies for infrastructure improvements necessary for the development of specified housing developments or to facilitate connections between these developments and the transit station. The maximum total award amount for a single project is \$15 million.
- **Transitional Housing Program (THP):** This program provides funding to counties for child welfare services agencies to help young adults aged 18 to 25 years find and maintain housing, with priority given to those formerly in the foster care or probation systems.
- **Veterans Housing and Homelessness Prevention Program (VHHP):** This program supports the acquisition, construction, rehabilitation, and preservation of affordable multi-family housing for veterans and their families.

#### G.1.4 Federal Resources

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- **Community Development Block Grant (CDBG):** Federal funding for housing programs is available through the U.S. Department of Housing and Urban Development (HUD). CDBG funds may be used to provide a suitable living environment by expanding economic opportunities and providing decent housing to low-income households (80 percent AMI). The Marin County Community Development Agency makes CDBG funds available to eligible nonprofit agencies and local governments. Marin County anticipates that it will receive roughly \$1.5 million in CDBG funds and \$800,000 in HOME funds for the 2022-24 funding cycles.
- **Continuum of Care (CoC) Program:** The Continuum of Care (CoC) Program is designed to promote communitywide commitment towards ending homelessness. It provides funding to nonprofits, state, and local governments to provide shelter and services to people experiencing homelessness.
- **Emergency Solutions Grants (ESG) Program:** This program provides funding for cities, counties, and states to engage homeless individuals and families living on the street; improve the number and quality of emergency shelters for homeless individuals and families; help operate these shelters; provide essential services to shelter residents; rapidly rehouse homeless individuals and families; and prevent families/individuals from becoming homeless.
- **HOME Investment Partnerships Program (HOME):** Participating jurisdictions may use HOME funds for a variety of housing activities according to local housing needs. Eligible uses include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of rental housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing. Funds may not be used for public housing development, public housing operating costs, or for Housing Choice Voucher Program (formerly Section 8) tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs, for operating subsidies for rental housing, or for activities under the Low-Income Housing Preservation Act.
- **Low-Income Housing Preservation and Residential Home Ownership Act (LIHPRHA):** This program requires all eligible HUD Section 236 and Section 221(d) projects at risk of conversion to market-rate rentals from mortgage pre-payments be subject to LIHPRHA incentives, which include subsidies to guarantee an eight percent annual return on equity.
- **Low-Income Housing Tax Credit:** Administered through the California Tax Credit Allocation Committee (TCAC), the Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable housing by

providing a tax credit to construct or rehabilitate affordable rental housing for low-income households.

- **Section 108 Loan Guarantee Program:** Allows CDBG entitlement jurisdictions to leverage their annual grant allocations to access low-cost financing for capital improvement projects. Eligible activities include housing, economic development, public facility, and infrastructure. This program is often used to catalyze private investment in underserved communities or as gap financing.
- **Section 202 Supportive Housing for the Elderly Program:** Provides an interest-free capital advance to cover the costs of construction, rehabilitation, or acquisition of very low-income senior housing. The program is available to private, nonprofit sponsors; public sponsors are not eligible for the program.
- **Section 811 Project Rental Assistance:** HUD offers long-term project-based rental assistance through a NOFA published by the California Housing Finance Agency (CalHFA).
- **U.S. Department of Agriculture (USDA) Housing Programs:** These programs provide homeownership opportunities for individuals and below market-rate loans/grants to public and nonprofit organizations for new construction, preservation, or rehabilitation of farmworker/rural multi-family rental housing.
- **Veterans Affairs Supportive Housing (VASH) Program:** HUD-VASH is a collaborative program between HUD and VA combines HUD housing vouchers with VA supportive services to help veterans who are homeless and their families find and sustain permanent housing. See Homeward Bound of Marin's New Beginnings Center, which includes an office for the program.

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## Section G.2 Opportunities for Energy Conservation

The cost of energy can greatly impact housing affordability and energy costs can constitute a significant portion of total housing costs. High energy costs also impact low-income households disproportionately. The U.S. Department of Energy has found that, nationally, low-income households spend a larger portion of their income on home energy costs (e.g., electricity, natural gas, and other home heating fuels) than other income group households.<sup>1</sup>

The City encourages energy conservation in all projects consistent with the California Building Code (CBC) and Municipal Code. The City's website includes financial and energy-saving green

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<sup>1</sup> U.S. Department of Energy, Office of Energy Efficiency & Renewable Energy, [\*Low-Income Household Energy Burden Varies Among States – Efficiency Can Help In All of Them\*](#), December 2018.

building resources. Additionally, Novato adopted a Climate Change Action Plan (CCAP) in 2009 and updated greenhouse gas emissions (GHG) reduction targets and measures from the 2009 CCAP were embedded into General Plan 2035, in addition to other sustainability goals, policies, and programs aimed at protecting the environment and addressing the climate crisis.

The General Plan 2035 was adopted by the City Council on October 2020 and now serves at the City of Novato's CCAP. In recognition of the acceleration in changes to our climate and the corresponding negative impacts (e.g., drought, wildfire, species loss, extreme weather, etc.) in November 2020, the Novato City Council adopted a Climate Emergency Resolution and declared addressing climate change a priority for the City.

The City promotes various energy conservation programs on its website, including the Bay Area Regional Energy Network (BayREN), Go Green Financing, and Property Assessed Clean Energy (PACE) Financing. BayREN is a collaboration of the nine counties that comprise the San Francisco Bay Area and is led by the Association of Bay Area Governments (ABAG). BayREN provides regional-scale energy efficiency programs, services, and resources. BayREN is funded by utility ratepayer funds through the California Public Utilities Commission and other sources. Go Green Financing is energy efficiency financing backed by the state for business, multi-family, and single-family homes. PACE is a mechanism for property owners to finance renewable energy, energy efficiency, and water conservation improvements to their properties and repay the loan via an annual assessment on the owner's property tax bill. Unlike traditional forms of credit that are dependent on individual credit rating, PACE financing is primarily based on a property owner's equity in the building. PACE providers available to Novato residents are:

- **Renew Financial** - Residential
- **YGreen Energy Fund** - Residential, Commercial, Multi-Family
- **AllianceNRG** - Residential, Commercial, Multi-Family
- **Dividend Finance** (formerly FigTree) - Commercial, Multi-Family
- **Finance of America** (formerly HERO) - Residential, Commercial

## **G.2.1 Community Action Marin**

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Community Action Marin is the local administrator of the federally-funded Low-Income Home Energy Assistance Program (LIHEAP). CAM also offers assistance referring residents to other income-eligible energy saving programs.

- **HEAP Assistance:** Once-a-year assistance in paying gas, electric, wood, and propane home energy costs. Eligibility and assistance level based on household size, gross monthly income, and program priorities. (Program restrictions may change on an annual basis and according to funding availability).



- **Referral to Residential Conservation Programs:** Access to Low Income Home Energy Assistance Program (weatherization), Department of Energy Weatherization Assistance Program (WAP), Energy Partners, and utility-operated conservation programs.

## G.2.2 Marin Clean Energy Resources

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Marin Clean Energy (MCE) is a public agency and not-for-profit electricity provider that gives customers the choice of having 50 percent to 100 percent of their electricity supplied from clean, renewable sources such as solar, wind, bioenergy, and hydroelectric at competitive rates. MCE provides electricity service and innovate programs to more than one million residents and businesses across the four Bay Area counties: Contra Costa, Marin, Napa, and Solano. MCE has several programs designed to serve low-income customers, including:

- **Arrearage Management Plan (AMP):** The AMP will forgive 1/12 of eligible debt (up to \$8,000) each time an on-time payment is submitted.
- **CARE (California Alternate Rates for Energy):** The CARE program offers up to a 35 percent discount on electricity bills and a 20 percent discount on natural gas bills consistent with Public Utilities Code Section 739.1. This program is eligible to qualified low- or fixed-income households and housing facilities.
- **FERA (Family Electric Rate Assistance):** The FERA program offers an 18 percent discount on electric bills to qualifying low to middle-income households.
- **Medical Baseline Allowance:** The Medical Baseline Allowance program allows residential customers who are medically dependent on electricity to receive more gas and electricity at the lowest residential rate.
- **CAPP (California Arrearage Payment Program):** CAPP is a state program to help pay customers' eligible past due energy bills that increased during the COVID-19 pandemic. CAPP reduces qualified unpaid energy bills by directly applying a credit to their bill.
- **MCE's Home Energy Savings Program:** MCE's Home Energy Saving Program helps qualifying single-family homeowners and renters save money and energy by providing a free energy-saving gift box, virtual home energy assessment, and free home energy upgrades.
- **MCE's Multifamily Energy Savings & LIFT Program:** Multifamily property owners can receive rebates up to \$1,000 per unit as well as free comprehensive assessments and consultations for energy and water saving measures. Plus, income-qualified multifamily property owners and renters can receive an extra \$1,200 per unit for energy and water savings measures from MCE's Low-Income Families & Tenants (LIFT) Program.

### G.2.3 Pacific Gas and Electric Resources

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Pacific Gas and Electric (PG&E) provides gas and electricity services for Novato. PG&E assists low-income, disabled, and senior citizen customers through several programs and community outreach projects, including:

- **CARE (California Alternate Rates for Energy):** See CARE under Marin Clean Energy Resources, above.
- **FERA (Family Electric Rate Assistance):** See FERA under Marin Clean Energy Resources, above.
- **Energy Partners Program:** The Energy Partners Program provides qualified low-income customers free weatherization measures and energy-efficient appliances to reduce gas and electricity usage.
- **Medical Baseline Allowance:** See Medical Baseline Allowance under Marin Clean Energy Resources, above.
- **Relief for Energy Assistance through Community Help (REACH):** This 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 grant of up to \$300. Generally, recipients can receive REACH assistance only once within a 12-month period, but exceptions can be made for seniors, the physically challenged, and the terminally ill.

### G.2.4 San Francisco Peninsula Energy Services

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San Francisco Peninsula Energy Services is a not-for-profit organization which promotes energy conservation through home improvement, weatherization services, utility payment assistance, consumer education and advocacy, and job training to people in need. Their service territory includes Marin County. Program eligibility is based on income, household size, and program funding.

- **Weatherization Services:** This program is available to homeowners as well as renters (owners of rental property are not charged when services are provided for their tenants). Weatherization services include: On-site home inspection to determine energy losses; installation of energy conservation and heat loss measures; gas appliance safety and efficiency inspection with possible replacement of refrigerator, stove, furnace, water heater, and doors.

## G.2.5 State Energy Resources

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- **California Department of Community Services & Development Programs Low-Income Weatherization Program (LIWP):** California's Low-Income Weatherization Program (LIWP) provides low-income households with solar photovoltaic (PV) systems and energy efficiency upgrades at no cost to residents. LIWP is the only program of its kind in California that focuses exclusively on serving low-income households with solar PV and energy efficiency upgrades at no cost. The program reduces greenhouse gas emissions and household energy costs by saving energy and generating clean renewable power. LIWP currently operates three program components: Multi-Family, Community Solar, and Farmworker Housing. According to CDS's November 2020 Low-Income Weatherization Program Impact Report, LIWP has received \$212 million from the Greenhouse Gas Reduction Fund since 2014. The multi-family energy efficiency and renewables program component is slated to end in June 2022.
- **California Public Utilities Commission Energy Savings Assistance Program (ESAP):** ESAP provides no-cost weatherization services to low-income households who meet the CARE income guidelines. Services provided include attic insulation, energy efficient refrigerators, energy efficient furnaces, weatherstripping, caulking, low-flow showerheads, water heater blankets, and door and building envelope repairs which reduce air infiltration.

## G.2.6 Federal Energy Resources

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- **Federal Housing Administration Energy Efficient Mortgage Program (EEM):** This program helps families save money on their utility bills by enabling them to finance energy efficient improvements with their FHA-insured mortgage. The EEM program recognizes that an energy-efficient home will have lower operating costs, making it more affordable for the homeowners. Cost-effective energy improvements can lower utility bills and make more income available for the mortgage payment.
- **Low-Income Home Energy Assistance Program (LIHEAP):** The program is funded by the federal government and the State Department of Community Services & Development (CSD) administers LIHEAP. The federal Department of Health and Human Services distributes funds to states annually to assist with energy bills and offset heating and/or cooling energy costs for eligible low-income households. California's annual share is approximately \$89 million which CSD distributes to contracted community energy service providers. During March 2020, the CARES Act allocated California an additional \$49 million to supplement its LIHEAP program, which totaled \$203 million for Federal Fiscal Year 2019-2021.



**CITY OF NOVATO**  
CALIFORNIA

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# City of Novato 6<sup>th</sup> Cycle Housing Element Update

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**Revised Public Hearing Draft**

April 2024    **REDLINE EDITS**



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Appendix A: Demographics and Housing Needs Assessment

Appendix B: ~~Sites Inventory~~Housing Capacity Analysis and Methodology

Appendix C: Housing Constraints

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Appendix E: Public Participation Summaries

Appendix F: Affirmatively Furthering Fair Housing Assessment

Appendix G: Housing Resources



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## Section I Introduction

### I.A Community Context

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Novato was originally home and hunting grounds of the Coast Miwok and was later settled in 1839 by the Mexican government. During the late 19<sup>th</sup> and early 20<sup>th</sup> centuries, Novato served as a business and distribution downtown area for the surrounding agricultural areas. After the Great Depression halted economic activity, the Hamilton Army Airfield was developed and used by the U.S. Air Force during World War II. Novato was incorporated by the State of California in 1960; most of the City's residential growth occurred between 1960 and 1980. The area provides an abundance of environmental features, residential neighborhoods, a diversified economy, and a robust health and life sciences industry. Just 28 miles north of the heart of San Francisco, Novato is home to nearly 53,000 people served by retail and office areas, primarily in the Downtown area, in pockets along Highway 101, and across various small clusters and convenience centers in the community. The 28 square mile community is developed with various businesses, schools, libraries, and open spaces.

### I.B Housing Element Purpose

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The State of California has stated that the availability of decent and suitable housing for every California family is “a priority of the highest order” (Government Code [Section 54220](#)). This objective has become increasingly urgent in recent years as communities across the State, including Novato, struggle to meet the housing needs of all their residents. State Housing Element Law, established in 1969, recognizes the vital role local governments play in the supply and affordability of housing and requires all cities and counties in California establish a long-range plan to meet their fair share of regional housing needs. Cities are charged with planning for the welfare of their citizens, including ensuring that the existing and projected demands for housing are adequately met.

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*High housing costs — and related housing instability issues — **increase health care costs** (for individuals and the State), **decrease educational outcomes** (affecting individuals, as well as the State's productivity), **and make it difficult for California businesses to attract and retain employees.***

*— State of California 2025 Statewide Housing Assessment*

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The Housing Element is the primary tool used by the State to ensure local governments are appropriately planning for and accommodating enough housing across all income levels. This Housing Element covers the planning period 2023-2031. The Housing Element is a mandatory

part of a jurisdiction's General Plan, but it differs from other General Plan elements in two key aspects. The Housing Element must be updated every eight years for jurisdictions within a metropolitan planning organization (MPO) on a four-year regional transportation plan (RTP) cycle, such as the Association of Bay Area Governments (ABAG). The Housing Element must also be reviewed and approved (i.e., certified) by the California Department of Housing and Community Development (HCD) to ensure compliance with statutory requirements. Certification also ensures that the City remains eligible for various State and federal funding programs.

In practical terms, the Housing Element provides the City with an opportunity to assess its housing needs and to develop policies and actions that effectively respond to those needs. Amongst other groups, the Housing Element affects teachers in our schools, employees in our local businesses, older residents on fixed incomes, parents and their adult children who want to remain in or return to Novato, and young persons wishing to live in the community. Ultimately, the supply and cost of housing affect the entire Bay Area economy as well as people's quality of life in the region.

At the time of publication, the COVID-19 crisis has impacted the Bay Area in significant ways. The pandemic has made the issue of housing security even more acute as residents face job loss, housing cost pressures, and disparate health impacts from the pandemic. This Housing Element has had to respond to these conditions by transitioning the public outreach process to reflect the limitations brought on by COVID-19. These actions are detailed in this report.

## I.C Organization of the Housing Element

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Pursuant to California Government Code [Sections 65580-65589](#), a Housing Element must consist of the following components:

- **Existing Programs Review:** An evaluation of the results of the goals, policies, and programs adopted in the previous Housing Element that compares projected outcomes with actual achieved results.
- **Housing Needs Assessment:** An analysis of the existing and projected housing needs of the community. It provides a profile of socio-demographic information, such as population characteristics, household information, housing stock, tenure, and housing affordability. The assessment also considers local special housing needs, such as seniors, farmworkers, homeless, large households, and female-headed households.
- **Sites inventory and Methodology:** An inventory listing adequate sites that are suitably zoned and available within the planning period to meet the City's fair share of regional housing needs across all income levels.



- **Housing Resources:** An identification of resources to support the development, preservation, and rehabilitation of housing.



- **Housing Constraints:** An assessment of impediments to housing production across all income levels covering both governmental (e.g., zoning, fees, etc.) and nongovernmental (e.g., market, environmental, etc.).



- **Affirmatively Furthering Fair Housing Assessment (AFFH):** AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. The goal of AB 686 is to achieve better economic and health outcomes for all Californians through equitable housing policies. The assessment of affirmatively furthering fair housing documents compliance with AB 686.



- **Goals, Policies, and Programs:** This Section provides a statement of the community's goals, quantified objectives, and policies to maintain, preserve, improve, and develop housing, as well as a schedule of implementable actions to be taken during the planning period to achieve the goals, objectives, and policies. Quantified objectives for new construction, rehabilitation, and conserved units by income category (i.e., very low, low, moderate, and above moderate) are included to make sure that both the existing and the projected housing needs are met, consistent with the City's share of the Regional Housing Needs Allocation (RHNA).



Section II provides a summary of the projected housing need. Section III contains goals, policies, and actions related to housing in Novato. The comprehensive research and analysis supporting the development of Section III are compiled in appendices to this Housing Element. These appendices contain the full set of information used to inform the City's goals, policies, and programs:

- Appendix A: [Demographics and](#) Housing Needs Assessment
- Appendix B: [Sites Inventory](#) [Housing Capacity Analysis](#) and Methodology
- Appendix C: Housing Constraints
- Appendix D: [Existing Programs Review](#) [Evaluation of the 2015-2023 Housing Element](#)

- Appendix E: Public Participation Summaries
- Appendix F: Affirmatively Furthering Fair Housing Assessment
- Appendix G: Housing Resources

## **I.D Data Sources and Methods**

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This Housing Element was updated in accordance with HCD guidelines for the 6<sup>th</sup> Housing Element Cycle, incorporating additional considerations required under new State housing-related legislation. Specific documents are referenced throughout the Housing Element, including but not limited to Novato General Plan 2035 and the Novato Municipal Code Chapter 19 (Zoning). The analyses and findings in this document relied on data compiled from various sources, including:

- U.S. Census Bureau (American Community Survey, Longitudinal Employer-Household Dynamics)
- California Department of Housing and Community Development (HCD)
- California Department of Finance (DOF)
- US Department of Housing and Urban Development (HUD)
- Consumer Financial Protection Bureau (CFPB)
- Association of Bay Area Governments (ABAG) pre-certified data

This document was also informed by information provided by residents, business groups, local institutions, City staff, and elected officials.

## **I.E Summary of Public Participation**

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### **Outreach Strategy**

Novato's Housing Element Update strategy was grounded in the understanding of the community as the "expert" – that the people who live in, work in, and are stakeholders in the City have the best understanding of the needs, preferences, problems, and solutions that will facilitate the production of high quality and affordable housing. The outreach strategy approached all community engagement participation as voluntary and confidential, with feedback reported in an aggregate format (without personally identifiable information) to assure that comments could not be equated with any individual. This approach assures more accurate responses, helps build trust with the community, and protects participants from real or perceived harm. Due to the COVID-19 pandemic, community engagement for the Housing Element Update was conducted virtually and in-person to allow the public to attend meetings and workshops remotely or on site.

Starting May 2022, the City conducted outreach through a variety of methods to proactively engage key stakeholders and the broader community in the Housing Element Update. To solicit

public feedback at important project milestones, the City held Community Workshops and Focus Groups, as well as Study Sessions and Public Hearings at regular meetings of the Planning Commission and City Council. Throughout the process, the City posted links to recorded presentations and supplemental information on the project webpage, directly contacted representatives from all economic segments of the community, and provided broad notifications through various communication outlets (e.g., email, social media, newsletter, etc.). The City offered translation and interpretation services and reasonable accommodation during all outreach events. Outreach activities are summarized below.

For detailed public outreach summaries, including presentations from the community meetings, please see Appendix E.

## **Website**

The City developed a dedicated [Housing Element Update webpage](#) which provided a timeline, resource for Housing Element information (e.g., meeting presentations, notices, and summaries; additional resources, etc.), and City contact information. The webpage also enabled the City to gather feedback on housing needs, opportunities, constraints, and priorities as well as the current housing crisis, goals, policies, and programs through a [“Connect With Us” option](#). Through this option, the community could also sign up for alerts on opportunities to participate.

The City Housing Element Update webpage was available in English and Spanish. The webpage is shown in Figure A-1 (English) and A-2 (Spanish). The project website was updated throughout the Housing Element Update with current information on key milestones, findings, presentation materials, among other Housing Element-related items. Furthermore, the City’s website is designed based on accessibility guidelines including easily legible font, clear navigation, text alternatives for non-text content, and other website accessibility standards.

Figure A-1: Housing Element Update Webpage (English)

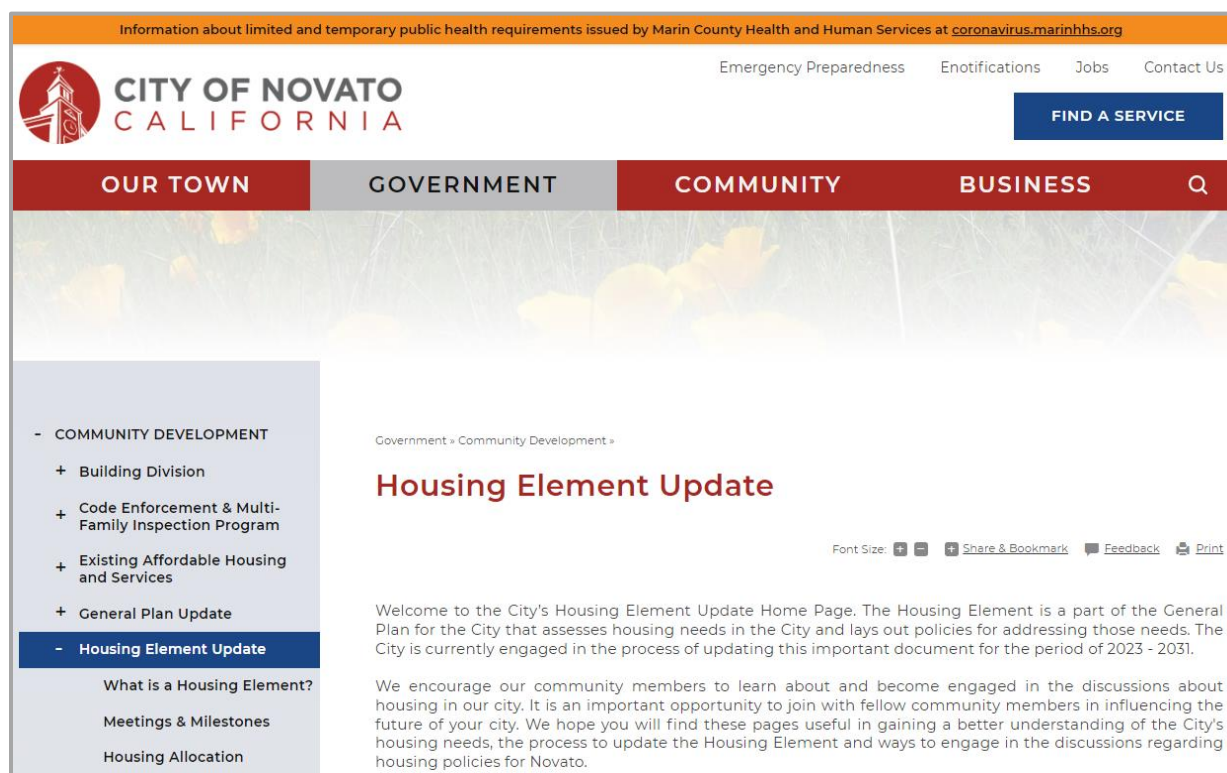


Figure A-2: Housing Element Update Webpage —(Spanish Version)





## Public Outreach and Events

The timeframe of each outreach event is listed below:

- **Community Workshop #1:** May 16, 2022
- **Focus Group #1:** June 8, 2022
- **Focus Group #2:** June 13, 2022
- **Planning Commission Study Session #1:** June 27, 2022
- **Community Workshop #2:** July 11, 2022
- **Planning Commission Study Session #2:** July 25, 2022
- **City Council Study Session #1:** August 23, 2022
- **Planning Commission Study Session #3:** November 28, 2022
- **City Council Study Session #2:** December 6, 2022
- **Planning Commission Public Hearing:** January 9, 2023
- **City Council Public Hearing:** January 24, 2023

Novato held two hour-long Focus Group interviews in June 2022 to gain greater insight into the highest priority housing considerations from the perspective of various interest groups. This enabled the City to better understand local challenges and opportunities that may not be effectively gathered in a larger group setting. The first focus group was held with local social service providers from North Marin Community Services and Legal Aid of Marin, and the second with for-profit and non-profit housing developers active in the region. Focus group discussions were guided by open-ended questions about fair housing issues, market characteristics, development constraints, and housing needs. Since not all invitees were able to attend the scheduled focus group meetings, questions discussed at these meetings were provided via email to all invitees to provide input at their convenience. The discussions centered largely on special needs groups, fair housing, challenges to housing development, housing type demand, and recommended housing policies and strategies in the City.

Novato hosted two Community Workshops, in June 2022 and July 2022. The goal of the first Workshop was to introduce the community to the Housing Element Update process, share preliminary findings about the City's demographics and housing needs, and offer an opportunity to provide input at an early stage in the process. The second Workshop focused on providing a more comprehensive summary of initial findings from the technical analysis, as well as a detailed overview of the City's RHNA and the existing projects in the housing development pipeline. The Community Workshops also featured interactive live polling to gather further public input and stimulate discussion.

Novato held Study Sessions with the Planning Commission and City Council before and after the second Community Workshop to facilitate the Commissioners' understanding of key aspects of



the Housing Element Update. The first Study Session featured a high-level overview of the findings from the technical analysis, the importance of affirmatively furthering fair housing (AFFH) requirements, and a preliminary summary of public feedback as of June 2022. One month later, Novato held a second Study Session which presented results from live polling in the second Community Workshop and offered Commissioners and the public a first look at the City's preliminary sites inventory, including a potential rezoning program. In August 2022, a second City Council Study Session was held to review the same material covered in the preceding Planning Commission Study Session.

A Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU was released in November 2022, having incorporated feedback received during the preceding months' Study Sessions and from perspectives shared by the community during that time. In late November and early December, two additional Study Sessions were held with the Planning Commission and City Council, respectively, to review changes made in the PRD – especially the finalized housing development pipeline, the capacity of identified rezone sites, and the programs proposed in the City's Housing Plan. During the December Study Session with the City Council, several changes to the PRD were discussed and subsequently implemented before submission to HCD.

## **Notifications**

The City made email notifications for community meetings via the City's news release email notification system, which reaches approximately 6,500 subscribers. Email notifications were also shared through the City's eNewsletter, which reaches approximately 13,800 subscribers. Furthermore, the City promoted the Housing Element Update meetings and survey through social media platforms, including the City's Facebook (approximately 6,300 followers), Twitter (2,500 followers), Instagram (2,200 followers), and Nextdoor (reaches approximately 32,600 users) accounts. The meetings and surveys were also sent directly to two neighborhood forum groups: "Novato in the Know" Facebook group and the Hamilton Forum email group. The notifications also provided a link to the project website and City contact information. Screenshots are provided in Appendix E, Section E.3.1.

## **Survey**

The City created and distributed an online Housing Element Update Survey to provide an additional opportunity for community participation in the Housing Element Update and gather feedback to help inform and plan for the future of housing in Novato. The Survey was available on the webpage and a link to the Survey was included in notifications, flyers, and presentation material. The Survey was open for 14 days and targeted feedback on housing preferences, needs, tenure, housing disparities and segregation, types of housing most needed, and program and policy recommendations. The Survey was available in English and Spanish and garnered 92 responses.

The Survey was completed primarily by Novato homeowners (80.4 percent), while renters accounted for 15.2 percent of respondents. Screenshots from the survey questions and responses are provided in Appendix E, Section E.3.2.

### **Affirmatively Furthering Fair Housing Targeted Outreach**

In addition to be previously described outreach efforts, the City conducted dedicated outreach to solicit input on the AFFH analysis (Appendix F). Working with the Community Development Department, the City developed the following list of contacts representing various non-profit organizations, economic segments, and neighborhoods:

- North Marin Community Services;
- Legal Aid of Marin; and,
- Approximately 1,900 families participating in low-cost children's camps through the City's Parks and Community Services Department.

While some of these groups were also directly notified of the public outreach meetings for the Housing Element Update, this more targeted list was necessary to broaden the public engagement effort and reach all communities and populations within the City. These organizations are located across the City, but many are in the Leafwood area of the City which is disproportionately impacted by fair housing issues (e.g., higher concentrations of lower to moderate income households, not highest resource area, more overcrowding, and more vulnerable to displacement) (see Affirmatively Furthering Fair Housing Analysis, Appendix F).

These groups were directly contacted via email and telephone based on the staff contacts at the non-profit organizations and individual's email addresses on file with the City through camp registrations. Written material (flyers, letters, and emails) included Spanish translations.

### **Summary of Public Comments**

A summary of key themes from public comments is presented below. Please see Appendix E for comprehensive summaries from the community workshops and focus group meetings.

- Concern about the recent Homeless Point-in-Time Count showing an increase in homelessness in Marin County and how this will be incorporated into the Housing Element.
- Request for the City to examine the Affordable Housing Overlay from the previous Housing Element Update to identify available sites.
- Concern about the expansion of the City's Urban Growth Boundary, increased RHNA numbers over time, and impacts on the City's open space.
- Priority policies/programs: adopting objective design standards to streamline the design review process, incentivizing the consolidation of smaller parcels to make multi-

family/mixed-use projects easier to build, and allowing mixed-use developments to be constructed in higher-density residential zoning districts.

- Concern about rezoning the last available office/commercial lot to housing north of the Fireman's Fund area.
- Support for various methods in Novato to accommodate additional housing, including promoting housing in the Downtown core (along Grant Ave.), rezoning to densities that attract low- and moderate-income housing, and building affordable/multi-family housing as in-fill development where amenities are available (and to preserve green space).
- Support for creating co-housing models for intergenerational communities.
- Support for making the addition of larger ADUs (1,500+ square feet) easier.
- Support for tenant protections that support seniors on a fixed-income and tenants who rent single-family homes (including just-cause protections).
- Concern over the lack of public awareness of the reasonable accommodation process.
- Concern about overcrowding and long waitlists are accessible/income-limited units.
- Concern about Census tracts with a high number of vulnerable renters (i.e., highest proportion of BIPOC individuals, greatest number of habitability/overcrowding issues, highest rent increases).
- Support for assistance for new arrivals in the community (e.g., refugees, unaccompanied youth, undocumented people).
- Support for new emergency shelters close to the families and individuals who need them.
- Concern about the influence the Design Review Commission has on non-design portions of projects and how this contributes time and expense to the development process.
- Concern about the City's Hillside and Ridgeline Protections Standards constraining development and being difficult to interpret/enforce.
- Concern about the City not complying with the requirements of the Permit Streamlining Act (SB 35).
- Support for a permanent City staffer to coordinate the work of the City's 3<sup>rd</sup> party permitting/engineering service providers.
- Support for comprehensive legal education for City committees and officials.
- Concern about discretionary review and how it prolongs the entitlement process, sometimes causing developers to risk missing funding deadlines.
- Support for renters with animal companions, or pets, in securing housing in Novato.

## Integration of Comments into the Housing Element

The comments provided have been incorporated and addressed in the updated Housing Element, specifically through the Housing Needs Assessment (Appendix A), the Sites Inventory and Methodology (Appendix B), Affirmatively Furthering Fair Housing (Appendix F), and through programs. Additionally, the City expanded outreach efforts to directly target underrepresented populations and populations disproportionately impacted by fair housing issues. Various programs that address comments include the following:

- ~~Encourage and streamline~~Streamline the construction of ADUs through various actions, including ~~standard~~standardized ADU building plans (Program 1.B).
- Identify and incentivize the utilization or redevelopment of vacant residential properties (Program 2.F).
- Revise the City's Hillside and Ridgeline Protections Standards (Program 3.B).
- Adopt objective design standards and amend the design review process/requirements (Programs 3.C and 3.D).
- Ensure full compliance with the Permit Streamlining Act (SB 35), including the adoption of local procedures, written policy/approval guidelines, etc. (Program 3.E).
- Incentivize higher-density housing in high-resource neighborhoods by supporting transit-oriented development (Programs 3.G and 3.H).
- Incentivize the development of new emergency shelters by ~~establishing~~permitting them by-right and ~~maintaining an inventory of available sites without a discretionary permit~~ in the ~~Novato Industrial Park (where emergency shelters are allowed by-right)~~CG Zoning District, subject to objective design standards compliant with State law (Program 4.~~EA~~).
- Enforce and expand tenant protections (Programs 5.A, 5.B, 5.G, 5.I, and 5.J).
- Assist renters with animal companions or pets, in securing and retaining housing (Program 5.L).
- Support for neighborhoods identified as disproportionately vulnerable due to fair housing concerns (Program 6.D).

## I.F Consistency with Other General Plan Elements

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The Housing Element is one of the seven elements of the City's General Plan, a long-range vision document that provides guidance for future development in Novato. The City Council adopted the 2035 General Plan in 2020. For the General Plan to provide effective guidance on land use issues, the goals, policies, and programs of each element must be internally consistent with other elements. This Housing Element builds upon the existing General Plan and is consistent with its goals and policies. Various Housing Element programs require Zoning Code amendments, and

some will require amendments to the General Plan for consistency. As those Housing Element programs are implemented, the General Plan will be amended concurrently to ensure consistency across planning documents. In the event an element of the General Plan is amended, the City will consider the ~~impacts~~impact of the amendment on the other elements to maintain consistency across all documents.

## **I.G Other Statutory Requirements**

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### **Water and Sewer Priority**

Government Code [Section 65589.7](#) requires each public agency or private entity providing water or sewer services to grant a priority for the provision of these services to proposed developments that include lower income housing units. In Novato, water service is provided by the North Marin Water District, while sewer services are provided by the Novato Sanitary District which operates the collection system and treatment plant. As both water and sewer services are provided by independent districts, the City has no ability to deny, apply conditions, or reduce the amount of sewer service for a development that includes housing affordable to lower-income households.

Government Code Section 65589.7 also requires adopted Housing Elements to be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential. The City will provide the future adopted housing element to the North Marin Water District and the Novato Sanitary District.

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## Section II                      Projected Housing Need

### II.A                      Introduction/Overview of ABAG Methodology

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State Housing Element law (Government Code [Sections 65580-65589](#)) requires regional councils of governments to identify for each member jurisdiction its "fair share allocation" of the RHNA provided by HCD. In turn, each city and county must demonstrate the capacity to accommodate their local share of regional housing needs in the community's housing element. Each jurisdiction's responsibility for meeting the overall regional housing need is established as a RHNA.

ABAG, the council of governments for the Novato area, adopted its final [6<sup>th</sup> Cycle RHNA allocation methodology](#) in December 2021. ABAG considered several factors in preparing the methodology, which weighed both projected and existing need. Projected need was informed by the target vacancy rate, the rate of overcrowding, and the share of cost-burdened households household growth, future vacancy need, and replacement need, while existing need considered transit accessibility and job accessibility. The distribution of the RHNA across the four income categories factored in a social equity adjustment, which allocated a lower proportion of lower-income RHNA to jurisdictions that already had a high concentration of such households in comparison to the County, as well as the goal to Affirmatively Further Fair Housing (AFFH), which adjusted the distribution of RHNA in jurisdictions considered either very low or very high resource areas. According to Appendix 6 of ABAG's Draft RHNA Plan, Novato had a net zero change in RHNA due to the equity adjustment.

### II.B                      Marin County Income Limits

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The projected housing needs are broken down by income category based on definitions in the California Health and Safety Code [Section 50079.5](#). HCD calculates "extremely low," "very low," "low," "median," "moderate," and "above moderate" income limits and publishes these limits at the county level. To match the year ABAG approved the region's RHNA methodology, Marin County's 2021 income limits for households of one to four persons are shown in Table II-1. See Appendix A, Table A-5, for a table listing income limits for households of up to eight persons.

**Table II-1: Marin County 2021 Income Limits**

Number of Persons in Household	1	2	3	4
<b>Extremely Low (15-30% of AMI)</b>	\$38,400	\$43,850	\$49,350	\$54,800
<b>Very Low (30-50% of AMI)</b>	\$63,950	\$73,100	\$82,250	\$91,350
<b>Low (50-80% of AMI)</b>	\$102,450	\$117,100	\$131,750	\$146,350
<b>Median (100% of AMI)</b>	\$104,700	\$119,700	\$134,650	\$149,600
<b>Moderate (80-120% of AMI)</b>	\$125,650	\$143,600	\$161,550	\$179,500

Source: HCD, 2021

## II.C Regional Housing Needs Allocation

The RHNA for Novato is shown in Table II-2. The City has a total allocation of 2,090 units for the 2023 – 2031 planning period.

**Table II-2: 6th Cycle RHNA**

Income	Novato		Marin County		ABAG	
	Number of Units	Percent	Number of Units	Percent	Number of Units	Percent
<b>Total</b>	<b>2,090</b>	<b>100%</b>	<b>14,405</b>	<b>100%</b>	<b>441,176</b>	<b>100%</b>
<b>Extremely Low and Very Low <sup>1</sup></b>	570	27%	4,171	29%	114,442	26%
<b>Low</b>	328	16%	2,400	17%	65,892	15%
<b>Moderate</b>	332	16%	2,182	15%	72,712	17%
<b>Above Moderate</b>	860	41%	5,652	39%	188,130	42%

<sup>1</sup> "Extremely Low" included in "Very Low" Category, assumed to be 50% of the Very Low allocation.

Source: ABAG

The City is not responsible for the actual construction of these units. The City is, however, responsible for creating a regulatory environment in which the private market could build the unit types reflected in the RHNA. This includes the creation, adoption, and implementation of General Plan policies, zoning standards, and/or economic incentives to encourage the construction of various types of units.



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## Section III                      Housing Plan

### III.A                      Goals, Policies, and Programs

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The Housing Plan of the Housing Element serves as the City's strategy for addressing its housing needs. This Section describes the housing goals, policies, and programs of the Housing Element for the City of Novato.



Goals are aspirational purpose statements that indicate the City's direction on housing-related needs. Each goal encompasses several policies, which are statements that describe the City's preferred course of action among a range of other options. Each goal also includes programs, which provide actionable steps to implement the City's goals and to further the City's progress towards meeting its housing allocation. Some programs contain quantified objectives, which represent measurable outcomes that can be used to benchmark the success of each program.

The 5<sup>th</sup> Cycle Housing Element contained many successful programs which have been renewed or modified to continue implementing impactful policies and are referenced beneath their associated 6<sup>th</sup> Cycle programs below. For a complete list of 5<sup>th</sup> Cycle programs and a comparative review of 5<sup>th</sup> and 6<sup>th</sup> Cycle programs, see Appendix D (Evaluation of the 2015–2023 Housing Element).

This Housing Element contains actions intended to significantly increase the amount and types of housing for all income levels in Novato. These efforts are expected to be initiated throughout the planning period, which is from January 31, 2023, to January 31, 2031. In accordance with State law, the City will also evaluate the progress and effectiveness of Housing Element programs on an annual basis. Together, these actions reflect the City's commitment to increasing affordable housing and improving existing housing conditions.

The following list of goals, policies, and programs includes a combination of strategies, including a continuation of existing successful policies and programs as well as new policies and programs to tackle emerging opportunities and constraints, address changes in State law, and provide innovative approaches to accommodate the larger RHNA.

## Goal 1: New Housing Construction.

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### Policies

#### Policy 1.1: Housing Element Implementation

Coordinate and monitor the implementation of the City's Housing Element.

#### Policy 1.2: Adequate Supply of Housing Sites

Ensure an adequate supply of housing sites to achieve the City's RHNA numbers for the 2023-2031 planning period.

#### Policy 1.3: Variety of Housing Choices and Access

Promote a variety of housing types that meet the different lifestyle and life cycle needs of residents including young adults, young couples and single person households, small and large families, empty-nesters, and seniors.

### Programs

#### Program 1.A: Rezone for RHNA shortfall. **[NEW]**

To accommodate the remaining moderate-income RHNA of ~~497~~ units, the City will identify and rezone sufficient vacant land or land with redevelopment potential to provide capacity for this shortfall. Appendix B (Housing Capacity Analysis and Methodology) identifies potential parcels for rezoning to address this shortfall and provide excess capacity throughout the planning period. Separate programs detail specifics of various rezoning actions that would provide additional capacity for all income levels.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Sites rezoned to address shortfall by January 31, ~~2026~~2024. Note: this program has been completed as of January 9, 2024.

**Quantified Objective:** The City will amend the Zoning Map and/or Zoning Ordinance to create the opportunity for at least ~~497~~ moderate-income housing units—; proposed rezoning would accommodate additional capacity for 42 moderate-income housing units.

**Geographic Targeting:** The rezone sites create additional opportunities for lower-income housing capacity in Racially Concentrated Areas of Affluence (RCAAs) and neighborhoods categorized as High Resource according to TCAC Opportunity maps. In the event that new sites need to be identified during the planning cycle due to the necessity to retain capacity at all income levels, sites within RCCA's will be given priority.

**Program 1.B: ~~Encourage and streamline~~Streamline the construction of Accessory Dwelling Units (ADUs). [NEW]**

The City shall promote and facilitate ADU construction to facilitate an annual production of approximately 15 units per year (118 units during the planning period) by:

- Continuing to implement a public information and proactive outreach campaign via the City's website to ~~encourage~~support residents to construct ADUs, inform property owners of the standards for ADU development, permitting procedures, and construction resources, as well as the importance of ADUs in providing affordable housing to lower-income households.
- Promoting the construction of ADUs in high-resource areas and areas of concentrated affluence at least annually by supplying informational materials in community gathering places and/or as mailers to residents in high-resource areas.
- Working with small home manufacturers to develop and promote pre-approved, permit-ready building plans to reduce construction costs. Plans will cover a variety of unit sizes, bedroom counts, and architectural styles.
- Promoting the availability of funding for ADUs, including the CalHFA ADU Grant Program that provides up to \$25,000 to reimburse homeowners for predevelopment costs necessary to build and occupy an ADU.
- Collecting and monitoring the production and affordability of ADUs throughout the planning period and the progress made according to the assumptions described in Appendix B.
- Ensuring continued compliance with State ADU law and promptly amending the Zoning Ordinance as needed.
- Participate in the Napa Sonoma ADU Center, which will be expanding their services to cities and towns in Marin County as of Winter 2024, including dedicated staff to answer ADU-related questions, staff to work with property owners on feasibility reports, educational newsletters, webinars, and other shared resources.

**Responsible Body:** Community Development Department, Napa Sonoma/Marin County ADU Center

**Funding Source:** General Fund

**Time Frame:** Ongoing; if ADU targets are not being met by January 2027, the City will review and revise efforts to increase ADU construction (e.g., fee waivers, local financing program for ADUs, etc.) no later than July 2027. The City's action shall be commensurate with the level of shortfall from construction targets (i.e., if shortfall is significant, a rezoning action may be required, if shortfall is slight, additional incentives may be appropriate). The City will work with the Napa Sonoma/Marin County ADU Center to release an RFQ by ~~July 2023~~ for permit-ready standard ADU plans; by ~~the end of year 2024~~ January 2025 the City will have adopted standard ADU design plans in compliance with AB 1332.

**Quantified Objective:** Adopt and provide City Standard Permit-Ready ADU Plans (2024). Construct at least 118 ADUs by the end of the planning period. Maintain compliance with State law through prompt Zoning Ordinance amendments as needed.

**Geographic Targeting:** Aim to achieve 50 percent of quantified ADU objective (i.e., 59 units) in RCAs and High Resource neighborhoods.

#### **Program 1.C: Produce annual housing status reports.**

*[Adapted from 5<sup>th</sup> Cycle Program 15.A]*

The City will provide an annual status report to the City Council and HCD on the status of the General Plan housing programs and their implementation as required by State law. This status report will also address no net loss requirements as necessary throughout the planning period.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Annually by April 1 (submitted to HCD)

**Objective:** Submission of compliant Annual Progress Report (APR) to HCD.

#### **Program 1.D: Participate in State and regional housing planning efforts.**

*[Adapted from 5<sup>th</sup> Cycle Programs 1.B and 1.C]*

The City will actively participate in the ABAG Regional Housing Needs Determination and other regional discussions about meeting housing needs. The City will meet with ABAG staff to provide land use, housing, employment, and other information related to the RHNA formula to ensure that the allocation accurately represents Novato's fair share of the region's housing needs.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Ongoing

**Quantified Objective:** Collaborate with ~~state~~State and regional staff to develop and implement effective housing policy. Participate in at least one ABAG-sponsored housing planning or information program per year.

#### **Program 1.E: Facilitate and monitor pipeline housing projects. [NEW]**

To ensure completion of the approved/entitled (i.e., pipeline) projects identified in Table B-3 of Appendix B (Housing Capacity Analysis and Methodology) within the planning period, the City will monitor project progress towards completion and will coordinate with applicants to facilitate remaining approvals and permits. If a pipeline project is not approved, the City will ensure

adequate capacity for the remaining RHNA by each income category is maintained at all times consistent with SB 166 (No Net Loss).

Annually, and coinciding with preparation of the Annual Progress Reports (Program 1.C), the City shall evaluate remaining pipeline projects and consider on a project-by-project basis what appropriate actions might be taken to facilitate their completion within the planning period, including but not limited to assignment of additional staff and technical assistance for project applicants. At the midpoint of the Cycle, if the City determines that a pipeline project is not anticipated to be completed in the planning period, the City shall complete rezoning within 18 months to maintain adequate RHNA capacity at all income levels. The City will track each site in its inventory and report annually to the City Council on the adequacy of available sites compared to the progress made towards meeting the RHNA.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Annually track status of identified sites, evaluate actions necessary to incentivize project completion, and report to City Council (by April 1 of each year), mid-cycle review of pipeline projects and (if necessary) rezoning within 18 months

## **Goal 2: Affordable Housing Opportunities.**

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### **Policies**

#### **Policy 2.1: Supply of Affordable Housing**

Promote the development of homes that are affordable to extremely low-, very low-, low-, and moderate-income households in all new residential developments, as well as in existing single-family neighborhoods.

#### **Policy 2.2: Funding for Affordable Housing Development**

Identify and secure funding sources to assist with affordable housing development.

#### **Policy 2.3: Balanced Neighborhoods**

Encourage a balance of household incomes within neighborhoods to ensure a healthy mix of affordable and market rate housing and to de-concentrate poverty.

#### **Policy 2.4: Rent Subsidies for Affordable Housing**

Identify and secure funding to provide rent subsidies that assist lower-income households.

### **Programs**

#### **Program 2.A: Develop and adopt a Transfer of Development Rights (TDR) Ordinance.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.E]*

To increase affordable housing opportunities, the City will develop and adopt a TDR Ordinance, subject to clear applicability criteria and operations standards.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June ~~2024~~2025

**Quantified Objective:** Amend Zoning Ordinance; development of affordable housing Facilitate TDR transactions to produce eight multi-family residential units by the end of the planning period.

### **Program 2.B: Maintain long-term housing affordability controls.**

*[Adapted from 5<sup>th</sup> Cycle Programs 7.F, 9.E, 9.F, 9.H, 10.A]*

The City will continue to apply resale controls and income restrictions to ensure that affordable housing provided through incentives, density bonus, General Plan amendments, re-zonings, and conditional approvals remains affordable over time to the income groups for which it is intended. Continue to fund administration of existing and future affordable housing developments/programs including, as appropriate, through the services of an outside consultant for management of all or some of the affordable housing contracts in Novato in order to ensure on-going affordability, and continued implementation of resale and rental regulations for affordable housing units, including for Special Needs populations, and assure that these units remain at an affordable price level for the longest term possible.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund #210

**Time Frame:** Ongoing

**Quantified Objective:** Continue to perform annual monitoring program of units with covenants and require notification at sale. Continue 100 percent coverage of units covered by management agreements. ~~Maintain current inventory~~Conservation of ~~-500+~~1,326 income-restricted rental and for sale units.

**Geographic Targeting:** Owned and rented Below Market Rate (BMR) units Citywide.

### **Program 2.C: Maintain and develop local sources of funding for affordable housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 14.A]*

Continue to work toward the maintenance and development of local sources of funding to support affordable housing, including:

- Continue accepting in-lieu fee payments as prescribed under inclusionary requirements for residential development;
- Voluntary donations, grants, and matching funds;
- Land acquisition or donation and land banking; and,
- Work with special districts that serve Novato to provide reductions in connection fees for deed-restricted affordable housing units.
- Identify and pursue funding focused on meeting the housing needs of ELI and Special Needs households.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund #210

**Time Frame:** At least annually and Ongoing

**Quantified Objective:** Obtain a two percent annual average increase in the value of in-lieu funds, or other local funding sources over the planning period. By 2031, contribute local funding towards at least 135 BMR units and units for ELI and Special Needs households.

**Geographic Targeting:** Prioritize all actions that help to achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

## **Program 2.D: Seek outside funding for affordable housing that leverages local resources.**

*[Adapted from 5<sup>th</sup> Cycle Program 14.B]*

To promote the development of affordable housing projects, and when requested by a project sponsor, assist in securing funding for lower- and moderate-income housing developments through one or more of the following actions:

- Apply for State and federal funding on behalf of a nonprofit, under a specific program to construct affordable housing including persons with physical disabilities ~~or~~ developmental disabilities, ELI, and other Special Needs populations.
- Provide financial ~~incentive~~incentives such as waiving City fees for 100 percent affordable housing projects within the City of Novato.
- Provide funding to participate in a multi-jurisdictional housing finance program (such as a Mortgage Revenue Bond or Mortgage Credit Certification Program).
- Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, first time homebuyer, etc.).

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

~~**Time Frame:** Ongoing~~



**Time Frame:** Investigate funding opportunities to secure funding with project sponsors to locate funding on at least an annual and ongoing basis. Obtain one percent of annual average increase of funding sources by June 2026, and obtain an additional one percent by June 2029.

**Quantified Objective:** Obtain a two percent annual average increase in the value of partner funding sources over the planning period. By 2031, contribute partner funding towards at least 135 BMR units and units for Special Needs households.

**Geographic Targeting:** Prioritize all actions that help to achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

### **Program 2.E: Coordinate with water and sewer service providers. [NEW]**

Pursuant to Chapter 727, Statutes of 2004 (SB 1087), the City, upon completion of an amended or adopted Housing Element, is responsible for immediately distributing a copy of the Housing Element to area water and sewer providers. The legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects. Water and sewer providers must grant priority for service allocations to proposed developments that include housing units affordable to lower-income households. Chapter 727 was enacted to improve the effectiveness of the law in facilitating housing development for lower-income families and workers. Additionally, City staff and elected officials will work with District staff and elected officials to reduce fees for 100 percent lower-income housing projects.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Upon adoption of the 6<sup>th</sup> Cycle Housing Element

**Objective:** Priority for water and sewer service granted to lower-income housing units.

### **Program 2.F: Develop and adopt a program addressing vacant residential properties. [NEW]**

Currently, the City has an unusually large number of residential units that are noted as being vacant according to U.S. Census data. The City does not keep an inventory of vacant units. These residential units represent a potential resource in addressing unmet housing needs in the community. This program is aimed at identifying and incentivizing property owners to utilize or redevelop vacant residential properties. The primary issues are determining criteria on what constitutes a vacant site and determining a fee or assessment to deter owners from keeping residential properties vacant. The City will contact property owners of vacant residential properties to collect their insights on a new program focused on identifying and inventorying vacant residential units and then find ways to incentivize utilizing and/or redeveloping these residential units.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Hold three meetings with property owners of residential vacant properties. Adopt a program based on input from the meetings.

### **Program 2.G: Amend and monitor Inclusionary Housing Ordinance. [NEW]**

Continue to implement the City's Inclusionary Housing Ordinance (IHO) and actively pursue strategies to improve its effectiveness in producing affordable housing units in conjunction with new development. The following actions will be undertaken by the City:

1. Study the following amendments to IHO and adopt such amendments provided they are not found to be an undue constraint on the production of housing:
  - o Restructuring the City's current IHO to remove different inclusionary rate requirements by project size, and instead apply inclusionary requirements to all projects beyond a certain project size threshold based on the number of units. For example, exclude projects from the inclusionary requirement under 10 units, and require all projects with 10 or more units to comply with the inclusionary requirements. Restructuring the inclusionary ordinance this way may help simplify the policy, which may help project applicants navigate and design projects that comply with the policy. Restructuring the City's current ordinance may also improve the efficiency of testing the feasibility of the policy in the future.
  - o Reevaluating the feasibility of the City's inclusionary requirements every three years to ensure that the ordinance is not inhibiting housing production as market conditions change over time. There has been no evidence that the current inclusionary ordinance is preventing housing production.
  - o Updating the City's inclusionary requirement on rental residential development projects to be 15 percent with units made affordable to low-income households
  - o Updating the City's inclusionary requirement on for-sale residential development projects to be either 15 percent with units made affordable to moderate-income households, or 12 percent inclusionary rate with half of the units made affordable to moderate-income households and half made affordable to low-income households.
2. Monitor the ongoing effectiveness of the IHO in producing new housing units on-site. Monitoring will include a review of the extent to which developers are building on-site affordable units versus using alternative methods of compliance, as allowed by State law (AB 1505). The City will align its inclusionary program with the goal that a majority of required inclusionary units over the course of the next eight years are either

provided on-site or constructed off-site at the same time as projects are constructed if it is demonstrated that alternative methods are being disproportionately accessed. At the mid-point of the Housing Element cycle, if it is determined that the Inclusionary Zoning Ordinance is not meeting this goal, evaluate and modify the Ordinance so that it can better achieve that objective, including consideration of additional incentives to encourage units to be constructed. As part of the IHO review, conduct meetings with developers to identify specific changes that may be considered by the City.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Study the IHO (June 2024); amend the IHO based on study (June 2025); evaluate IHO (and modify, if needed) (June 2027)

**Quantified Objective:** Amend the Inclusionary Zoning Ordinance and achieve higher proportions and/or lower affordability levels of inclusionary units from projects approved consistent with the amended Ordinance. Produce at least 225 BMR units as a result of IHO requirements.

**Geographic Targeting:** Achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

### **Goal 3: Elimination of Housing Constraints.**

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#### **Policies**

##### **Policy 3.1: Promote Housing Through City Regulation.**

Promote housing goals through City codes, ordinances, and policies that enable housing production.

##### **Policy 3.2: Modify Zoning Code to Assist in Meeting Housing Needs.**

Ensure that Zoning Code provisions assist in meeting the housing needs of residents, including those with special needs.

##### **Policy 3.3: Expedite Entitlement Review.**

Continue to expedite processing and reduce review times of housing projects by the City to the maximum extent possible.

##### **Policy 3.4: Ensure Adequate Staffing Levels.**

Evaluate staffing levels and ensure an appropriate number of staff ~~are~~is available.

## Programs

### Program 3.A: Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law. **[NEW]**

Currently, the Zoning Ordinance contains a provision in its Affordable Housing Requirements ordinance that states affordable dwelling units that qualify a housing development for a density bonus are in addition, and do not count toward satisfying the affordable housing requirements. This provision is not in compliance with State Density Bonus law, specifically Government Code Section 65915(o)(6), which requires that the “total units” used for the calculation of a density bonus include units designated to satisfy a city’s inclusionary zoning requirements, which would include units produced as a part of Novato’s affordable housing requirements.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** ~~June 2023~~ August 2024

**Objective:** Modify ~~municipal code~~ Municipal Code to reference requirements of State law.

### Program 3.B: Revise Hillside and Ridgeline Protection Regulations. **[NEW]**

The City’s Hillside and Ridgeline Protection regulations (Zoning Ordinance Division 19.26) apply special development standards to all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent slope. In addition, certain definitions within the regulations are difficult to apply consistently among parcel characteristics and need to be made more understandable and universally applicable. The City will study and revise the Hillside and Ridgeline Protection regulations to reduce their ambiguity and streamline their application to relevant parcels, ~~taking into account~~ considering the difference between gross site area and the area of a site that would be available for development.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Amend Zoning Ordinance; ~~reduce Division 19.26 to not require a proposed project that does not intend to build on land that exceeds 10 percent slope to adhere to the City’s Hillside and Ridgeline Protection regulations~~ Reduce average processing time for residential development of hillside parcels.

### **Program 3.C: Adopt ~~Marin County~~ objective design standards for multi-family housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 3.A]*

State law (e.g., Housing Accountability Act, SB 330, etc.) requires many local housing approval decisions to be based on objective standards. To comply with State law, local jurisdictions must ensure that their design and development standards do not require interpretation, are verifiable according to external criteria, are knowable in advance, and provide a clear review and approval process. Marin County and several cities and towns in Marin have collaborated on the development of a toolkit for Objective Design and Development Standards (ODDS). Each of the participating jurisdictions may customize the standards for their community and then officially adopt them for local usage.

The City will undergo a study to develop objective design standards for multi-family housing. Projects, with the intent of increasing density and development potential, reducing level of review, and allowing multi-family projects by right, subject to the objective standards. Updates are planned in two phases, first to amend current design guidelines, and second to amend the City Code.

Streamlining the development of multi-family housing, paired with the City's inclusionary housing requirements, will stimulate the development of greater numbers of affordable/below market-rate units, benefitting the Special Needs households identified in the Needs Assessment and heard during the community outreach process.

**Responsible Party:** Community Development Department

**Funding Source:** General Fund

**~~Time Frame:~~** June 2023

**Time Frame:** Adopt standards from Marin County's ODDS toolkit by October 2023. (Note: These standards were adopted by the City Council on September 26, 2023.) Demonstrate reduction of average processing time by December 2025.

**Quantified Objective:** Reduce average processing time (from deemed complete) for both design review and use permit applications by 10 percent from fourth quarter of 2023 to fourth quarter 2025.

**Geographic Targeting:** As objective design standards will apply citywide, targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.D: Design review and use permit process improvements. [NEW]**

The City ~~will update required~~ has adopted objective design ~~review findings~~ standards for housing developments, including community/residential care facilities, ~~to ensure findings are objective and~~ concur. Additional Code amendments will follow to establish a single review by the Design Review Commission to determine compliance with the ~~adoption of ODDS described~~ objective standards

identified in Program 3.C. Code amendments will also be made to eliminate the Use Permit process for mixed-use developments in commercial zones. Use Permits would apply only to the commercial component that may or may not be a conditional use in the specific zone where a project is located. Those commercial uses may or may not be known at the time of the development proposal. If specific conditional uses are known, there will be concurrent processing of design and land use approvals. If they are not known at the time, any required Use Permits for the commercial uses may be processed anytime prior to initiation of operation of the use.

Additionally, the City will continue to hold ~~legal~~ training sessions with the Design Review Commission, Planning Commission, and City staff regarding State law provisions (e.g., Housing Accountability Act, SB 330, etc.) including limited purview, number of public meetings, and timeframes for project reviews. Additional actions include:

- Amend the Zoning Ordinance and modify City procedures to streamline the review of development proposals ~~by requiring concurrent processing between design review and land use permit approval~~ to require only one hearing to determine compliance with objective design standards; and,
- ~~Establish clear review thresholds for the review of Use Permit applications by the Zoning Administrator.~~
- Remove Use Permit requirements for mixed use developments in commercial zones.

**Responsible Party:** Community Development Department, City Attorney's Office

**Funding Source:** General Fund

**Time Frame:** Fourth quarter of 2023 with subsequent biannual legal training sessions (2025, 2027, 2029, and 2031).

**Quantified Objective:** Reduce average processing time (from deemed complete) for both design review and use permit applications by 10 percent from fourth quarter of 2023 to fourth quarter 2025. Permit at least 450 multi-family units in the form of missing middle townhomes and apartments units by-right during the planning period.

**Geographic Targeting:** As with objective design standards, streamlining of the design review process will apply citywide. Targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.E: SB 35 processing and permit streamlining. [NEW]**

California Senate Bill 35 (SB 35) (Government Code Section 65913.41) became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process.

The City complies with State requirements of SB 35 as part of project review when projects are proposed. However, the City must also adopt local procedures consistent with SB 35, including an application form, checklist, and written policy and/or project approval guidelines to specify the SB 35 streamlining approval process and requirements for eligible projects as set forth in Government Code Section 65913.4 and the HCD Updated Streamlined Ministerial Approval Process Guidelines. The City will make these forms and guidelines available on the City's website.

**Responsible Party:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Develop department application form, handouts, and checklists and provide on City's website within one year of Housing Element adoption

**Quantified Objective:** Hold biannual SB 35 information sessions for developers and interested community members during the planning period.

### **Program 3.F: Evaluate and adjust impact fees. [NEW]**

The City will evaluate applying the residential development tax, park dedication and in-lieu fee, public facilities fees, and traffic impact fees on a per square foot basis rather than per unit to ~~encourage~~facilitate the development of higher densities and smaller, more affordable housing units. Based on this evaluation, the City will adjust these fees in accordance with the provisions of AB 602. The City will also ~~encourage~~coordinate with the various special districts which provide essential services (i.e., school and utility districts) to do the same.

**Responsible Party:** Community Development Department, City Council

**Funding Source:** General Fund

**Time Frame:** Complete comprehensive fee evaluation first quarter of 2025; amend fees second quarter of 2025.

**Objective:** To ensure new projects help pay for the cost of maintaining City services and infrastructure and eliminate development constraints for housing.

**Geographic Targeting:** As impact fees are applied to new development citywide, targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.G: Modify multi-family residential parking standards.**

*[Adapted from 5<sup>th</sup> Cycle Program 3.B]*

~~The City currently requires three-bedroom multi-family dwelling units to provide 2.2 parking spaces per unit. To further encourage~~reduce the ~~development impacts~~ of ~~affordable multi-family parking requirements on the production of~~ housing, the City will ~~align this~~assess and update



multi-family parking standards citywide ~~requirement with those applied within the Downtown Overlay, reducing it from 2.2 to~~ reduce the required number of parking spaces for three-bed units to 2.0 spaces per unit ~~to two spaces per unit~~ and establish lower rates for studios and one-bed units.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June ~~**Responsible Party:** Community Development Department, Planning Commission, City Council~~

~~**Funding Source:** General Fund~~

~~**Time Frame:** June 2025~~

2026

**Objective:** Reduce parking requirements for multi-family units by modifying ~~code~~Code.

**Geographic Targeting:** Citywide, with benefits anticipated in higher-density residential neighborhoods immediately outside Downtown.

### **Program 3.H: Adopt a parking reduction incentive program to facilitate transit-oriented development.**

*[Adapted from 5<sup>th</sup> Cycle Program 6.C]*

The City will amend the Zoning Ordinance to provide automatic incentives for transit-oriented development when specific criteria are met. Criteria may include, but are not limited to, the project's distance from transit stops, unit affordability, and the integration of transit-oriented amenities. Incentives may include, but are not limited to, reductions in required parking, off-site parking alternatives, and transit impact fee reductions. Parking reductions should be coupled with programs to prevent overflow parking or other impacts on city mobility and emergency vehicle access, such as centralized structured parking, regulated on-street parking, residential parking permits, transportation demand management, red curb parking restrictions on narrow or marginal streets, or other strategies.

2025

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Amend the Zoning Ordinance by June 2025.

**Quantified Objective:** ~~Incentivize~~ Reduce constraints to transit-oriented housing development ~~by modifying code~~ and amend the Code to reduce parking for transit-oriented

development, achieving the development of at least 250 units within Transit Priority Areas (TPAs) during the planning period.

**Geographic Targeting:** Those parts of Novato within Transit Priority Areas (TPAs) (i.e., within half mile of a High-Quality Transit Stop). This includes areas within this half mile distance of the City's three SMART rail stations.

### **Program 3.I: Allow comparable zoning district standards to apply in the Planned (PD) Zoning District. [NEW]**

Zoning Ordinance Division 19.14 (Special Purpose Zoning Districts) currently requires all projects on parcels in the PD Zoning District to prepare a Master Plan and/or Precise Development Plan, subject to an extensive discretionary review process. To allow project applicants an alternative, the City will amend the Zoning Ordinance to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Amend the Zoning Ordinance by September 2025.

**Objective:** Allow projects in the PD Zoning District an alternative to the submission and approval of a Master Plan and/or Precise Development Plan.

## **Goal 4: Special Needs Populations.**

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### **Policies**

#### **Policy 4.1: Variety of Housing Types.**

Provide housing opportunities in residential, mixed-use and infill areas, especially near high frequency transit and other services, for households with special needs such as studio and one-bedroom apartments for the elderly and single-person households, SROs, three-bedroom apartments for large households, specially designed units for persons with disabilities, and units affordable to extremely low-, very low-, and low-income households with single-parent heads of households or those with disabilities (including developmental disabilities).

#### **Policy 4.2: Allow Special Needs Housing Consistent with State Law.**

The City will comply with all State legal requirements pertaining to zoning provisions for emergency shelters, transitional housing, and supportive housing.

### **Policy 4.3: Support Local Homeless Service Providers.**

Participate in local and regional efforts to combat homelessness in Novato and work with local social service providers to increase their capacity to operate facilities serving the homeless.

### **Policy 4.4: Support Programs to Address Homelessness.**

Continue to support existing homeless support services in the community, including, but not limited to, those offered by Homeward Bound of Marin, Marin Continuum of Care, and North Marin Community Services.

## **Programs**

### **Program 4.A: Allow emergency shelters consistent with State law.**

*[Adapted from 5<sup>th</sup> Cycle Program 12.A]*

The Zoning Ordinance allows emergency shelters by-right in the Novato Industrial Park, but requires that they go through design review and does not provide provisions for required staff parking. Furthermore, because the Novato Industrial Park does not allow residential uses, it does not qualify as a compliant zoning designation for emergency shelters pursuant to AB 2330 (Emergency Shelters Act of 2023). Additionally, the Ordinance does not clarify the difference between emergency shelters and “residential shelters,” a separate use.

Consistent with SB 2-~~and~~, Government Code Section 65583(a)(4), and AB 2339, the City will amend the Zoning Ordinance to permit emergency shelters by-right and without a discretionary permit in the General Commercial (CG) district, clearly define emergency shelters in relation to “residential shelters,” recognizing that emergency shelters as defined by that Code section include other interim interventions, including, but not limited to, navigation centers, bridge housing, and respite or recuperative care. Further, the amendments will establish objective design standards which to eliminate the need for design review, provide for capacities sufficient to meet the need, and ensure locations are in proximity to transit and homeless services, include appropriate development standards in accordance with 65583(a)(4)(B). and require sufficient parking for staff. in compliance with AB 139 (Emergency and Transitional Housing Act of 2019). Additionally, the City will establish and maintain an inventory of available sites in the Novato Industrial Park and make it available to homeless service providers to ~~encourage~~facilitate the establishment of future shelters.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** ~~June~~December 2024

**Objective:** Amend Zoning Ordinance; development of at least 150 additional emergency ~~shelters~~shelter beds to accommodate the unsheltered homeless population estimated by the 2022 Marin County Homeless Point-in-Time Count.

**Program 4.B: Allow Low Barrier Navigation Centers consistent with State law. [NEW]**

The Zoning Ordinance does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code Section 65660). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multifamily uses provided they ~~satisfying~~satisfy the provisions established by AB 101 (see Government Code Section 65662). ~~This would allow LBNCs in the CN, CDR, MU, and CF zoning districts. The City will amend its Zoning Ordinance to explicitly allow LBNCs as provided by State law.~~

The City will amend its Zoning Ordinance to explicitly allow LBNCs as provided by State law. This would allow LBNCs in the CN, CDR, MU, and CF zoning districts. To further facilitate the siting of LBNCs, the General Plan and Zoning Code will be amended to remove the live/work use and consider all projects with a combination of residential and commercial uses to be mixed use. The live/work use category is rarely used because it is not an easy project type to finance or sell. The amendment will simplify the range of uses and provide clarity to applicants.

The City will also amend the Zoning Ordinance to allow supportive housing in compliance with AB 2162. This law requires that supportive housing be allowed without discretionary review in areas zoned for residential use in zones where multifamily and mixed uses are permitted, including in non-residential zones permitting multifamily uses.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** ~~Responsible Body:~~ Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** ~~June~~August 2024

**Objective:** Amend Zoning Ordinance; development of ~~LBNCs~~the City's first LBNC to support comprehensive homeless services.

**Program 4.C: Allow farmworker/employee housing consistent with State law.**

[Adapted from 5<sup>th</sup> Cycle Program 13.B]

The City will amend the Zoning Ordinance to allow farmworker/employee housing consistent with Health and Safety Code Sections 17021.5 and 17021.6.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** ~~June~~August 2024

**Objective:** Amend Zoning Ordinance.

**Program 4.D: Allow Single Room Occupancy (SRO) units to facilitate the provision of affordable housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.C]*

SROs are some of the least expensive forms of non-subsidized rental housing and can especially benefit seniors, persons with disabilities, and extremely low-income (ELI) individuals. The City will amend the Zoning Ordinance to explicitly permit SRO projects by-right in the R10, R20, and MU zoning districts and provide appropriate parking, development, and management standards.

~~**Responsible Body:** Community Development Department, Planning Commission, City Council~~

~~**Funding Source:** General Fund~~

~~**Time Frame:** June~~To assist in the development of adequate housing to meet the needs of ELI households, the City will also work with developers and other agencies to proactively grant priority processing, fee waivers or deferrals, and modified development standards (as allowed by the Zoning Code) to reduce constraints to the development of SRO units.

~~**Responsible Body:** Community Development Department, Planning Commission, City Council~~

~~**Funding Source:** General Fund~~

~~**Time Frame:** August~~ 2024

**Objective:** Amend Zoning Ordinance; development of 24 units of housing for extremely low-income and other special needs households.

**Program 4.E: Allow community/residential care facilities consistent with State law. [NEW]**

To comply with State law, the City will amend the Zoning Ordinance to address the following housing types which serve persons with disabilities and other special needs:

- Permit Group Homes serving six or fewer persons by-right in the C and MU districts;
- Resolve the discrepancy between Congregate Care/Group Facilities and RCFEs;

- Permit RCFEs and Congregate Care/Group Facilities which serve six or fewer persons and seven or more persons by-right in the A, C, RR, RVL, R1, R4, R5, R10, R20, and MU district; and,
- Require only the same development standards for community/residential care facilities as those required for single-family dwellings.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** ~~June~~August 2024

**Objective:** Amend Zoning Ordinance.

#### **Program 4.F: Support programs to address the needs of the developmentally disabled.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.~~BC~~]*

Work with the Golden Gate Regional Center and the Marin Housing Authority to implement an outreach program that informs Novato families of housing and services available for persons with developmental disabilities. Provide information on services on the City's website and distribute brochures provided by the service providers.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**~~Time Frame:~~** Ongoing

**Time Frame:** Annually contact service providers and update City website with latest information on services available

**Objective:** Support developmentally disabled residents and their families. Provide program specific information on the City's web site.

#### **Program 4.G: Support programs to address homelessness.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.B]*

Continue to dedicate funding and staff resources to support local, subregional, and regional efforts to address homelessness. Ongoing and future programs include:

- Maintain staffing of City's Homeless Services Division which supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency.
- Convene regular meetings of City's Housing and Homelessness Committee (HHC), whose purpose is to provide information and make recommendations to the City Council. The HHC shall report quarterly on the state of homelessness in the City.

- Allocating funding as available, and as opportunities arise, to support innovative programs to provide shelter and services to homeless individuals, such as:
  - The Temporary Encampment at Lee Gerner Park, in partnership with Community Action Marin's Community Alternative Response Engagement (CARE) Team.
  - The Hamilton Marsh Encampment, in partnership with the County of Marin Health and Human Services (HHS).
  - The Downtown Streets Team (DST), which has offered the Marin Mobile Shower Program in Novato and provides basic hygiene at encampments and other places in need.
- Maintain partnership with Homeward Bound of Marin in the management of the 80-bed New Beginnings Center and the development of their 50-unit Workforce and Veteran Housing project.

**Responsible Body:** Central Administration Department, Public Works Department, City Council, County of Marin Health and Human Services, Homeward Bound of Marin, and other governmental/non-profit partners

**Funding Source:** Varies; Department budget, Community Development Block Grants (CDBG), Encampment Resolution Funding (ERF), and other County/State funding as available

**Time Frame:** Provide funding (annually); convene regular meetings of the HHC (with quarterly reports); participate in Point-in-Time (PIT) Count efforts (biannually, in 2024, 2026, 2028, and 2030)

**Quantified Objective:** Consistent reduction in homelessness in the City of Novato as counted in the bi-annual PIT counts.

**Geographic Targeting:** Known locations of homeless encampments (Lee Gerner Park, Hamilton Marsh) and Downtown Novato, with advocacy citywide



## Goal 5: Housing Conservation and Tenant Protections.

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### Policies

#### Policy 5.1: Preservation of Multi-Family Housing.

Preserve existing multi-family rental housing, including non-conforming multi-family uses in single-family zones. Require the review of permits that would demolish a housing unit.

#### Policy 5.2: Code Enforcement.

Enforce local building codes to ensure that housing is safe and sanitary. Promptly investigate all reports of nuisances and require the abatement of such situations, as needed.

#### Policy 5.3: Preservation of Existing Affordable Housing.

The City will encourage the conservation of existing affordable housing, including the present rental stock and mobile home parks, particularly rental housing affordable to low- or moderate-income households.

#### Policy 5.4: Tenant Protections.

The City will stay up-to-date on Statewide tenant protections, educate tenants and landlords on their rights and responsibilities, and ensure tenant protections are enforced locally.

### Programs

#### Program 5.A: Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.

*[Adapted from 5<sup>th</sup> Cycle Program 5.A]*

The City requires multi-family housing developments of three or more units to receive an annual inspection from the Community Development Department. These annual physical inspections ensure that health and safety concerns are identified quickly and a plan for repair/rehabilitation is developed. The City will continue to proactively implement this program, ensuring 20 days advance notice is provided to property owners/tenants by mail and posted in a public area of multi-family developments as required by Chapter 14-5 of the Municipal Code. Additional actions include:

- Provide education and resources on the City's website to assist landlords and tenants in understanding their rights and responsibilities in regard to this program.
- Require landlords to provide tenants with a City-approved description of this program when initiating a new lease, renewing a rental agreement, and when providing notice of a rent increase.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Annually

**Quantified Objective:** Annual implementation of the Multi-Family Housing Inspection Program (i.e., 100% of multi-family units inspected annually) and the conservation/preservation of quality multi-family housing.

**Geographic Targeting:** Citywide, as the City ensures all multi-family units (in a development of three or more units) receive these inspections annually. Education and resources will be targeted in neighborhoods with the highest proportion of renters/multi-family units, such as the Northwest Quadrant neighborhood and residential neighborhoods between S. Novato Blvd. and Highway 101.

### **Program 5.B: Link code enforcement with public information campaigns.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.B]*

Continue to implement housing, building, and cooperate with Novato Fire Protection District on fire code enforcement to ensure compliance with basic health and safety building standards and continue to provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Begin June 2024

**Objective:** Maintain information about building and fire code enforcement to ensure compliance with basic health and safety building standards. Produce public handouts on building code and fire code enforcement and procedures for reporting suspected violations. Make this information available on the City's website.

**Geographic Targeting:** Citywide, with a focus on neighborhoods with older housing stock and/or with frequent code enforcement actions such as the Northwest Quadrant neighborhood.

### **Program 5.C: Amend the City's condominium conversion ordinance.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.D]*

Adopt amendments to the City's condominium conversion ordinance to include:

- Prohibition of conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than five percent or there are special circumstances related to providing long-term, regulated affordable units;

- Exemptions for limited equity residential cooperatives which provide long term affordability for very low- or low-income households;
- Requirements for relocation assistance when units are converted;
- First right of refusal of purchase of units by occupants;
- Minimum of 20 percent of the units be affordable to low-income households; and,
- Implementation of resale controls.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** ~~June~~August 2024

**Objective:** Amend condominium conversion ordinance.

**Geographic Targeting:** Rental units citywide.

**Program 5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.**

*[Adapted from 5<sup>th</sup> Cycle Programs 5.E and 5.H]*

Continue to maintain an up-to-date inventory of all 1,326 BMR housing units in Novato and conduct periodic surveys of unit ~~vacancy~~vacancies and affordable for-sale costs. Continue to make Rise Housing services available to BMR homeowners as-needed to provide comprehensive resale and refinance assistance and mortgage assistance programs.

**Responsible Body:** Community Development Department, Rise Housing

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Maintain up-to-date BMR housing inventory of all 1,326 units and provide assistance to BMR homeowners as-needed.

**Geographic Targeting:** Owned and rented BMR units citywide.

**Program 5.E: Support volunteer efforts.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.I]*

Support community service clubs that provide volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support includes, but is not limited to:

- Designate a portion of annual CDBG, HOME, and PLHA allocations to fund various non-profit/volunteer organizations which provide service in support of lower-income households;

- Provide links on the City's website to active non-profit service clubs; and,
- Provide City support (letter of recommendation, etc.) as appropriate for said clubs seeking grant funding for supplies and/or services.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Time Frame:** Work with local community service clubs to provide volunteer programs to homeowners physically or financially unable to maintain properties on an ongoing basis. Conduct two outreach meetings with local community service clubs to discuss available grant funding sources by November 2024.

**Objective:** Maintenance of existing housing.

#### **Program 5.F: Preserve mobile home parks.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.J]*

~~Consider measures such as refinancing the Marin Valley Mobile Country Club to further save money and to permit the financing of future needed capital improvements to the park which improve quality of life for residents.~~

Manufactured housing communities, also called mobile home parks, are an important source of “naturally occurring” affordable housing. Since 1997, the City owned the 315-unit, 63-acre, age 55+ Marin Valley Mobile Country Club (MVMCC) and is responsible for the Park's operating and capital budget. The residents are represented by the Park Acquisition Board (PAC) Board of Directors, and according to a recent survey conducted by the PAC, a majority of MVMCC residents qualify as lower income-households. Each year, the PAC puts forward recommendations for Park needs and the City Council approves final annual budgets. All rent revenue not needed for operations is put into a reserve to be used for capital improvement projects which upgrade Park infrastructure, improving the safety and quality of life for residents.

Additionally, the City shall evaluate the scope and effectiveness of City's current rent control regulations governing all privately and publicly owned mobile home parks within the City. Prior to the amendment of current regulations, the City shall conduct public outreach to mobile home park residents.

**Responsible Body:** ~~Public Works Department~~City Manager's Office, City Attorney

**Funding Source:** Marin Valley Mobile Country Club Fund/American Rescue Plan Act, General Fund

**Time Frame:** Ongoing

~~**Quantified Objective:** Preserve mobile home parks as a source of affordable housing. No net loss of units.~~

~~**Time Frame:** Sewer pump replacement in Fall 2023; rent regulation evaluation by December 2023~~

~~**Quantified Objective:** Replacement of two sewer pump stations and associated electrical service at a cost of \$3,000,000. Conduct discussion with City Council to discuss effectiveness of current regulations in ensuring rents remain affordable. Receive direction from Council of possible amendments. Conservation of all 315 units of “naturally occurring” affordable housing within the Marin Valley Mobile Country Club.~~

~~**Geographic Targeting:** Marin Valley Mobile Country Club, Marin Valley Drive; Citywide applicability to all privately and publicly owned mobile home parks.~~

### **Program 5.G: Regulate the displacement of residential units.**

*[Adapted from 5<sup>th</sup> Cycle program 5.K]*

Recognizing the impacts of residential displacement, the State has enacted several new laws to protect existing tenants, including:

- AB 1482: prohibits evictions and non-renewals of leases without “just cause,” and limits rent increases to five percent per year plus CPI or 10 percent (whichever is lower);
- SB 330: bans the approval of development projects on sites that would eliminate existing protected units unless the units are replaced with affordable units;
- AB 1397: requires development on Housing Element sites occupied by lower income households within the last five years to be replaced with affordable units; and,
- Density Bonus Law: requires replacement of units occupied by lower income households within the last five years at an affordable housing cost.

Pursuant to Government Code 65583.2(g)(3), the City will require the replacement of units affordable to the same or lower-income level as a condition of any development on a non-vacant site as required by SB 330 and State law.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Implement State law requirements when applicable during development applications. The City’s objective is that 100 percent of protected units are replaced units in all applicable projects through 2031.

**Geographic Targeting:** Citywide, as required by State law.

### **Program 5.H: Promote and support rental assistance programs.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.A]*

Develop and implement measures to make full use of available rental assistance programs. Actions include:

- Maintain descriptions of current programs and contacts to hand out to interested persons;
- Provide funding support, as available and appropriate to non-profit partners such as North Marin Community Services; and,
- Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB 2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Institute annual coordination meeting with identified rental assistance providers beginning in 2024.

**Geographic Targeting:** Citywide, with a focus on lower-income and special needs households, especially in the Northwest Quadrant neighborhood.

### **Program 5.I: Expand “just cause” eviction protections to all tenants. [NEW]**

The City shall ~~expand~~consider expanding “just cause” eviction protection to all tenants and require a Notice of Termination to be delivered by landlords to their tenants to identify the allowable reasons for which they are evicting the tenant. A copy of the Notice of Termination must be provided to the City within 10 days of being served an eviction notice. This program would expand tenant protections as follows:

- “Just cause” eviction protection shall apply to all rental units in Novato (with AB 1482 exceptions)
- “For cause” terminations will remain grounds for eviction; and,
- “No fault just cause” terminations will remain grounds for eviction.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Undertake public outreach on new standards by ~~December of 2023-September 2024.~~ Prepare ordinance for council ~~adoption~~consideration by ~~January~~December 2024.

**Quantified Objective:** Maintain inventory of units covered under the program and prepare annual report on the number of units receiving notices of termination. –Seek an annual decrease in notices received.

**Geographic Targeting:** Rental units citywide, especially in the Northwest Quadrant neighborhood.

**Program 5.J: Enforce Statewide tenant protections (AB 1482) locally and require participation in non-binding mediation for rent increases greater than five percent. [NEW]**

AB 1482 (the California Tenant Protection Act of 2019), effective January 1, 2020, requires a landlord to have a “just cause” to terminate a tenancy and limits annual rent increases to no more than five percent plus the local Consumer Price Index (CPI), or 10 percent, whichever is lower. The City shall enforce AB 1482 protections locally through the Multi-Family Housing Inspection Program, ongoing public information campaigns related to code enforcement, and by requiring landlords to provide a Notice of Tenants Rights when initiating a new lease, renewing a rental agreement, and when providing notice of a rent increase. A landlord’s failure to furnish a tenant with a Notice of Tenant Rights could invalidate the rent increase or housing service reduction.

Additionally, the City shall require participation in a non-binding mediation program for tenants and landlords who are party to a rent increase greater than five percent. Such a program is offered by the Marin County District Attorney’s Consumer Protection Unit, which already partners with the Town of Fairfax and the City of San Rafael to review service requests and conduct the mediations at no cost to the applicants. Tenants must submit their request for mediation within 10 calendar days of receiving notice of the rent increase.

**Responsible Body:** Community Development Department

**Funding Source:** CDBG annual allocation

**Time Frame:** Modify ~~municipal code~~Municipal Code to reflect program ~~in 2023~~, enter into ~~management mediation~~ agreement ~~of program~~ with ~~the County~~qualified party by ~~June~~December 2024.

**Quantified Objective:** Track utilization of this program and seek to serve a 1% annual increase in utilization per annum over the planning period.

**Geographic Targeting:** Rental units citywide, especially in the Northwest Quadrant neighborhood.

**Program 5.K: Continue to assist in the rehabilitation and production of housing for Special Needs and lower-income households.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.F]*



In 2022, the City approved the construction of Homeward Bound of Marin's 50-unit, 100 percent affordable housing project serving extremely low- and very low-income occupants, including homeless veterans, with the City contributing \$750,000 in funding. The City will continue to work with Homeward Bound of Marin and other affordable housing developers to connect them to federal, State, and local resources that assist in the rehabilitation and development of housing for low-, very low-, and extremely low-income households. Additionally, the Community Development Department will:

- Continue to provide information and links on the City's website for federal, State, and local funding resources, including, but not limited to, CDBG programs, the HOME program, the Marin County Residential Rehabilitation Loan program, the LIHTC program, assistance from local philanthropic programs, and the City's Affordable Housing Trust Fund; and,
- Apply reduced application processing fees on a sliding scale for residential developments that include 20 percent or more of the proposed units for lower-income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.
- Collaborate directly with non-profit partners such as North Marin Community Services to identify Special Needs households (overcrowded, overpaying, and female-headed) and target rehabilitation support.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Implement reduced application fees by June 2025; other actions ongoing

**Quantified Objective:** ~~Rehabilitate and/or produce 12~~Update the City's website for funding resources annually. By 2031, rehabilitate at least 48 housing units for lower-income households. Reduce application processing fees as needed.

**Geographic Targeting:** Citywide, with a focus on special needs households ((e.g., seniors, female-headed households, large families, persons with disabilities) in lower-income neighborhoods such as the Northwest Quadrant and the S. Novato Blvd. corridor (see Appendix F).

#### **Program 5.L: Assistance for renters with animal companions or pets. [NEW]**

Working with the private sector and animal welfare agencies, the City will ~~encourage~~coordinate and facilitate dialogue and the establishment of best practices for rental units to allow for renters with animal companions or pets to secure and maintain housing in Novato. Animal companions or pets are understood to mean domestic pets and ~~excludes~~exclude animal species identified in Section 3-1.24 (*Definition of Wild and or Undomesticated Animal*) of the Novato Municipal Code. Under this program the City will:

- In cooperation with the Marin Humane and Animal Services JPA, conduct an annual survey of rental properties in Novato that allow tenants to keep pets. Make the results of the survey available on the City's website;
- Working with the Marin Humane and Animal Services JPA establish a model "pet friendly" lease agreement for distribution on the City's website;
- Develop an information package with model pet friendly lease agreement and information on resources for creating "pet friendly" rental properties to be distributed to residential rental operators on renewal of their annual business license; and,
- Coordinate with the Marin Humane and Animal Services JPA to record annual data on the number of pets surrendered by Novato residents due to rental housing issues. Prepare base line data for 2023.

**Responsible Body:** Community Development Department in coordination with the Marin Humane and Animal Services JPA

**Funding Source:** Departmental budget

**Time Frame:** Establish information package for distribution with business licenses by June 2024. Conduct first annual survey of rental properties by January 2024.

**Quantified Objective:** Maintain inventory of units available for rent that allow pets. Reduce the number of pets surrendered to the Marin Humane and Animal Services JPA by Novato residents due to housing accessibility on an annual basis.

### **Program 5.M: Preservation of at-risk housing units. [NEW]**

There are 1,316 subsidized affordable housing units in Novato. Among these, six units have been identified as being at "moderate risk" of being converted to market-rate housing by 2033 (see Appendix A, Section A.5.4). The remaining 1,310 assisted units have estimated affordability end dates from 2038 to 2070 and thus are not at-risk of conversion within 10 years of the beginning of the planning period.

The City shall continue to maintain an inventory of below-market-rate units Citywide (see Program 5.D) and monitor the expiration of subsidy agreements to prevent the displacement of lower-income households from existing affordable housing. The City will assist in maintaining the affordability of units produced through federal and State programs to the extent possible by working with appropriate organizations to identify units that may convert to market-rate units, analyzing the cost of keeping the units affordable, and taking measures to ensure continued affordability or providing assistance to residents if the affordability of the units is removed. In addition, the City will continue to enforce housing affordability agreements between the owners and the City.

If the City becomes aware of the expiration of a subsidy agreement, the City shall implement the following measures:

- Contact property owners of units at risk of converting to market-rate housing within three years of affordability expiration to discuss the City's desire to preserve complexes/units as affordable housing.
- Coordinate with owners of expiring subsidies to ensure the required notices to tenants are sent out at three years, 12 months, and six months.
- Reach out to agencies interested in purchasing and/or managing at-risk units.
- Work with tenants to provide education regarding tenant rights and conversion procedures pursuant to California law.

If any of the owners indicate that the affordability of the units is at risk of conversion to market-rate housing or that the owner intends to sell the property, the City will seek to facilitate the acquisition of the property by another for-profit or nonprofit entity to preserve the rental units as affordable housing. The City will not take part directly in negotiations regarding the property but will apply for state or federal funding on behalf of an interested non-profit entity, if necessary, to protect the affordability of the rental unit.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing communication with owners, service providers, and eligible potential purchasers; work with owners of deed-restricted units on an ongoing basis, in particular at the time of change of ownership. First contact with owner of six units identified as "Moderate" risk of conversion to market-rate housing will occur in 2030.

**Quantified Objective:** Conservation of the six units of at-risk affordable housing scheduled to expire in 2033 (Stonehaven House).

## **Goal 6: Equal Access to Housing and Opportunities.**

---

### **Policies**

#### **Policy 6.1: Fair Housing Education.**

Promote public education and awareness of fair housing requirements, and reduce public misconceptions about low-income housing.

#### **Policy 6.2: Housing Choice.**

Promote the development of housing for all persons regardless of race, religion, ethnic background, or other arbitrary factors.

#### **Policy 6.3: Fair Housing Enforcement.**

Implement and enforce relevant State and federal fair housing laws.

## **Policy 6.4: Reasonable Accommodation.**

Continue to provide reasonable accommodation for people with disabilities, including developmental disabilities, in the City's rules, policies, practices and procedures related to zoning, permit processing, and building codes.

## **Programs**

### **Program 6.A: Prepare information and conduct community outreach activities on fair housing issues.**

*[Adapted from 5<sup>th</sup> Cycle Program 1.A]*

Coordinate with housing advocacy groups, tenants, neighborhood groups, community organizations, developers, and landlords in building public understanding of fair housing programs and needs, especially reasonable accommodation procedures. Activities to include:

- Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.
- Provide information to real estate professionals, property owners, and tenants on their rights, responsibilities, and the resources available to address fair housing issues.
- Work with local non-profit and service organizations to distribute information to the public.
- Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to provide support.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Prepare written material and web site information by June 2024

**Quantified Objective:** Provision of accurate, up-to-date information. Prepare section on City website, update annually as needed. Initiate annual contact via email updating interested stakeholders on newly available information. -Make 10 or more contacts per year.

**Geographic Targeting:** While outreach will occur citywide, enhance outreach efforts, either through additional opportunities (e.g., in-person events, physical material posting or distribution, etc.) or more frequent outreach, in neighborhoods with the highest proportion of lower-income or special needs households, such as the Northwest Quadrant and the S. Novato Blvd. corridor (see Appendix F).

### **Program 6.B: Require non-discrimination clauses in affordable housing agreements.**

*[Adapted from 5<sup>th</sup> Cycle Program 2.A]*

Non-discrimination clauses are a standard component of the City's affordable housing agreements and are currently applied to over 400 BMR units. These clauses are added with each new development as inclusionary units enter the BMR program. The City contracts with Rise Housing to monitor compliance with the terms of its affordable housing agreements and local and State regulations. In addition, Rise oversees the sale of new units to ensure fair and equitable marketing. The City works closely with Fair Housing Marin to ensure non-discrimination in rental practices and annually funds fair housing and legal aid to ensure those services are available to residents of the City.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund; CDBG annual allocations

**Time Frame:** Ongoing

**Objective:** Implementation of fair housing laws.

### **Program 6.C: Respond to fair housing complaints.**

*[Adapted from 5<sup>th</sup> Cycle Program 2.B]*

Refer discrimination complaints to the appropriate legal service, County or State agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint. Undertake activities to broaden local knowledge of fair housing laws through actions identified in Program 6.A.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Implementation of fair housing laws.

### **Program 6.D: Implement General Plan policies related to the Northwest Quadrant neighborhood. [NEW]**

Since 2015, the Northwest Quadrant neighborhood has been the focus of efforts to update its original 1977 Neighborhood Plan. With the 2020 adoption of General Plan 2035, seven recommendations calling for improved pedestrian safety, code enforcement, form-based zoning regulations, and more were incorporated as Goal LU 28 and Policies LU 28b – LU 28e. These policies have not yet been incorporated into the Zoning Ordinance, though a [draft Northwest Neighborhood Form-Based Code](#) was developed by 2017.

As a place-based strategy to address the fair housing issues identified in this neighborhood in Appendix F (Affirmatively Forwarding Fair Housing), the City shall implement the General Plan policies related to the Northwest Quadrant neighborhood during the planning period, including those that:

- Target investment in community assets such as parks, streets, and active transportation infrastructure and apply for funding every other year;
- Develop a proactive code enforcement program that targets areas of concentrated rehabilitation needs and results in repairs and mitigates potential cost while accounting for potential displacement and relocation impacts on residents;
- Address negative impacts from climate change through investments in adaptation measures such as urban forestry; and,
- Zoning regulations (such as the draft Northwest Neighborhood Form-Based Code) that conserve and improve the existing affordable housing stock without contributing to investment-driven displacement.

**Responsible Body:** Community Development Department, Planning Commission, City Council, Public Works Department, Parks, Recreation, and Community Services Department

**Funding Source:** General Fund

~~**Time Frame:** December 2025~~

**Time Frame:** Develop proactive code enforcement program (June 2025); adoption of zoning regulations (June 2025); implement climate adaptation measures (December 2025); targeted infrastructure improvements (complete by December 2028); annual implementation of neighborhood investments as part of Capital Improvement Plan (CIP) 2024-2028 and its successor

**Quantified Objective:** Adoption of the draft Northwest Neighborhood Form-Based Code (or similar zoning regulations), ~~investment in community assets listed above~~. Implement the four General Plan policies listed above. Investment in community assets listed above. Conserve/preserve at least 10 units annually within the Northwest Quadrant as a result of proactive code enforcement (also see Programs 5.A, 5.B, 5.H, 5.I, and 5.J). Identify at least two projects in the Northwest Quadrant annually and incorporate them into successor Plans with the goal of making substantial improvements to the infrastructure of the Northwest Quadrant neighborhood.

**Geographic Targeting:** The Northwest Quadrant neighborhood.

### **Program 6.E: Housing Mobility. [NEW]**

Housing mobility strategies consist of removing barriers to housing in areas of opportunity and strategically enhancing access. To improve housing mobility and promote more housing choices

and affordability throughout Novato, including in lower-density neighborhoods and concentrated areas of affluence and relatively higher-resource areas, the City will employ a suite of actions to expand housing opportunities affordable to extremely low-, very low-, low-, and moderate-income households. Actions and strategies include:

- Rezoning – Modify zoning to allow residential and/or increased residential intensity on key sites throughout Novato. This includes zoning amendments in High Resource neighborhoods (i.e., Rezone Site #1), in addition to higher intensity corridors (i.e., Rezone Site #2). See Program 1.A.
- Accessory Dwelling Units (ADUs) – Streamline the production of ADUs and Junior ADUs in single-family neighborhoods by preparing permit-ready ADU plans with a variety of unit sizes and proactively promoting ADU construction in High Resource areas. Promote availability of services from City’s participation in Napa Sonoma/Marin County ADU Center. See Program 1.B.
- Utilize Vacant Residential Properties – The City has an unusually large number of vacant residential units, many in the City’s predominantly single-family neighborhoods. As a potential resource for addressing housing need in High Resource areas, the City shall identify and incentivize property owners to utilize or redevelop vacant properties, including promoting affordability and conversion of single-family structure to duplexes and triplexes. See Program 2.F.
- Enhanced Inclusionary Housing – Assess and amend the City’s inclusionary housing requirements to achieve higher proportions and/or lower affordability levels of inclusionary units from projects approved. See Program 2.G.
- Addressing Homelessness through Permanent Supportive Housing – The City is an active participant in Countywide efforts to address homelessness through a Housing First model. Many active programs are committed to providing basic services and housing assistance to homeless residents, enabling them to remain in the community without remaining on the street. See Program 4.G.
- Placed-Based Strategies – Continue implementation of adopted General Plan goals and policies for improved pedestrian safety, targeted code enforcement, and zoning regulations which conserve and improve existing affordable housing (without driving displacement) in the Northwest Quadrant neighborhood. See Program 6.D.
- Implement alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices, including but not limited to, strategies that encourage missing middle zoning (small-scale multi-unit projects), adaptive reuse, allowing additional ADUs and/or JADUs above State law, and priority processing or fee waivers for affordable housing.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:**



- Sites rezoned in High Resource neighborhood (Rezone Site #1) – January 2024
- Review and revise efforts to increase ADU construction in High Resource neighborhoods – January 2027
- Identify, inventory, and incentivize utilization of vacant residential properties in High Resource neighborhoods – June 2025
- Develop higher proportion of lower- and moderate-income housing in RCAAs and High Resource neighborhoods as a result of amended IHO (June 2025) and subsequent evaluations (June 2027)
- Facilitate development of transitional/supportive housing (Homeward Bound Veterans and Workforce Housing project) – Spring 2024
- Implement alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices – June 2027

**Quantified Objective:** Provide 150 housing opportunities affordable to lower-income households by January 2031.

**Geographic Targeting:** Citywide, with a focus on creating housing opportunities in lower-density areas and areas of relatively higher income.

## **Goal 7: Sustainability and Energy.**

---

### **Policies**

#### **Policy 7.1: Energy-Efficient Design.**

Require all new housing to be designed to encourage energy efficiency. Building design and construction methods should promote and support energy conservation.

#### **Policy 7.2: Energy-Efficient Materials.**

Encourage major additions and remodeling projects to use windows, building materials, ventilation systems, and appliances which reduce home heating and cooling costs and conserve energy resources.

#### **Policy 7.3: Weatherization.**

Encourage weatherization of existing homes to reduce heating and cooling costs and lower home energy bills.

#### **Policy 7.4: Renewable Energy.**

Maintain development regulations and permit processing allowances which accommodate the installation of solar panels and other devices which result in lower energy costs for homeowners and renters.

## **Policy 7.5: Energy Retrofits.**

Support the use of federal, State, county, and utility-sponsored programs which provide financial assistance or incentives for energy retrofits.

### **Programs**

#### **Program 7.A: Implement energy/water efficiency and rehabilitation loan programs.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.C]*

Novato's Sustainability Division implements a Property Assessed Clean Energy (PACE) financing program to enable property owners to finance energy and water efficiency and renewable energy projects as an assessment on their property tax bills. In addition to private funding options, the City has routinely designated a portion of its CDBG funding for residential rehabilitation/upgrading of homes belonging to low-income individuals.

Community Development staff will continue to coordinate with government and businesses (e.g., Energy Upgrade California, the Marin Housing Authority, PG&E, and participatory contractors) to procure funding (grants and/or loans), and qualifying energy upgrades for eligible owner and renter households. Program resources and contact information will be maintained and updated on the City's website.

**Responsible Body:** Sustainability Division

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Coordinate and support financing for rehabilitation and energy efficiency.

#### **Program 7.B: Continue to implement the California Green Building Code.**

*[Adapted from 5<sup>th</sup> Cycle Program 4.B]*

In 2011 the City first adopted the California Green Building Standards Code (Part 11, Title 24 of the California Code of Regulations, or CALGreen) to ~~encourage~~promote the use of green building materials, energy conservation, and more. The City will continue to adopt updated versions of CALGreen throughout the planning period, starting with the 2022 CALGreen Code, effective January 1, 2023.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Implement statewide green building standards locally.

### III.B Quantified Objectives

Table III-1 presents the City's quantified objectives for construction, preservation, and rehabilitation for the 2023 – 2031 planning period that will be achieved through the policies and programs described above.

**Table III-1: Quantified Objectives**

Program Type/Affordability	Extremely Low <sup>1</sup>	Very Low	Low	Moderate	Above Moderate	Total
<b>New Construction</b>	<del>333</del> <u>340</u>		<del>644</del> <u>612</u>	<del>397</del> <u>367</u>	<del>1,354</del> <u>296</u>	<del>2,578</del> <u>615</u>
<b>Rehabilitation</b>	<del>04</del>	<del>08</del>	<del>08</del>	<del>04</del>	0	<del>024</del>
<b>Conservation/Preservation <sup>2</sup></b>		<del>08</del> <u>60</u>	<del>08</del> <u>60</u>	0	0	<del>01,479</del>
<b>Total</b>		<del>1,212</del>	<del>1,480</del>	<del>371</del>	<del>1,296</del>	<del>4,118</del>

<sup>1</sup> The City estimates 50% of the very low households would qualify as extremely low-income.

<sup>2</sup> See Programs 2.B, 5.D, 5.F, 5.M, and 6. D.

# Appendix A: Demographics and Housing Needs Assessment

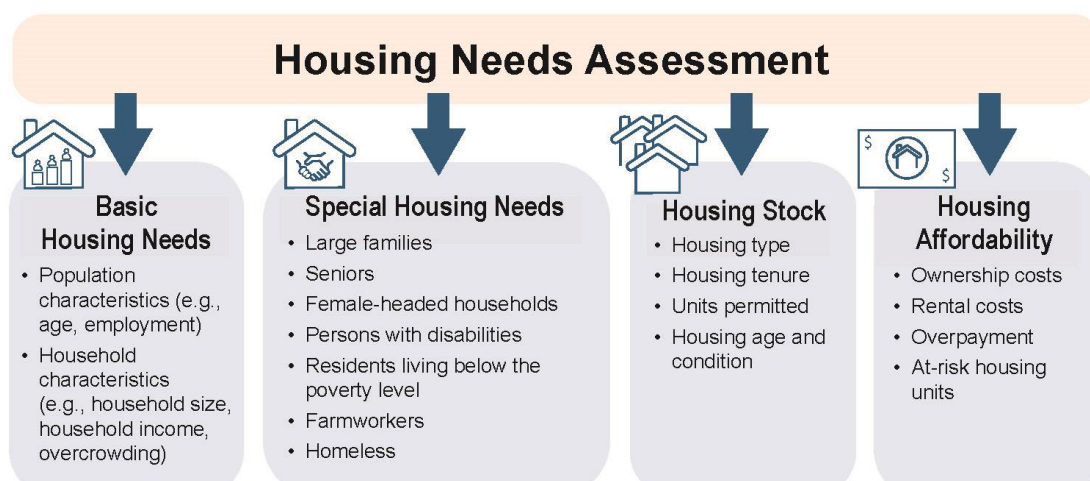
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## Section A.1 Introduction and Summary

### A.1.1 Introduction

This section of the Novato Housing Element (Appendix A) presents the foundation for understanding the housing needs of the City of Novato (City). Analyzed within are demographic, economic, and housing-related variables which include the City's population, special needs groups, employment, housing stock, and housing affordability. Findings in this section provide the basis for the housing goals, policies, and programs to address those needs.



Data sources for this section include the Housing Needs Data Packet prepared for the City by the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC). The Data Packet relies primarily on the U.S. Census Bureau's American Community Survey (ACS), California Department of Finance (DoF), and the Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS). This Housing Needs Data Packet has been pre-reviewed by the California Department of Housing and Community Development (HCD) for consistency and compliance with State requirements.

### A.1.2 Summary

Housing needs are determined by a city's population and its existing housing stock and provide context for developing housing policy, such as which types of housing are most needed. The following summarizes key data from this housing needs assessment:

- Novato has a lower median household income than Marin County (County). Novato's 2020 median household income was \$101,629, 16.5 percent lower than the County (\$121,671). Nearly 15.2 percent (3,325 households) of households in Novato are extremely low-

income, and approximately 47.1 percent (10,269 households) of Novato households are lower-income households (i.e., earn less than 80 percent of Area Median Income [AMI]).

- Home prices are slightly lower in Novato relative to the County, but still difficult to afford. A two-person household must earn \$180,980 (over 150 percent of AMI) to afford an average priced home in the City.
- Rental housing is challenging in Novato, as a household must earn \$78,023 (over 50 percent of AMI) to afford median rent.
- Approximately 34.5 percent of Novato homeowners and 54.8 percent of renters are cost-burdened, meaning they spend 30 percent or more of gross income on housing costs. Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing, compared to 14.8 percent of homeowners. Among all households, Novato has a slightly higher proportion of cost-burdened households compared to the County (41 percent compared to 39 percent).
- Renter households are more likely to live in overcrowded conditions than owner-occupied households. In Novato, 3.7 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.5 percent of households that own. Among renters, 9.8 percent experience moderate overcrowding (1 to 1.5 occupants per room), compared to one percent for those who own.
- Novato's population is 63.5 percent White, 18.9 percent Hispanic or Latino, 7.8 percent Asian or Pacific Islander, 6.2 percent Other Race or Multiple Races, 3.4 percent Black or African American, and 0.2 percent American Indian or Alaska Native. People of color (all non-white racial groups) comprise a lower proportion of Novato's population relative to the 9-county Bay Area, but a slightly greater portion than Marin County as a whole. Black or African American residents experience the highest rates of poverty in Novato at 13.5 percent.
- Novato's median age is 47, similar to the County (47.3 years). Seniors (65 years and above) make up approximately 20.6 percent of the population. Out of the total senior population, approximately 41.3 percent are cost burdened. Seniors are designated as a special needs population under the State's Housing Element law. Seniors can face higher levels of housing insecurity as they are more likely to be on a fixed income while requiring higher levels of care.
- Novato's other special housing needs populations include persons with a disability that may require accessible housing (10 percent of residents) and female-headed households who are often at greater risk of housing insecurity (eight percent of households).
- Novato has 1,614 large households (five or more people), which are generally served by three-bedroom or larger units. Novato's housing mix of three-bedroom or larger units (14,724 units) can sufficiently accommodate the number of larger families.



- A variety of housing types is important to meeting the needs of all members of the community. Over 74 percent of Novato's housing stock is single-family homes (attached and detached). Multifamily (5+ unit) homes have experienced the most growth over the last decade.
- The rate of housing production in Novato is relatively slow, with only 266 units permitted between 2015 and 2019. The largest proportion of Novato's housing units were built between 1960 and 1979.

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## Section A.2 Population Characteristics

### A.2.1 Population

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The San Francisco Bay Area (Region)<sup>1</sup> is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession (2007). Many cities in the Region have experienced growth in jobs, wages, and population. While these trends have led to a corresponding increase in demand for housing, the regional production of housing has largely not kept pace with job and population growth. In 2020, the population of Novato was estimated to be 53,702 (see Table A-1). From 1990 to 2020, the population increased by 12.9 percent, or 0.4 percent per year. The population of Novato makes up 20.6 percent of Marin County. Trends in the wake of the COVID-19 pandemic suggest that the region may be experiencing some absolute declines in population in core areas, however, the population of the region as a whole is anticipated to continue to grow.

Since 2000, Novato's population has increased by 12.7 percent, which is below the Region's 14.8 percent. Roughly 11.6 percent of Novato's population moved during the past year; 1.8 percentage points lower than the regional rate of 13.4 percent. This statistic suggests Novato's relative stability and the limited increase in housing availability as homeowners move or downsize (see Figure A-1).

**Table A-1: Population Growth Trends, City of Novato**

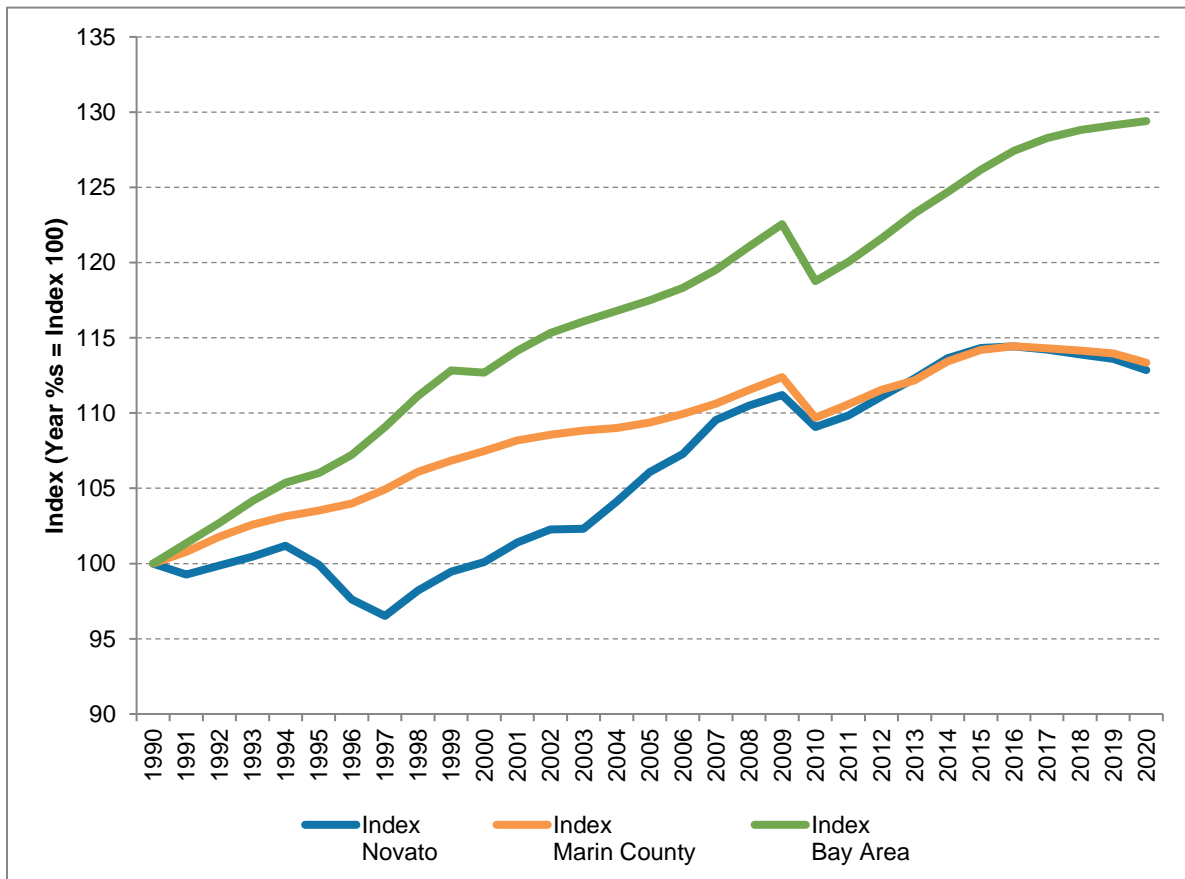
	1990	1995	2000	2005	2010	2015	2020
<b>Novato</b>	47,585	47,554	47,630	50,475	51,904	54,400	53,702
<b>Marin County</b>	230,096	238,185	247,289	251,634	252,409	262,743	260,831
<b>Bay Area</b>	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

*Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)*

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<sup>1</sup> Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

Figure A-1: Population Growth Trends



The data shown on the graph represents population for the jurisdiction, County, and Region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

## A.2.2 Age

The distribution of age groups influences the types of housing a community needs. For example, a higher number of children and young families can indicate a need for homes with more bedrooms and proximity to schools, parks, and related services. Seniors, meanwhile, increasingly indicate a desire to age in place (i.e., stay in their current home or move to a more affordable, age-appropriate residence)<sup>2</sup>, which can mean a higher demand for smaller, multifamily, and accessible units.

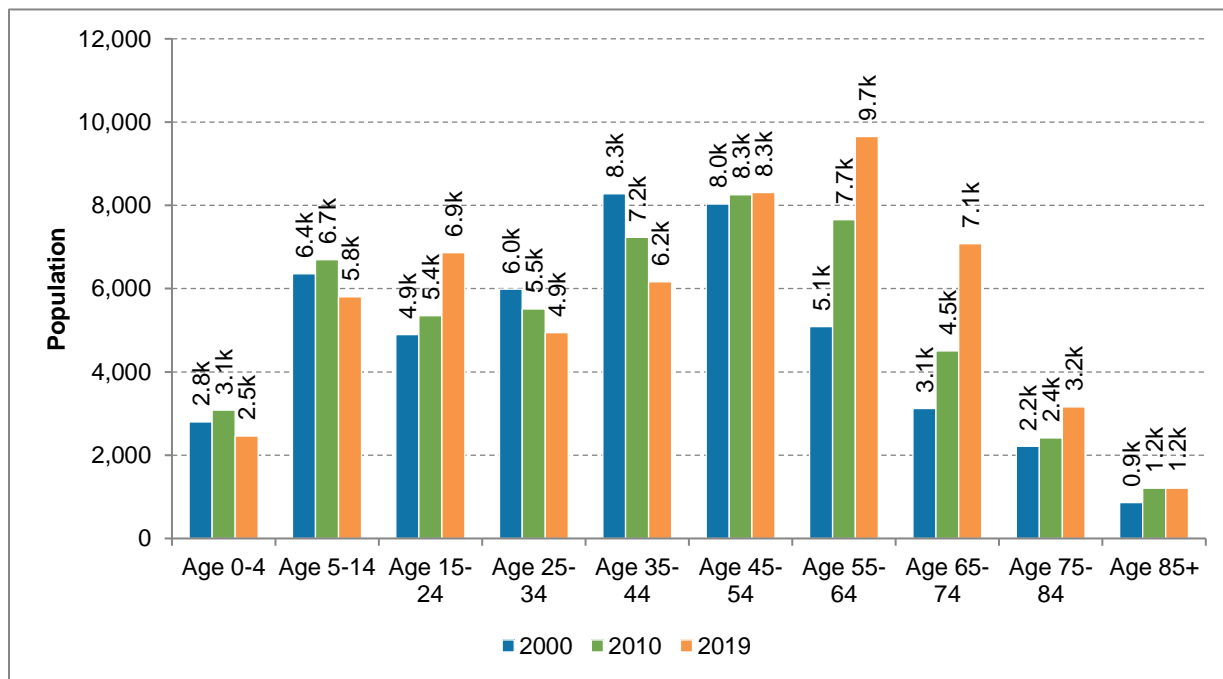
In Novato, the median age in 2000 was 39.1 years old; by 2019, this figure had increased to around 47 years. In 2019, the median age in Marin County was around 47.3 years old. The

<sup>2</sup> HUD Office of Policy Development and Research, [Aging in Place: Facilitating Choice and Independence. \(n.d.\)](#)

population of seniors (65 years and above) living in Novato increased by 5.4 percent since 2010 and makes up an estimated 20.6 percent of the total population. Conversely, the population of those under 14 years of age in Novato has decreased by 3.8 percent since 2010.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color make up 10.6 percent of seniors and 37.9 percent of youth under 18 years of age (see Figure A-3).

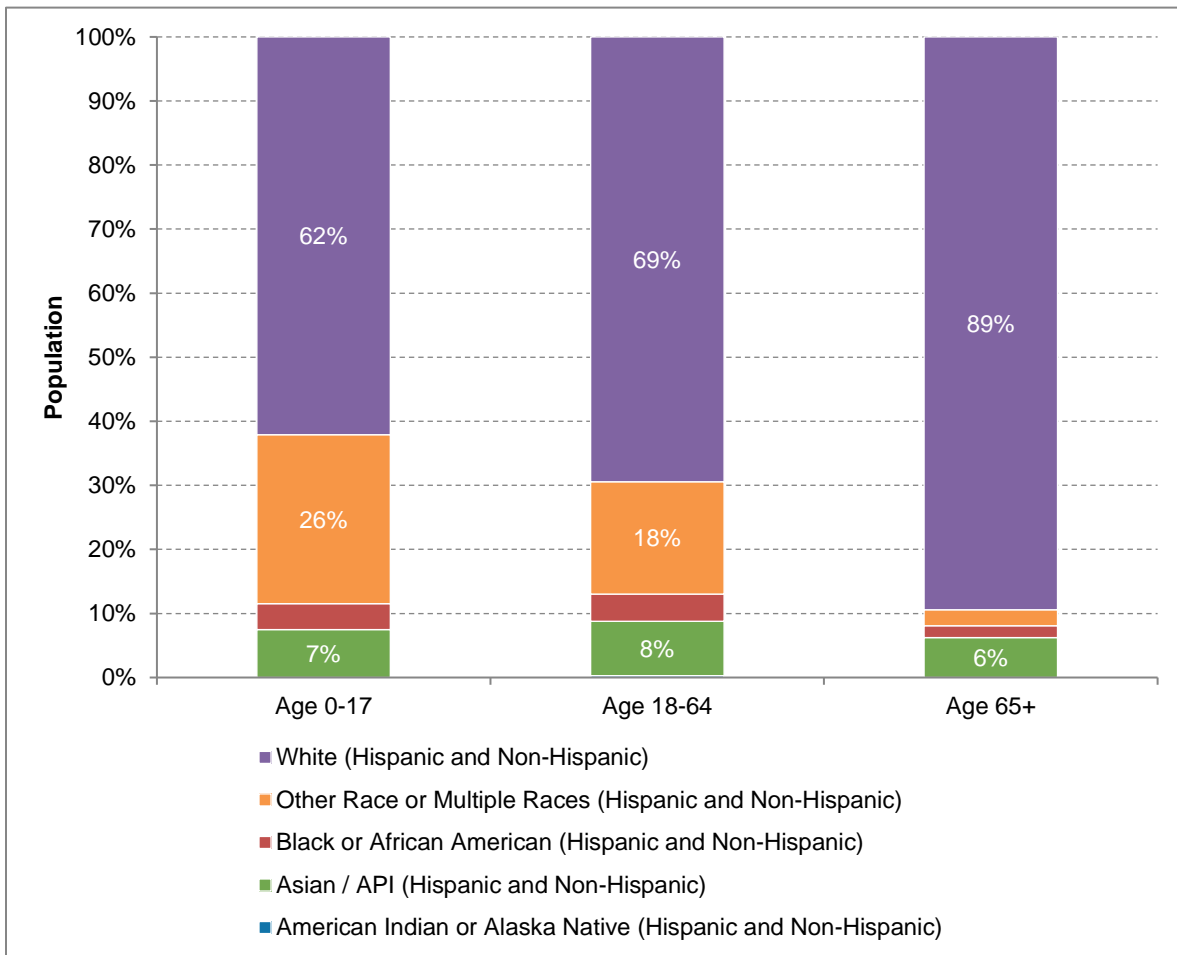
**Figure A-2: Novato Population by Age, 2000-2019, City of Novato**



Universe: Total population

Source: ABAG 2021 Pre-certified Housing Needs Data ((U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001)

**Figure A-3: Senior and Youth Population by Race, City of Novato**



Universe: Total population

In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

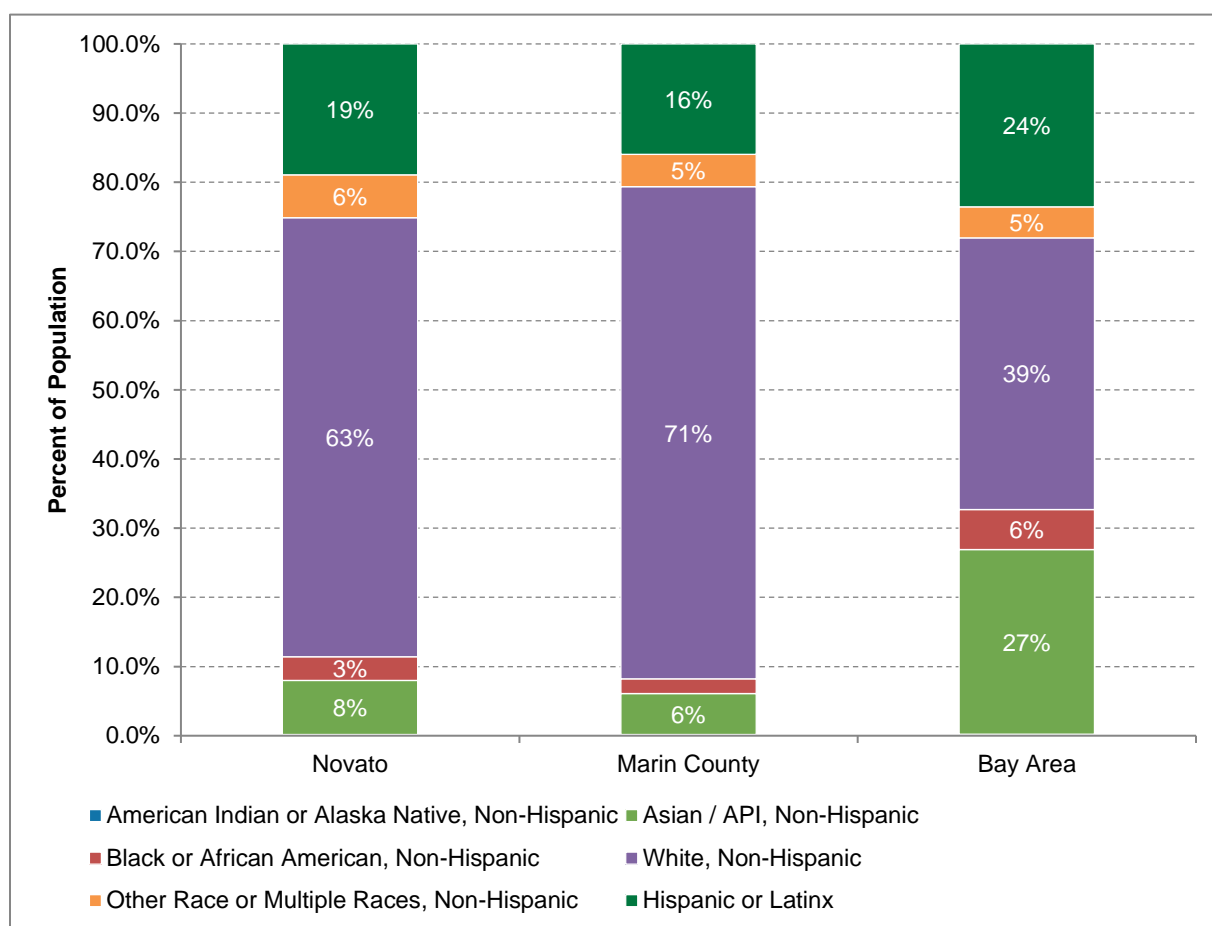
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G))

### A.2.3 Race/Ethnicity

Understanding the racial and ethnic makeup of a city and Region is important for designing and implementing effective housing policies and programs. Racial distribution is shaped by market factors and government actions, such as exclusionary zoning, discriminatory lending practices, and displacement that has occurred over time and continues to impact communities of color.

Novato has a higher share of residents identifying as White, Non-Hispanic than the Region, and a smaller share of residents identifying as American Indian or Alaska Native, Non-Hispanic, Asian/Asian Pacific Islander, Non-Hispanic, Black or African American, Non-Hispanic, and Hispanic or Latino than compared to the Region (see Figure A-4).

**Figure A-4: Population by Race and Ethnicity, 2019**



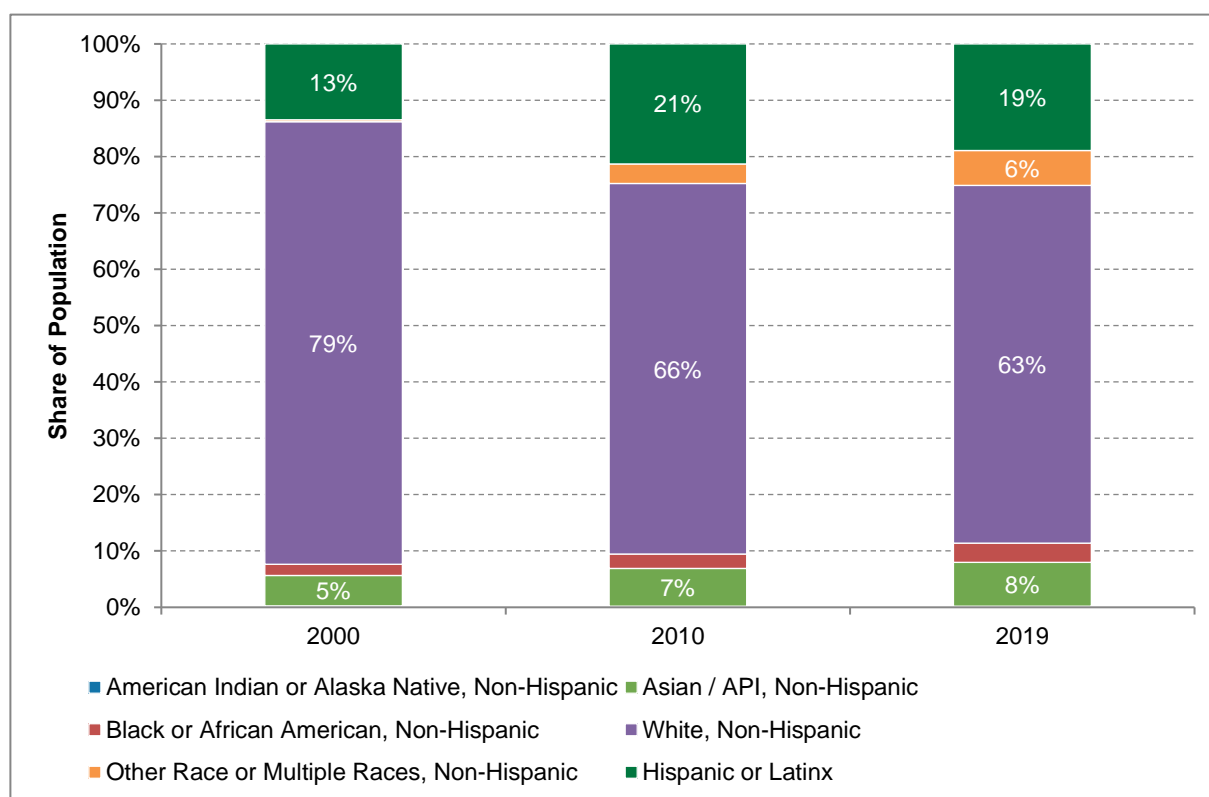
Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

Since 2000, the percentage of residents in Novato identifying as white has decreased. In the same period, the percentage of residents of all other races and ethnicities has increased by 15.1 percentage points (see Figure A-5), with the total population of all other races and ethnicities at 35,312 in 2019. In absolute terms, the Hispanic or Latino and the Other Race or Multiple Races, Non-Hispanic populations increased the most, while the Non-Hispanic White population decreased the most.

**Figure A-5: Population by Race and Ethnicity, 2000-2019, City of Novato**



Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the “Hispanic or Latino” racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

The values above do not add up to 100% as they are rounded to the nearest one-tenth.

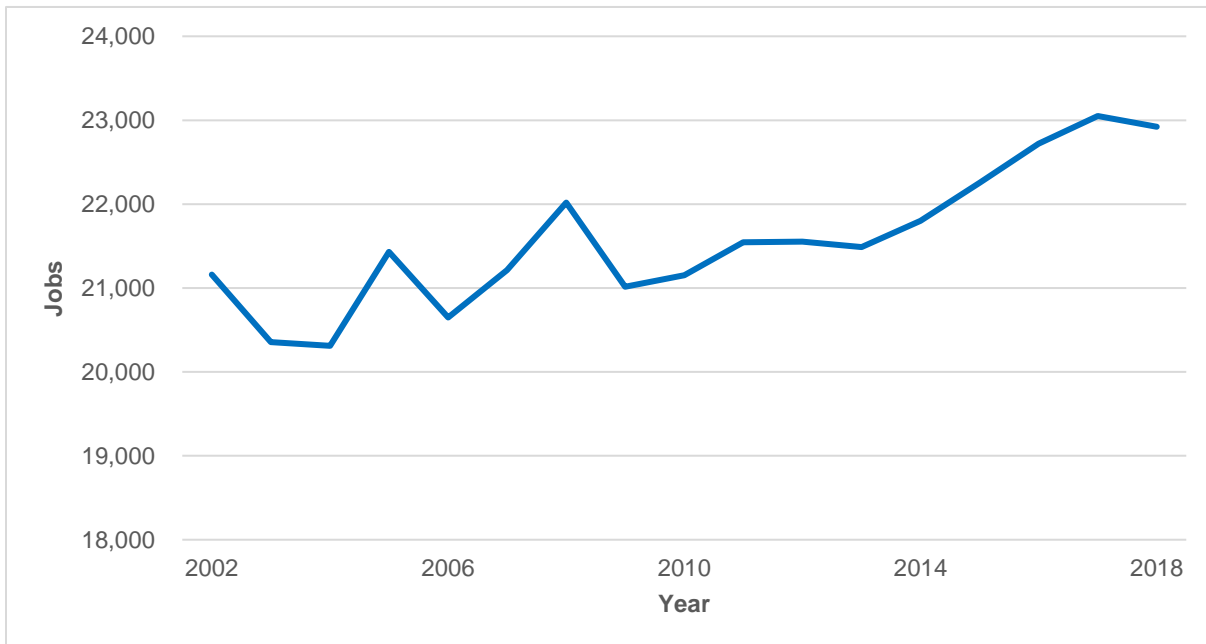
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

## A.2.4 Employment

A city’s housing serves those who work and live in the community and those who work elsewhere in the Region and commute to work. Smaller cities typically will have more employed residents than jobs and export workers, while larger cities tend to have a surplus of jobs and import workers. A good regional transportation system is set up to address this flow of workers to the Region’s job centers. At the same time, the housing affordability crisis has pushed workers further from cities and transit hubs. This imbalance burdens employees who must travel greater distances, increases reliance on the automobile or more complicated commutes on public transit.

There are 28,298 employed residents and 23,299 jobs<sup>3</sup> in Novato. The ratio of jobs to resident workers is 0.82, making Novato a net exporter of workers. Overall, in 2019, an estimated 18.6 percent<sup>4</sup> of people employed in Novato also lived in the city. Between 2002 and 2018, the number of jobs in Novato increased by 8.3 percent (see Figure A-6).

**Figure A-6: Jobs in the City of Novato**



Universe: Jobs from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment.

The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross-referenced to jurisdictions and summarized.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018)

Figure A-7 shows the balance of jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment opportunities for relatively low-income workers but have relatively few appropriate housing options. Conversely, a city may offer affordable ownership and rental options but not have appropriate or sufficient employment opportunities. Such relationships cast extra light on potentially unmet demand for housing in certain price categories (for ownership or rental). A relative surplus of jobs relative to

<sup>3</sup> Employed residents in a jurisdiction is counted by place of residence (they may work elsewhere) while jobs in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure A-6 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.

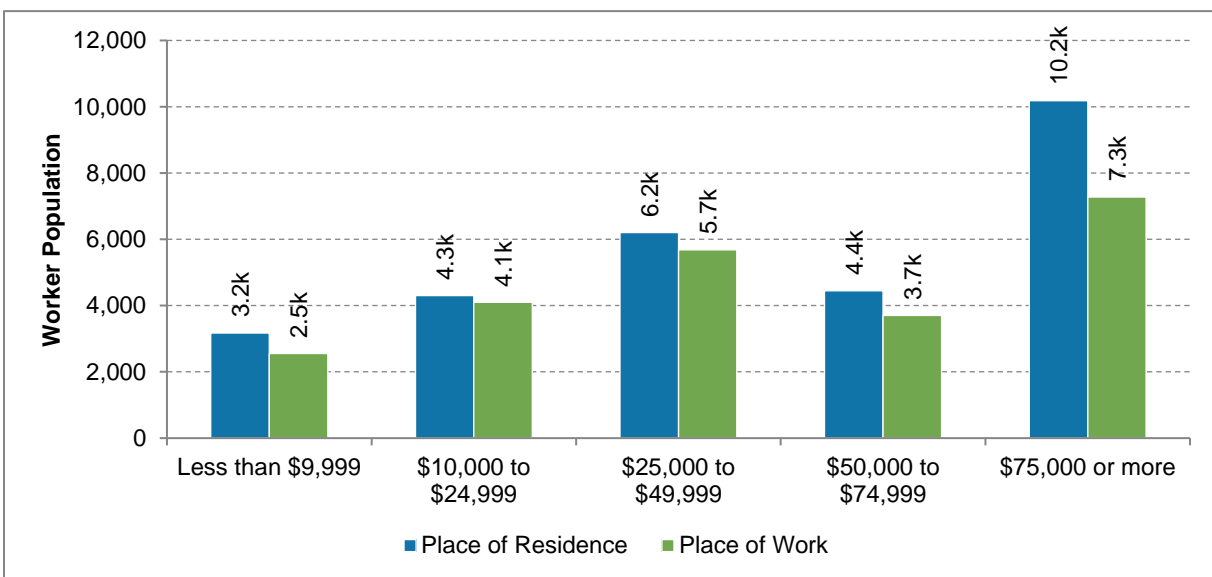
<sup>4</sup> U.S. Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), [OnTheMap](#). (2023)



residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, but as indicated earlier, can lead to longer, more complicated commutes, increased vehicle miles traveled and greenhouse gas emissions, lost construction investment, as well as foregone consumption of goods and services because Californians spend so much time and income on commuting.

Novato has more low-wage residents (7,472) than low-wage jobs (6,643), where low-wage refers to jobs paying less than \$25,000. At the other end of the wage spectrum, the city has more high-wage residents (10,183) than high-wage jobs (7,274), where high-wage refers to jobs paying more than \$75,000 (see Figure A-7)<sup>5</sup>. The number of workers by wage category was supplied by ABAG and sourced from the 2019 American Community Survey.

**Figure A-7: Workers by Earnings, as Place of Work and Place of Residence, City of Novato**



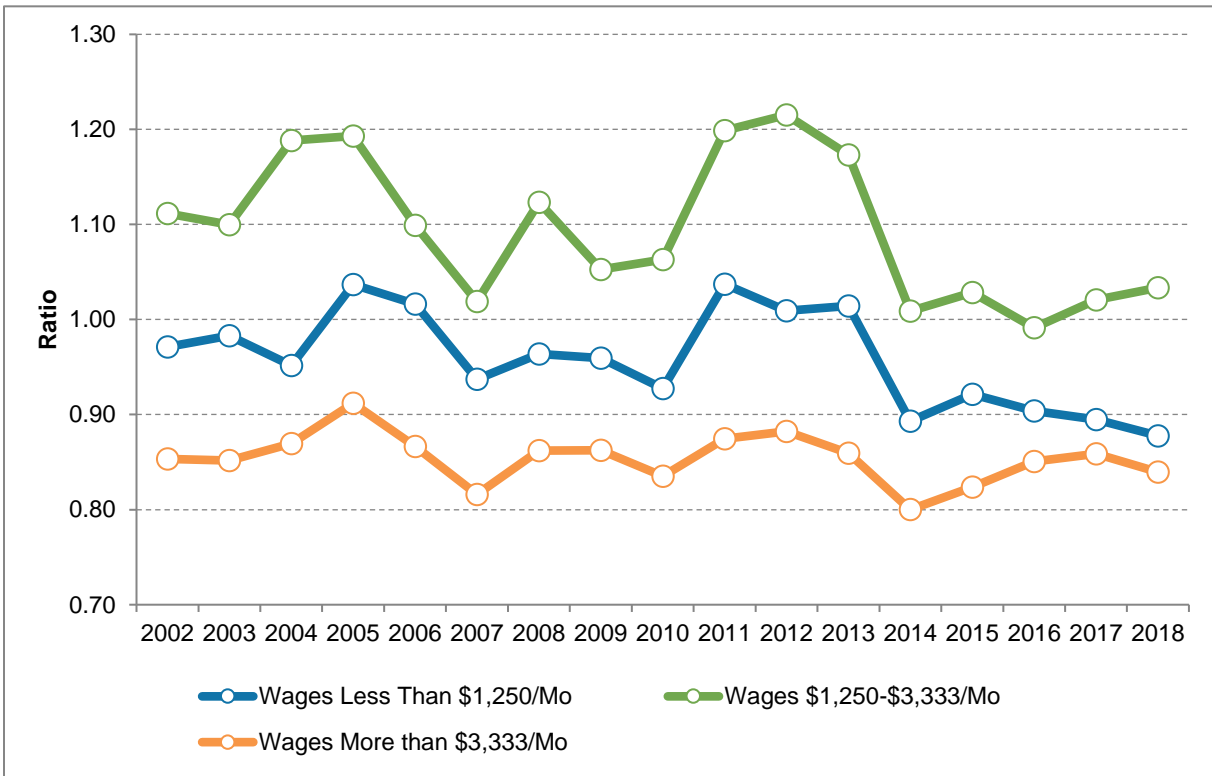
Universe: Workers 16 years and over with earning

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519)

Figure A-8 shows the balance of Novato's resident workers to jobs for different wage groups as a ratio. A value of 1 means that a city has the same number of jobs in a wage group as it has resident workers. Values close to 0 indicate a jurisdiction will need to export workers for jobs in a given wage group. At the regional scale, this ratio is 1.04 jobs for each worker, implying a modest import of workers from outside the Region (see Figure A-8).

<sup>5</sup> The source table is top-coded at \$75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

**Figure A-8: Jobs-Worker Ratios, by Wage Group, City of Novato**



Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment.

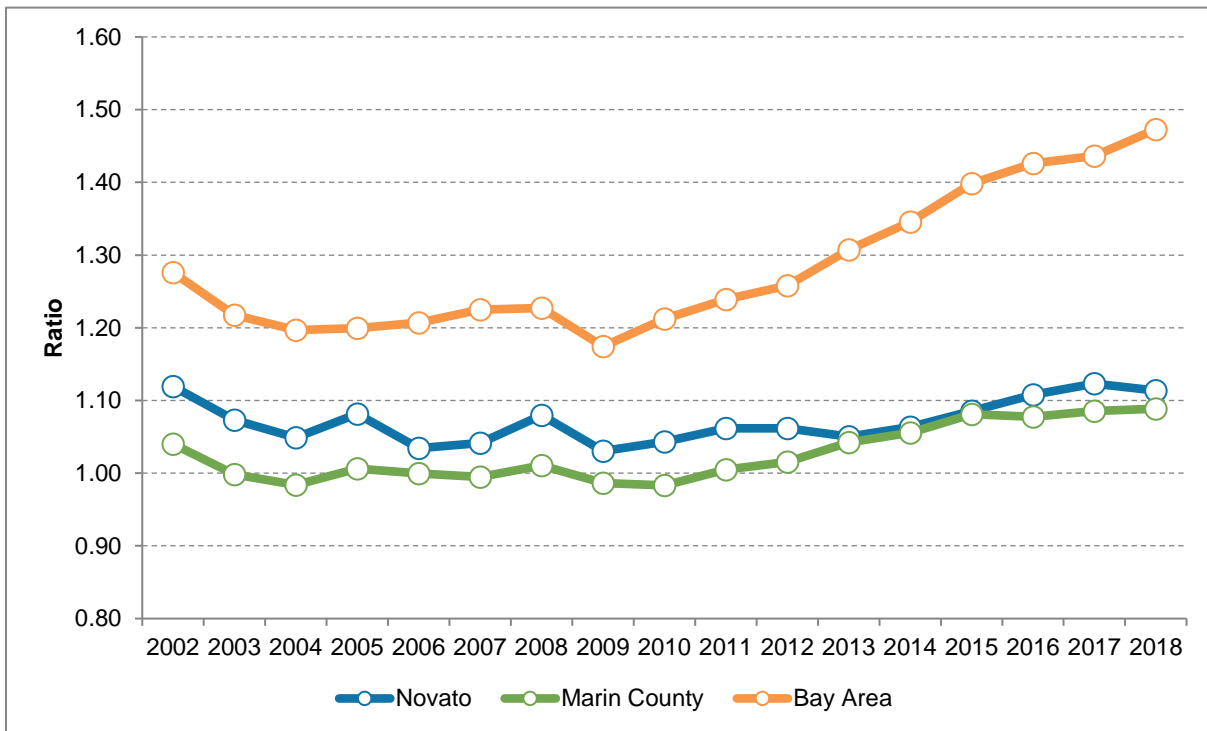
The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018)

The balance or imbalance between jobs and workers influences the housing demand and housing prices in a community. When there is high demand for housing relative to supply, workers will compete for a limited supply. As shown, many Novato workers may be unable to afford to live where they work, particularly when housing growth has been in higher income markets. This dynamic means many workers need to undertake long commutes on public transit, rely more heavily on the automobile, and contribute to the Bay Area's growing traffic congestion.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs-to-household ratio (over 1). The jobs-household ratio in Novato has decreased slightly over time, from 1.12 in 2002 to 1.11 jobs per household in 2018 (see Figure A-9). Novato's ratio is slightly higher than Marin County (1.09) and lower than the Region (1.47), suggesting the city has a lower ratio of jobs to housing units relative to the rest of the Bay Area and that while the Region is job rich, Novato houses more workers than it has jobs.

**Figure A-9: Jobs-Household Ratio**



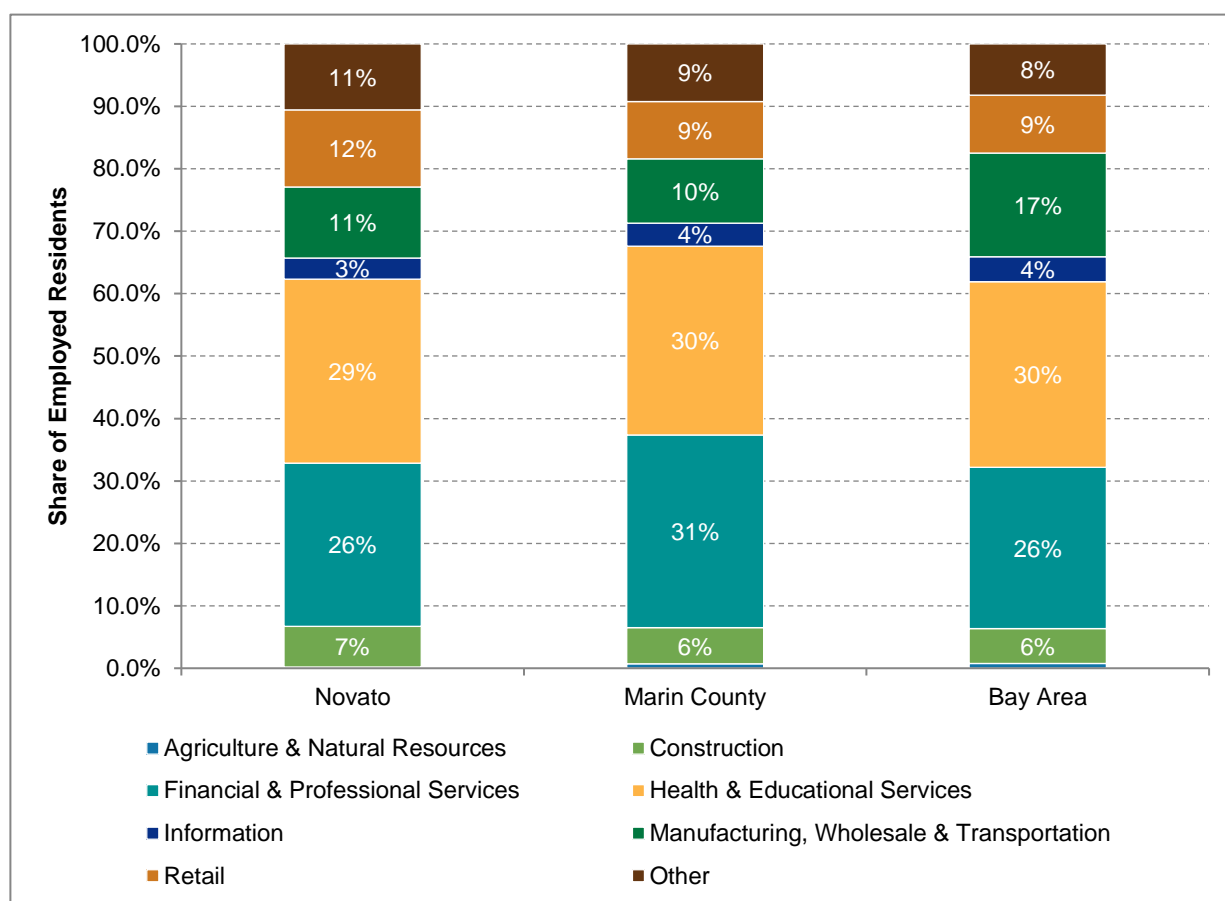
Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction.

The data are tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross-referenced to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households))

The largest industry in which Novato residents work is Health & Educational Services, and the largest sector in which Marin residents work is Financial & Professional Services (see Figure A-10). For the Bay Area as a whole, the Health & Educational Services industry employs the most workers.

**Figure A-10: Resident Employment by Industry**



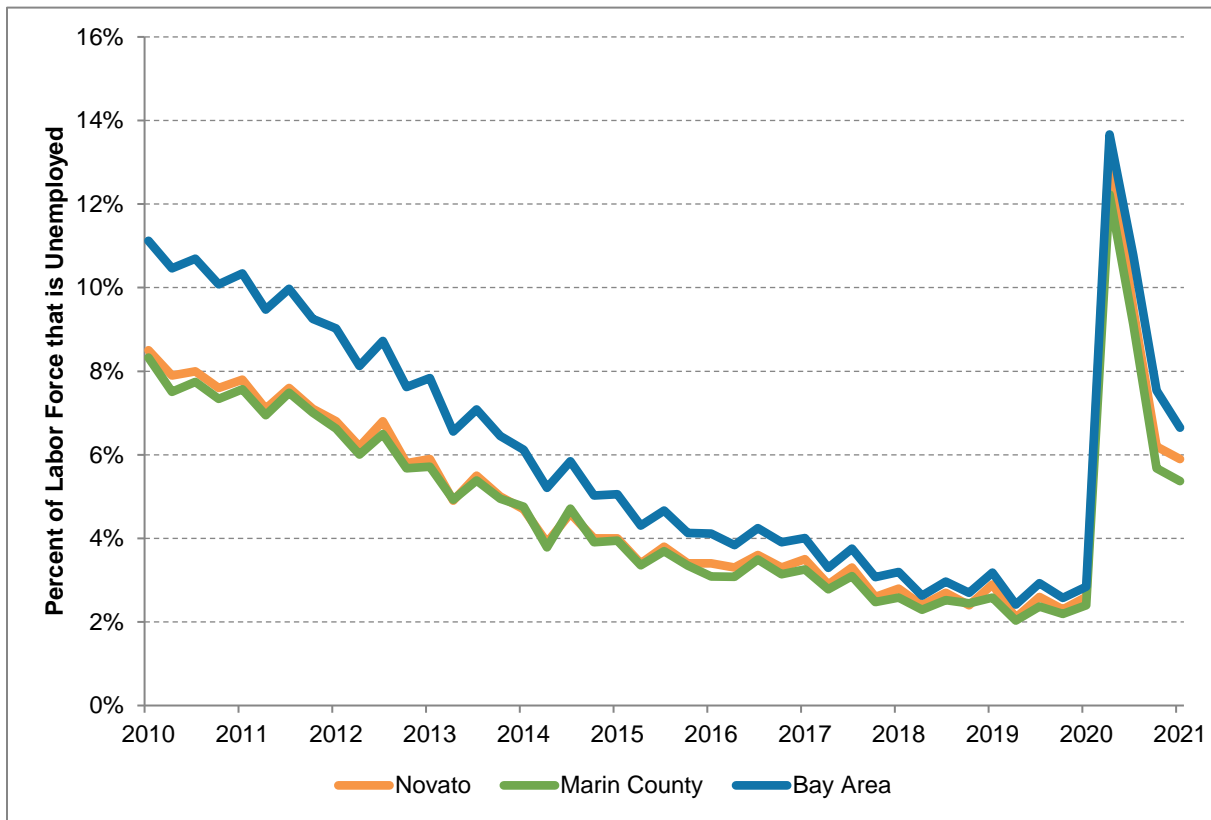
Universe: Civilian employed population age 16 years and over

The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Agriculture & Natural Resources jobs account for less than one percent of total resident employment for Novato, Marin County, and the Bay Area.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030)

In Novato, there was a 2.6 ~~percentage~~percent decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions throughout the Region experienced a sharp rise in unemployment in 2020 due to impacts of the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020.

Figure A-11: Unemployment Rate



Universe: Civilian employed population age 16 years and over

Unemployment rates for the jurisdiction level is derived from larger-geography estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021)

## Section A.3 Household Characteristics

### A.3.1 Household Size

In Novato, the largest share of households (35 percent) consists of those with two people, while the lowest share of households (7.2 percent) consists of those with five-or-more persons (renters and owners combined). Three-person households make up 15.8 percent of the occupied housing stock and four-person households make up 13.7 percent (see Table A-2). According to U.S. Census data, Novato had an average household size of 2.46 in 2020. For additional information on household size, see Section A.3.2 (Overcrowding) and A.3.4 (Special Housing Needs).

**Table A-2: Household Size, City of Novato**

	Owner Occupied	% Owner Occupied	Renter Occupied	% Renter Occupied
1-person household	3,897	25.6%	2,416	34.0%
2-person household	6,038	39.7%	1,776	25.0%
3-person household	2,517	16.5%	1,012	14.2%
4-person household	2,083	13.7%	972	13.7%
5-or-more person household	678	4.5%	936	13.2%
<b>Total occupied housing units</b>	<b>15,213</b>	<b>100%</b>	<b>7,112</b>	<b>100%</b>

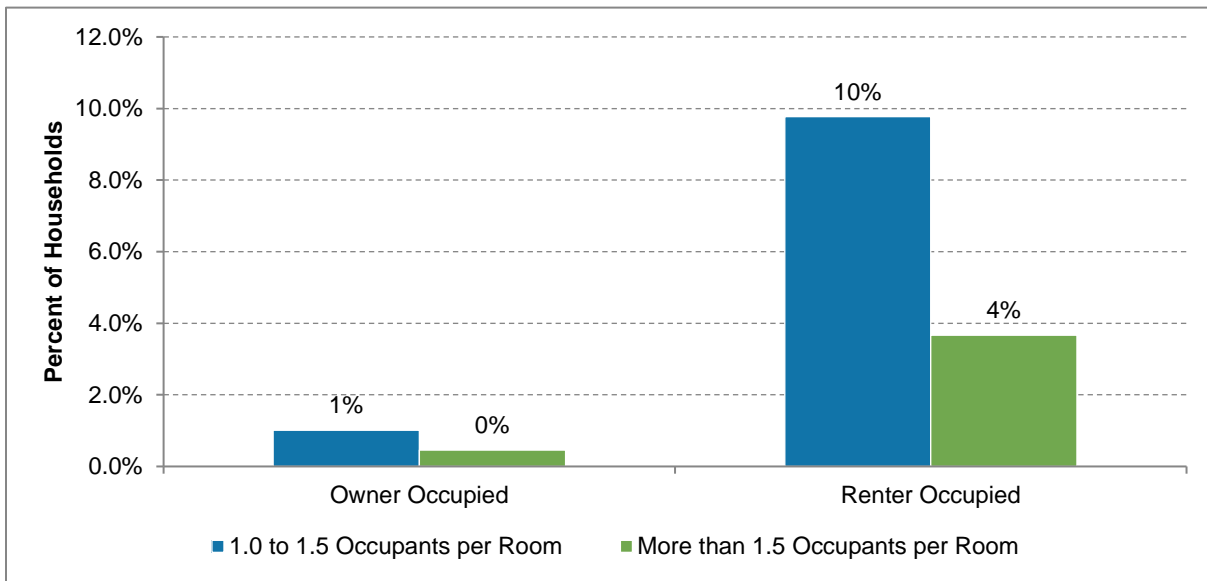
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

### A.3.2 Overcrowding

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several standards for defining overcrowding, but this report uses the U.S. Census Bureau definition: more than one occupant per room (not including bathrooms or kitchens). Additionally, the U.S. Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Overcrowding is often related to the cost of housing and typically occurs when demand is high, supply shrinks, and prices rise. In many cities, overcrowding is seen more in the rental sector, sharing a unit to make it possible to stay in a community or near employment. In Novato, 3.7 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.5 percent of households that own (see Figure A-12). 9.8 percent of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to one percent for those owned.

**Figure A-12: Overcrowding by Tenure and Severity, City of Novato**



Universe: Occupied housing units

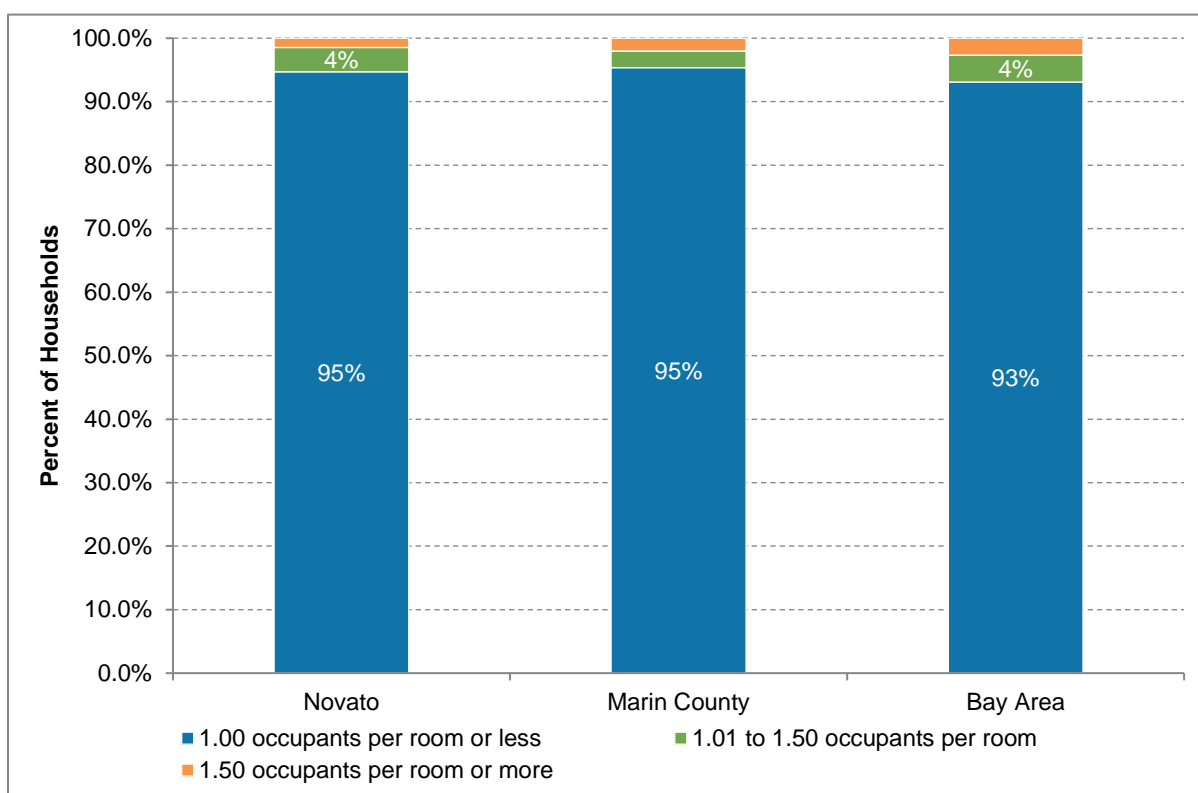
The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overall, the rate of overcrowding in Novato is higher than in Marin County and lower than in the Bay Area. 5.3 percent of Novato residents face overcrowded conditions, compared to 4.7 percent of Marin County residents and 6.9 percent of Bay Area residents.



**Figure A-13: Overcrowding Severity**



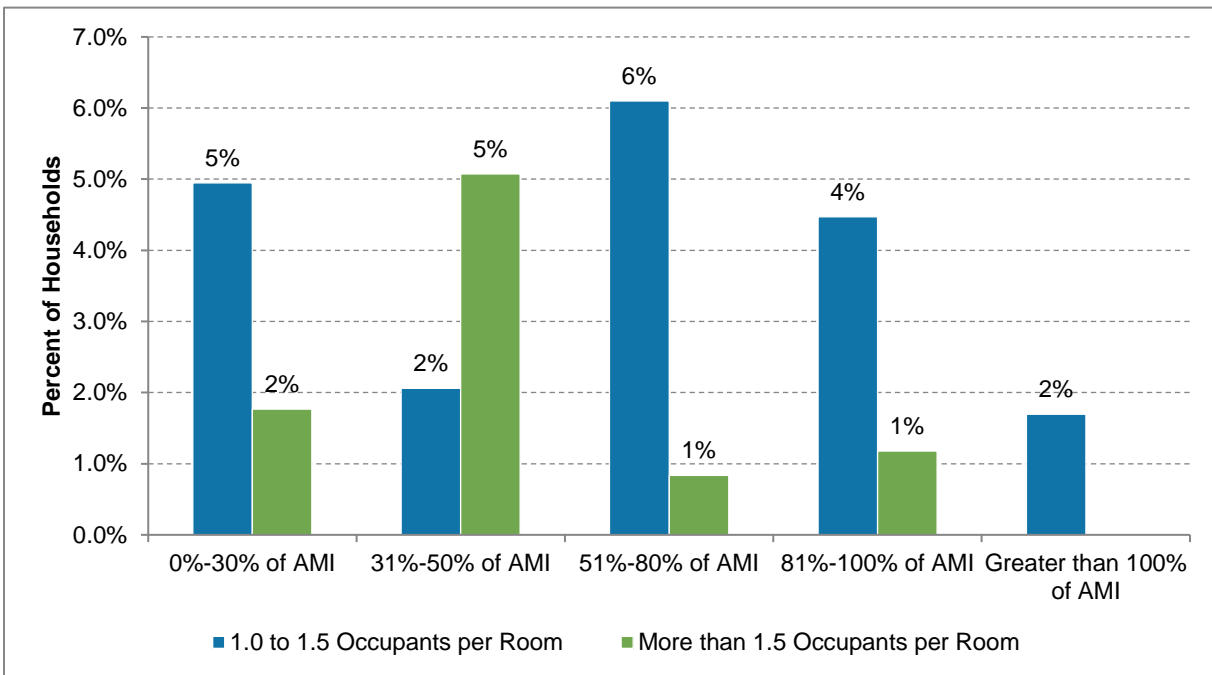
The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overcrowding often disproportionately impacts low-income households, causing cascading impacts to individual and public health – such as the strong link between overcrowded housing and infections observed in California during the COVID-19 pandemic.<sup>6</sup> In Novato, 1.8 percent of very low-income households (below 50 percent AMI) experience severe overcrowding, while 0.0 percent of households earning above 100 percent of the AMI experience this level of overcrowding (see Figure A-14).

<sup>6</sup> CalMatters, [The neighborhoods where COVID collides with overcrowded homes](#), June 26, (2020).

**Figure A-14: Overcrowding by Income Level and Severity, City of Novato**



Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

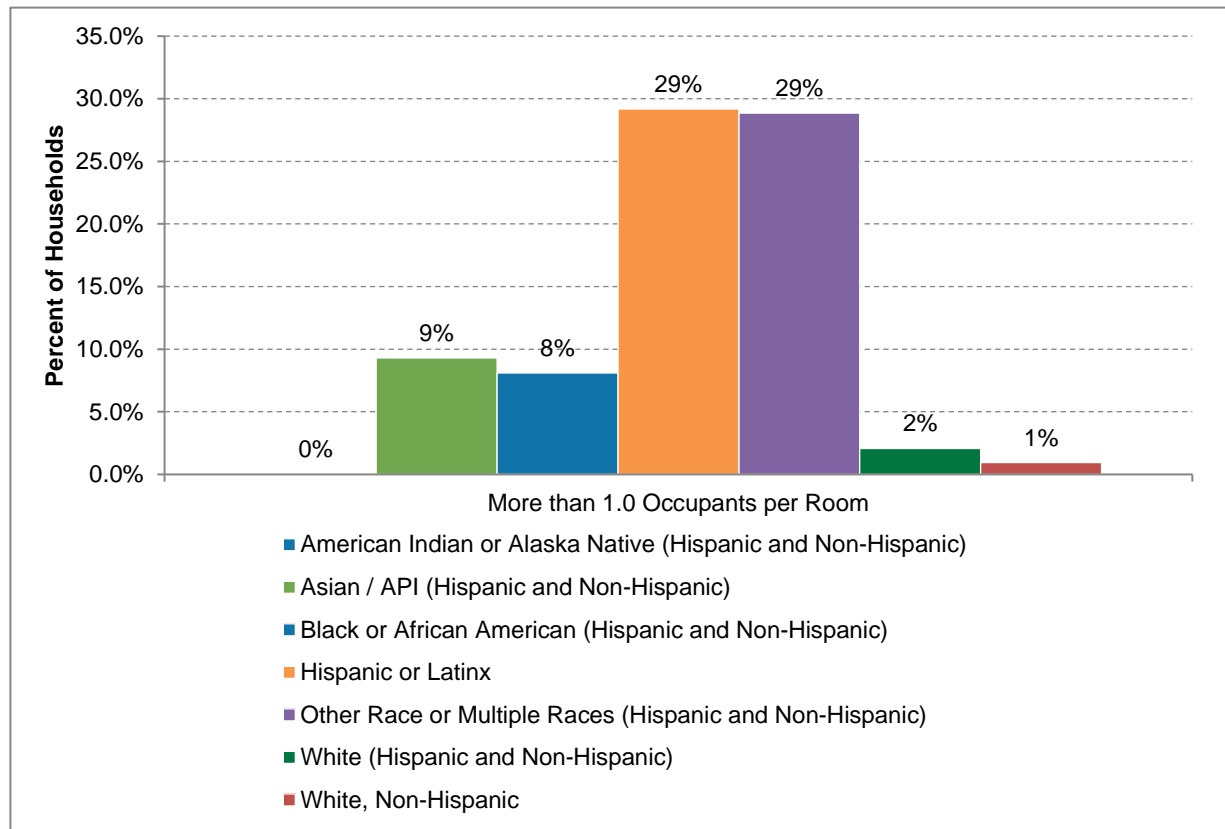
Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Also observed during the COVID-19 pandemic – people of color are much more likely to live in crowded households, exacerbating intergenerational poverty, and housing insecurity.<sup>7</sup> In Novato, the racial group with the largest overcrowding rate is “Hispanic or Latino” (see Figure A-15).

<sup>7</sup> Ibid.

**Figure A-15: Overcrowding by Race, City of Novato**



Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here.

The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014)

### A.3.3 Household Income

Household income is a critical component of housing affordability. Income impacts the decision to rent versus own, as well as the size and location of housing. Overall, household income in Novato is lower than that of Marin County. Novato's median household income in 2020 was \$101,629, which is 16.5 percent lower than the County's median income of \$121,671. The mean income in Novato (\$135,258) is 25.6 percent lower than in Marin County (\$181,737).

**Table A-3: Household Income, City of Novato**

	<b>Novato</b>	<b>Marin County</b>
<b>Median Income</b>	\$101,629	\$121,671
<b>Mean Income</b>	\$135,258	\$181,737

*Source: U.S. Census Bureau, American Community Survey 5-Year Data (2016-2020), Table S1901*

The Regional Housing Needs Allocation (RHNA) established by HCD includes specific income categories defined by their respective proportion of the County AMI. Table A-4 defines these income categories.

**Table A-4: Income Categories as a Percentage of AMI**

	<b>% of AMI</b>
<b>Acutely Low <sup>1</sup></b>	0-15%
<b>Extremely Low</b>	0-30%
<b>Very Low</b>	30-50%
<b>Low</b>	50-80%
<b>Moderate</b>	80-120%
<b>Above Moderate</b>	>120%
<sup>1</sup> New income category effective January 1, 2022.	

*Source: Department of Housing and Community Development, 2021*

Table A-5 shows the 2021 income limits for these income categories in Marin County. The above moderate category includes all households earning above the upper limit of the moderate-income category.

**Table A-5: Marin County 2021 Annual Income Limits by Household Size**

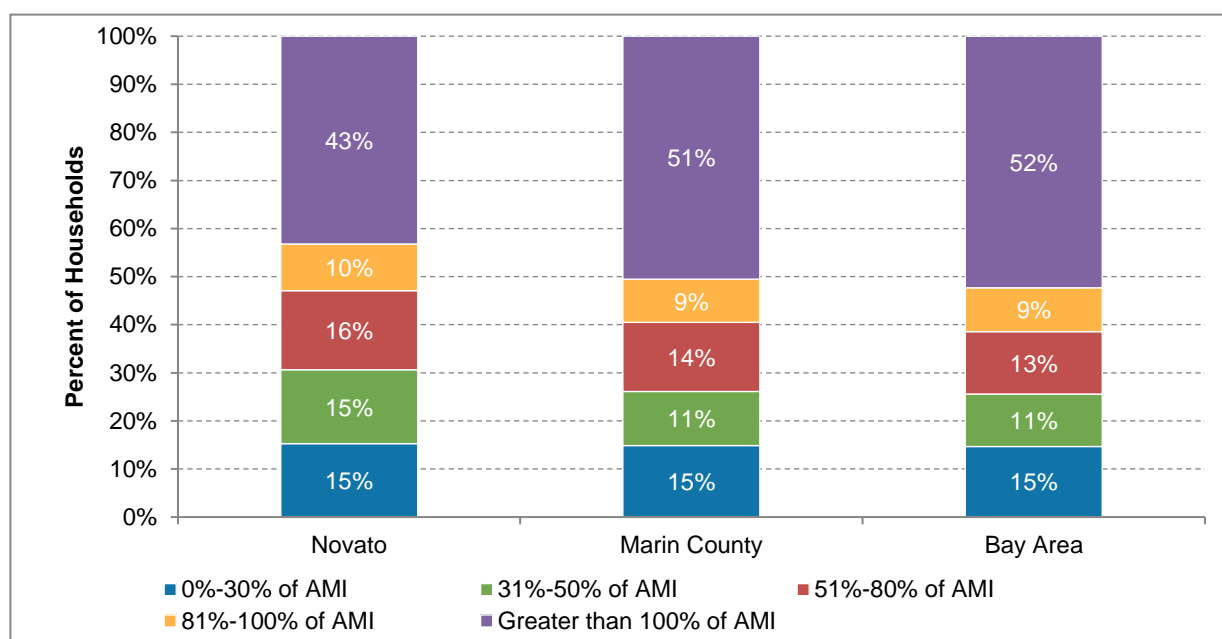
Number of Persons in Household:		1	2	3	4	5	6	7	8
<b>Marin County Area Median Income: \$149,600</b>	Acutely Low	15,700	17,950	20,200	22,450	24,250	26,050	27,850	29,650
	Extremely Low	38,400	43,850	49,350	54,800	59,200	63,600	68,000	72,350
	Very Low Income	63,950	73,100	82,250	91,350	98,700	106,000	113,300	120,600
	Low Income	102,450	117,100	131,750	146,350	158,100	169,800	181,500	193,200
	<b>Median Income</b>	104,700	119,700	134,650	<b>149,600</b>	161,550	173,550	185,500	197,450
	Moderate Income	125,650	143,600	161,550	179,500	193,850	208,200	222,600	236,950

Source: Department of Housing and Community Development, 2021

Despite the economic and job growth experienced throughout the Region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State.

In Novato, 43.2 percent of households make more than 100 percent of AMI, compared to 15.2 percent (3,325 households) making less than 30 percent of AMI, which is considered extremely low-income (see Figure A-16). Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent (396,952 households) make less than 30 percent AMI. Of Novato's total households, 47.1 percent (10,269 households) are considered lower income (earning 80 percent of AMI or less), while around 38.6 percent (1,041,740 households) of households in the Bay Area are deemed lower income. Many households with multiple wage earners – including food service workers, full-time students, teachers, farmworkers, and healthcare professionals – can fall into lower AMI categories due to relatively stagnant wages in many industries.

**Figure A-16: Households by Household Income Level**



Universe: Occupied housing units

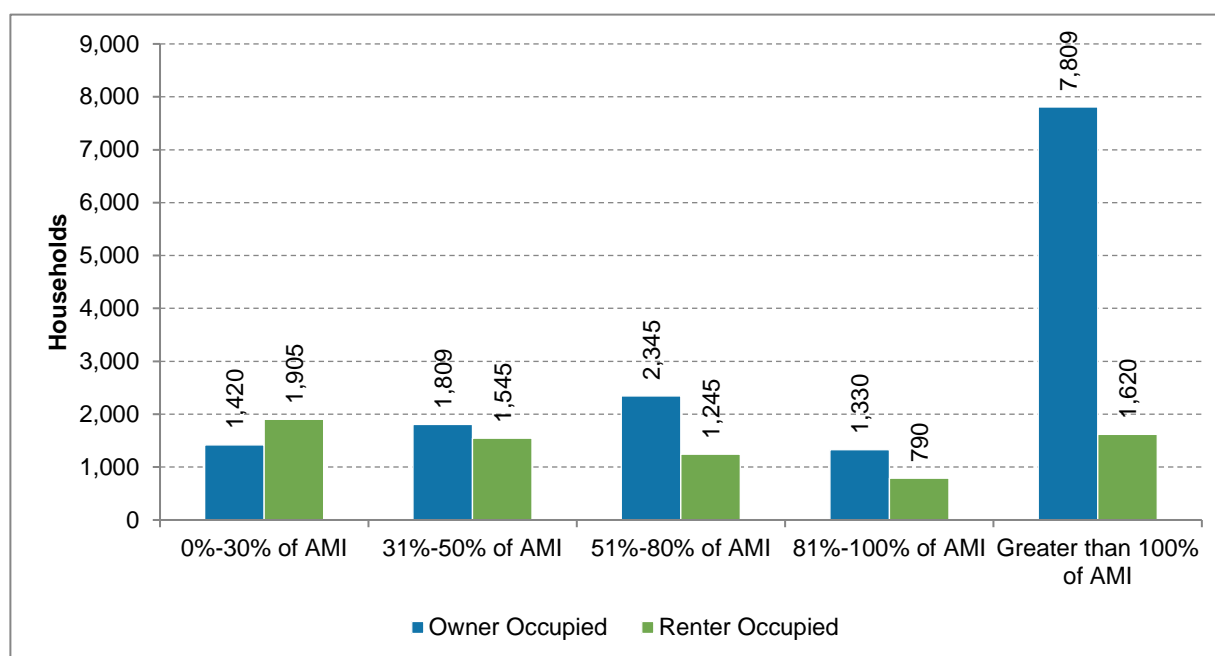
Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Throughout the Region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters outpaces the amount of affordable housing available.

In Novato, the largest portion of renters and owners falls in the “Greater than 100 percent of AMI” income group (see Figure A-17). The only income group in Novato with more renters than owners falls under “0 to 30 percent of AMI”. Overall, Novato has a higher number of homeowners than renters.

**Figure A-17: Household Income Level by Tenure, City of Novato**



Universe: Occupied housing units

Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

### A.3.4 Special Housing Needs

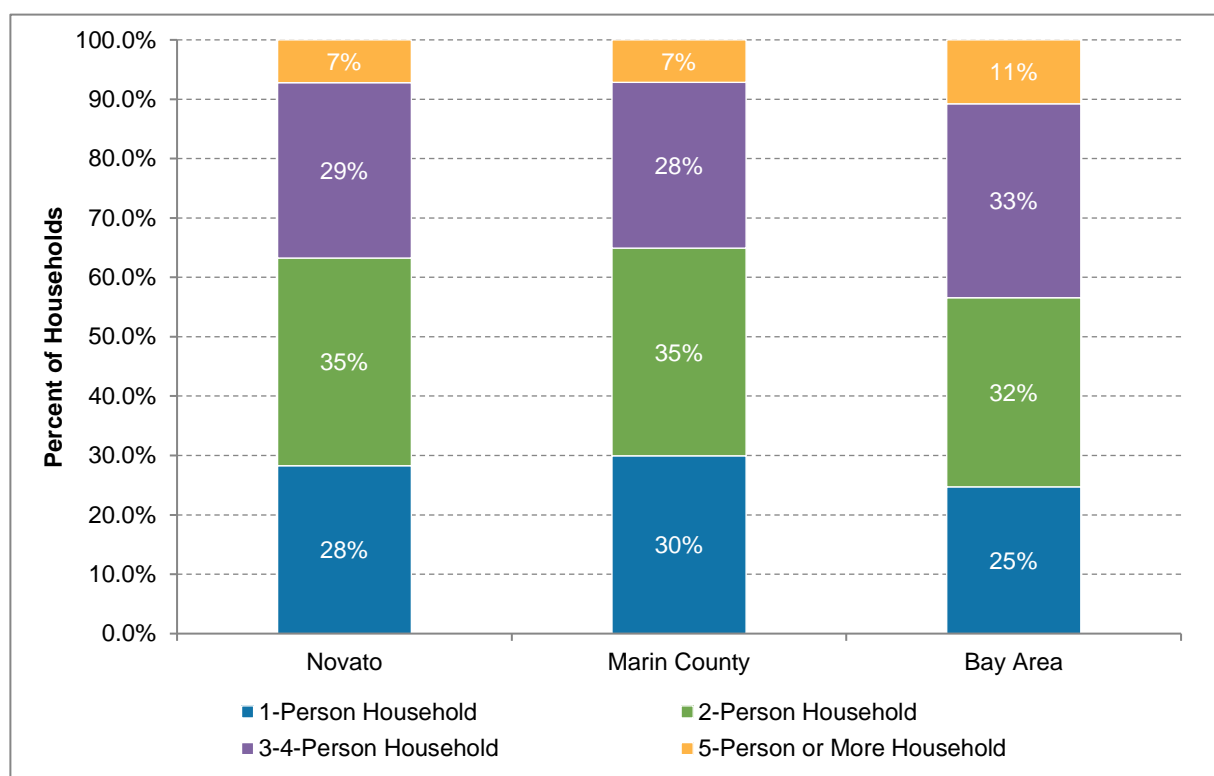
#### Large Families

Large households (five or more persons) have different housing needs than smaller households. Outcomes for large households in a city where housing stock lacks units with enough bedrooms could mean overcrowded conditions and/or overpaying for housing. Of all households in Novato, 7.2 percent or 1,614 households, are considered large households.

As noted in Table A-2, 4.5 percent of large households in Novato live in owner-occupied housing. About 7.2 percent of households in Novato are large, five or more person households, which is similar to the household composition of the County (7.2 percent) and lower than that of the Region (10.8 percent). In 2017, 31.1 percent of large households were very low-income, earning less than 50 percent of AMI (see Figure A-19). Furthermore, only 1.5 percent of owner-occupied households are overcrowded (see Section A.3.2 – Overcrowding), indicating overpayment and overcrowding are less of an issue for large households in Novato.



**Figure A-18: Households by Household Size**



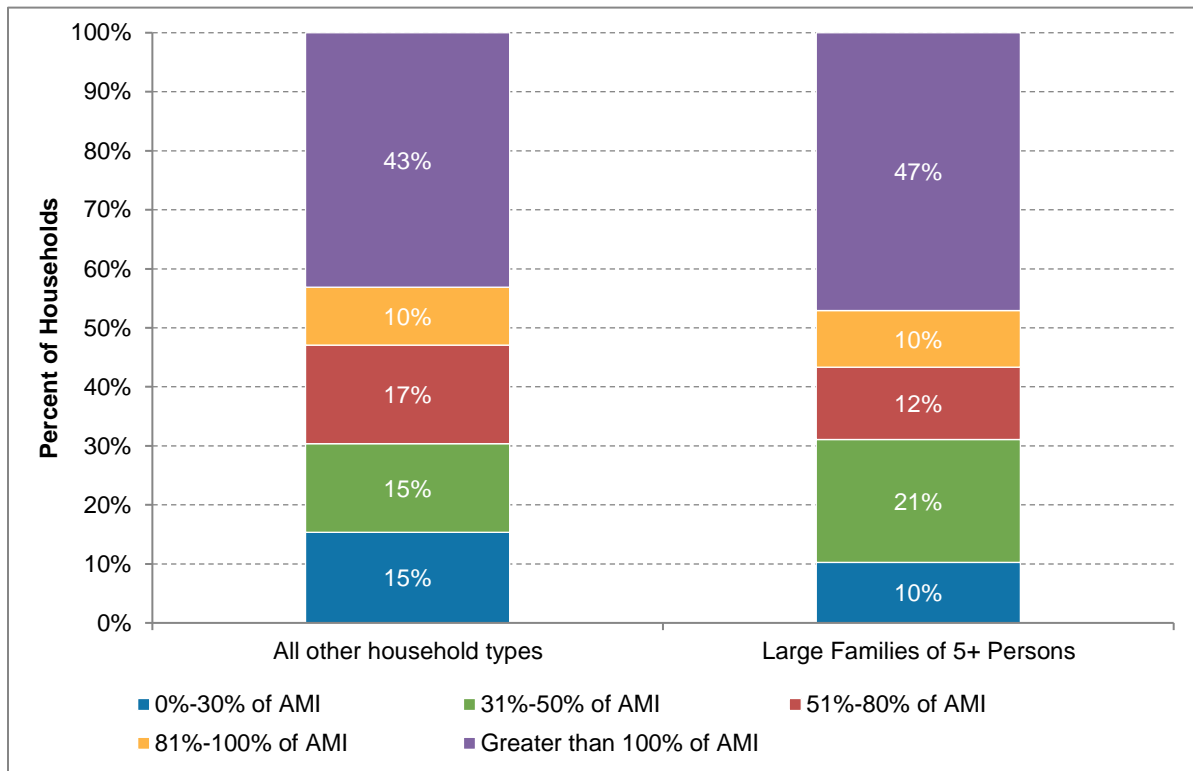
Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

Throughout the Region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of available affordable options.

In Novato, the largest proportion of renters falls in the “0 to 30 percent of AMI” income group, while the largest proportion of homeowners fall in the “Greater than 100 percent of AMI” group (see Figure A-17).

**Figure A-19: Household Size by Household Income Level, City of Novato**



Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

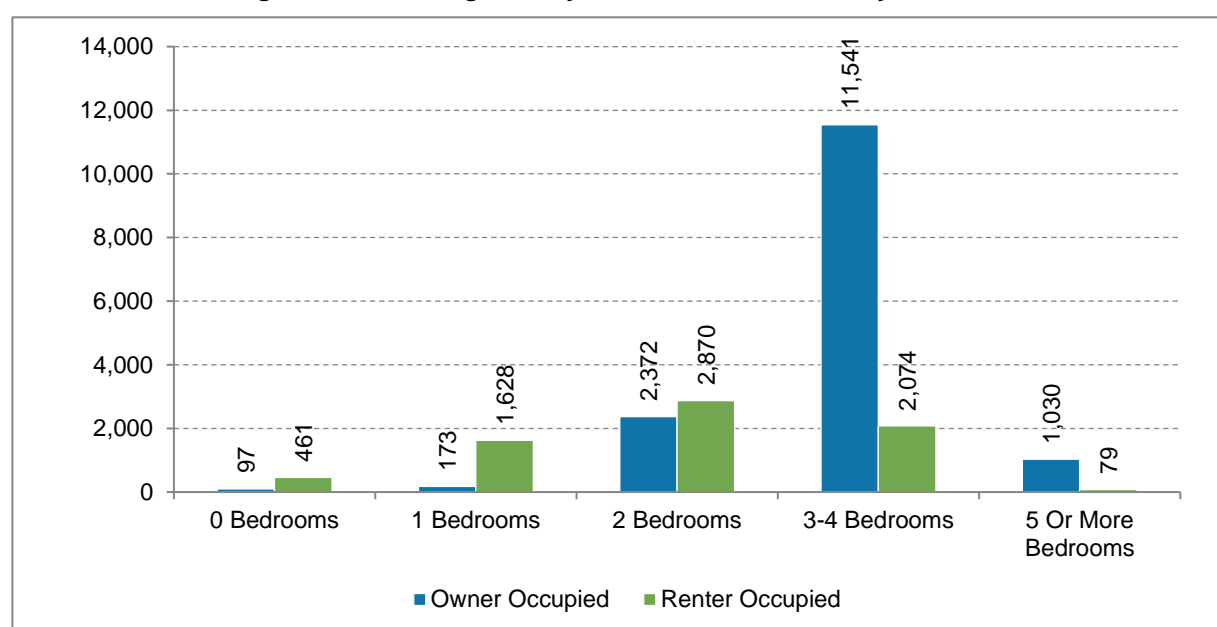
The unit sizes available affect the types of households that can access a community. Large families are generally served by housing units with three or more bedrooms, of which there are 14,724 units, or 66 percent of all units in Novato (see Table A-6). Among these large units with three or more bedrooms, 14.6 percent are renter-occupied, and 85.4 percent are owner-occupied (see Figure A-20). Compared to the number of large households, the housing mix of Novato is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a constraint.

**Table A-6: Housing Units by Number of Bedrooms, City of Novato**

Number of Bedrooms	Owner Occupied	Renter Occupied
0 Bedrooms	97	461
1 Bedrooms	173	1,628
2 Bedrooms	2,372	2,870
3-4 Bedrooms	11,541	2,074
5 Or More Bedrooms	1,030	79
<b>Totals</b>	<b>15,213</b>	<b>7,112</b>

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042

**Figure A-20: Housing Units by Number of Bedrooms, City of Novato**



Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042)

## Senior Households

Senior households often experience a combination of challenging factors to accessing or keeping housing. Senior households are more likely to depend on fixed incomes and more likely to have disabilities, chronic health conditions, and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges due to housing cost differences between these groups. In Novato, 44.4 percent of senior renters are in the extremely low-income category (earning 0 to 30 percent of the AMI), compared to 15.5 percent of senior owners. A majority of seniors, renters, and owners, earn more than 100 percent of the AMI (see Figure A-21). However, extremely low- and very low-income seniors (both renters and owners)

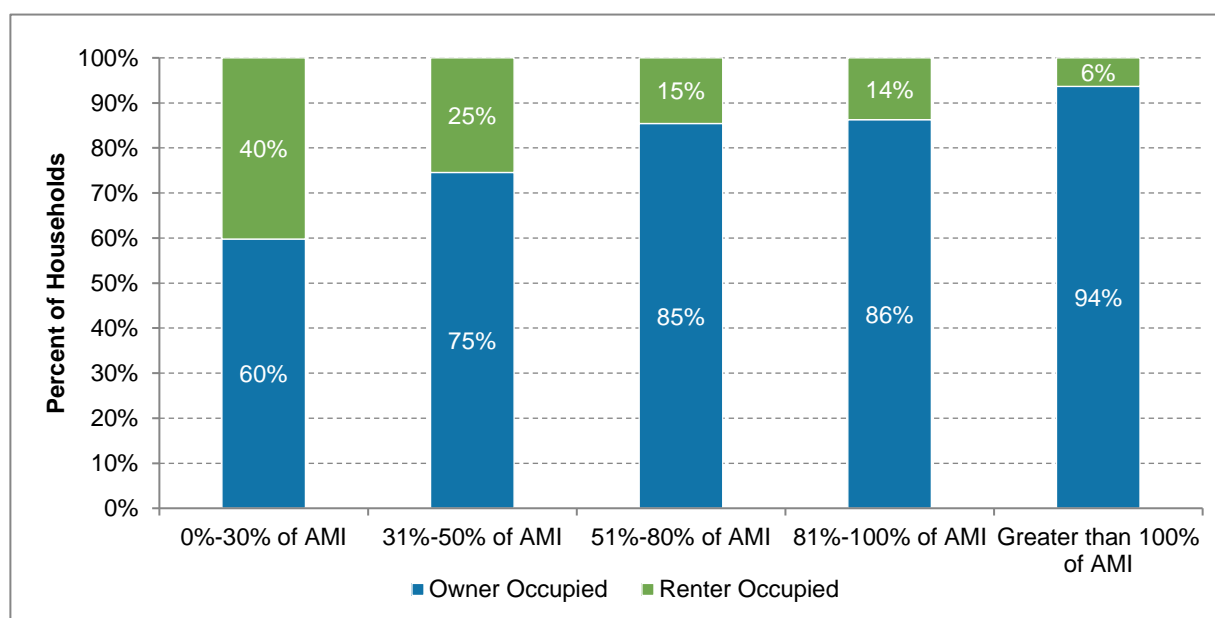
are more likely to be cost-burdened compared to higher earning seniors, with 70 percent of seniors in these income categories overpaying for housing (see Table A-7).

**Table A-7: Cost-Burdened Senior Households by Income Level, City of Novato**

Income Level	0%-30% of Income Used for Housing	30%-50% of Income Used for Housing	50%+ of Income Used for Housing
0%-30% of AMI	460	270	1,010
31%-50% of AMI	485	390	540
51%-80% of AMI	935	475	165
81%-100% of AMI	555	195	50
Greater than 100% of AMI	2,430	325	0
<b>Totals</b>	<b>4,865</b>	<b>1,655</b>	<b>1,765</b>

Source: ABAG 2021 Pre-certified Housing Needs Data

**Figure A-21: Senior Households by Income and Tenure, City of Novato**



Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

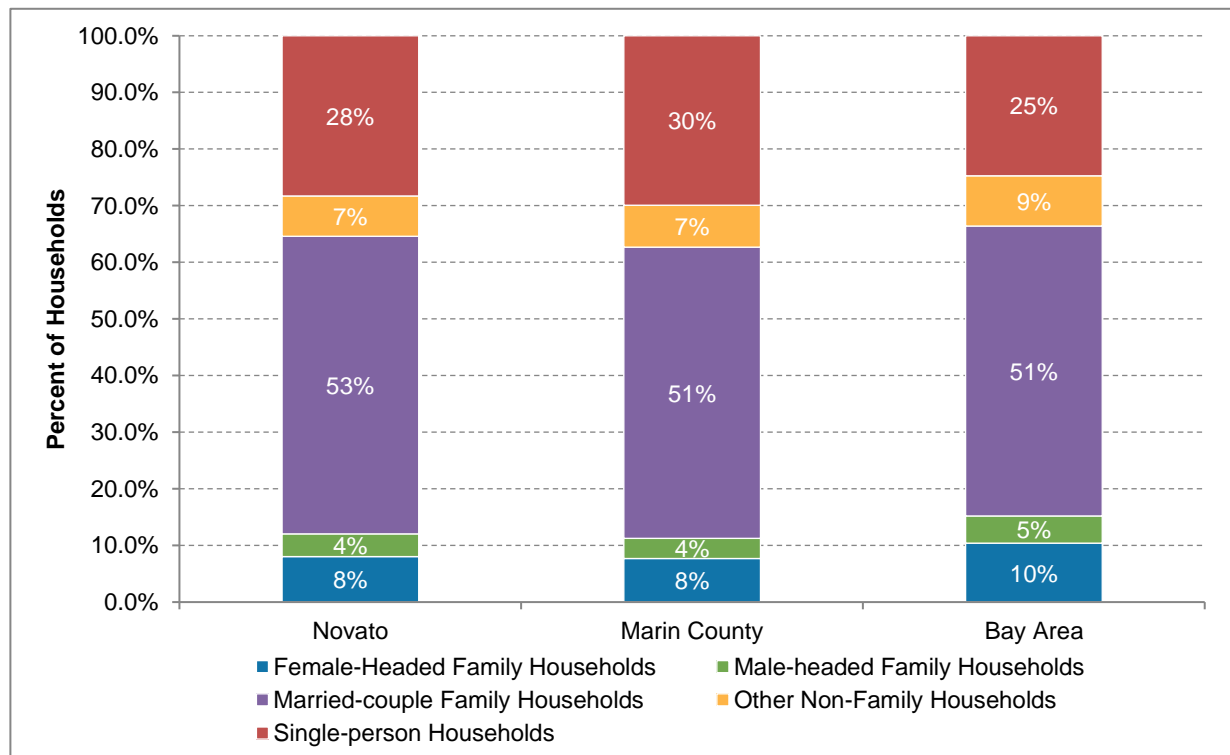
The City of Novato has one public housing development, Casa Nova. It includes 40 units owned by Marin Housing Authority near shopping and bus lines for income-eligible seniors or disabled people capable of independent living. Rent is federally subsidized, so tenants pay 30 percent of

their monthly gross income, less a utility allowance. Other affordable ownership and rental developments for seniors with minimum age restrictions starting at 55 years are listed in Appendix G (Housing Resources). Beyond housing, the City's Parks, Recreation & Community Services manages the Margaret Todd Senior Center and sponsors the Novato Senior Club that meets there. The Center and Club provide social and recreational opportunities for anyone 50+ years old who pay a \$40 annual membership fee.

## Female-headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In Novato, the largest proportion of households is "Married-couple Family Households" at 52.6 percent, followed by "Single person (no children) Households" at 28.3 percent, while Female-Headed Households make up eight percent of all households (see Figure A-22).

**Figure A-22: Household Type**



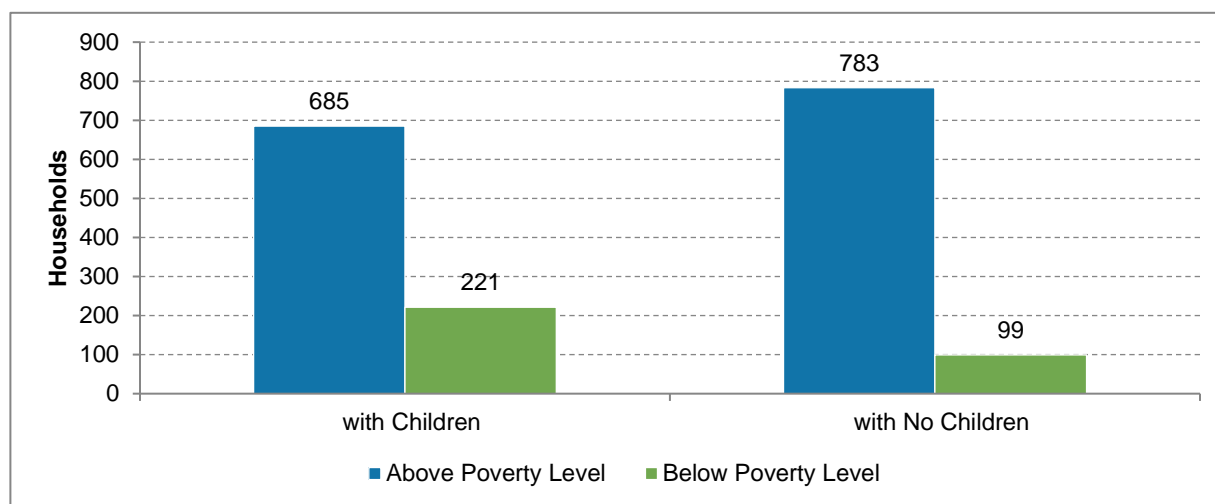
For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001)

Female-headed households with children may face particular housing challenges, with pervasive gender inequality and lower wages for women. Moreover, the added cost and logistics of childcare can make securing an affordable home even more challenging.

Of the 1,788 female-headed households in Novato, 906 include children and 24.4 percent of these families fall below the Federal Poverty Level, while 11.2 percent of female-headed households without children live in poverty (see Figure A-23).

**Figure A-23: Female-Headed Households by Poverty Status, City of Novato**



The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to AMI.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012)

Local resources for female-headed households are offered by Gilead House, which provides housing, support, and learning opportunities for up to twelve low-income single mothers and their children at two locations in Novato. Their 24-month program offers women the opportunity to learn vital skills in a supportive environment and make permanent and positive changes in their life.

## Persons with Disabilities

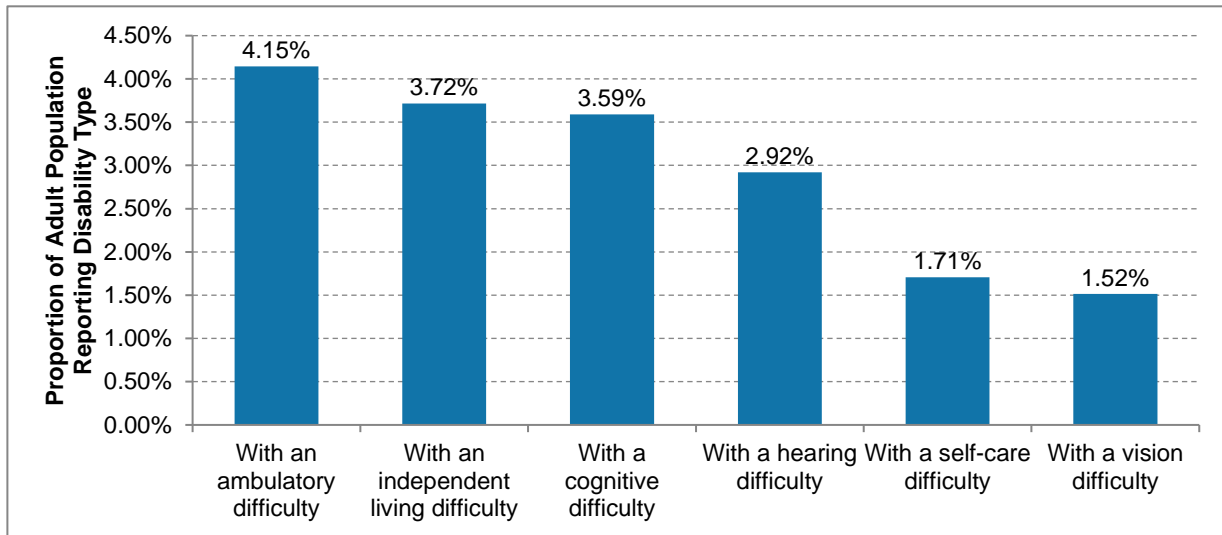
Persons with disabilities face added challenges of finding housing that accommodate greater accessibility, mobility, and the opportunity for independence. Additionally, many individuals living with physical, cognitive, and sensory impairments, rely on fixed incomes and need specialized and costly care and medical equipment.

Unfortunately, the need for housing that can accommodate persons with disabilities typically outweighs the supply, particularly in a housing market with such high demand. People with disabilities are at an elevated risk for housing insecurity, homelessness, and institutionalization, particularly when they lose caregivers (such as parents or family members) due to aging. Figure A-24 shows the rates at which different disabilities are present among residents of Novato. Overall, 5,370 persons, or 10 percent of people in Novato, have some type of disability.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and

attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe ~~mental retardation~~ intellectual disabilities. Many with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

**Figure A-24: Disability by Type, City of Novato**



Universe: Civilian noninstitutionalized population 18 years and over

These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107)

In Novato, children under the age of 18 make up 25.9 percent of the population with a developmental disability, while adults account for 74.1 percent (see Table A-8). The most common living arrangement for individuals with developmental disabilities in Novato is the home of a parent, family member, or guardian (see Table A-9).



**Table A-8: Population with Developmental Disabilities by Age, City of Novato**

Age Group	Number of People with a Developmental Disability
Age Under 18	341
Age 18+	119

Universe: Population with developmental disabilities

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross-referenced to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020))

**Table A-9: Population with Developmental Disabilities by Residence, City of Novato**

Residence Type	Number of People with a Developmental Disability
Home of Parent /Family /Guardian	228
Community Care Facility	111
Independent /Supported Living	105
Other	13
Foster /Family Home	5
Intermediate Care Facility	5

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross-referenced to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020))

Casa Nova, mentioned above, is a 40-unit public housing development funded by the federal government and administered by the Marin Housing Authority. Disabled individuals capable of independent living are eligible provided they pay 30 percent of their monthly gross income, less a utility allowance.

For individuals who are chronically homeless and suffer from a qualifying disability, the Marin County Shelter plus Care Program offers a housing subsidy funded by the U.S. Department of Housing and Urban Development (HUD) and Marin County Behavioral Health and Substance Use Services. Participants pay approximately 30 percent of their income toward rent and receive ongoing supportive services from Marin Housing Authority case managers.

Also in Novato are the Margaret Duncan Greene Apartments, operated by EAH Housing, which provide 16 one-bed units for disabled/special needs residents.

Outside Novato, Marin County Health and Human Services and Golden Gate Regional Center provide a variety of programs to support developmentally disabled individuals and their families.

**Residents Living Below the Poverty Level**

The Federal Poverty Level is an estimate of the minimum annual income a household needs to pay for essentials, such as food, housing, clothes, and transportation. This level considers the number of people in a household, their income, and the state in which they live. In Novato, 6.4 percent of the total population (3,441) experience poverty, slightly below the rate of poverty compared to Marin County residents (6.9 percent).

**Table A-10: Poverty Status**

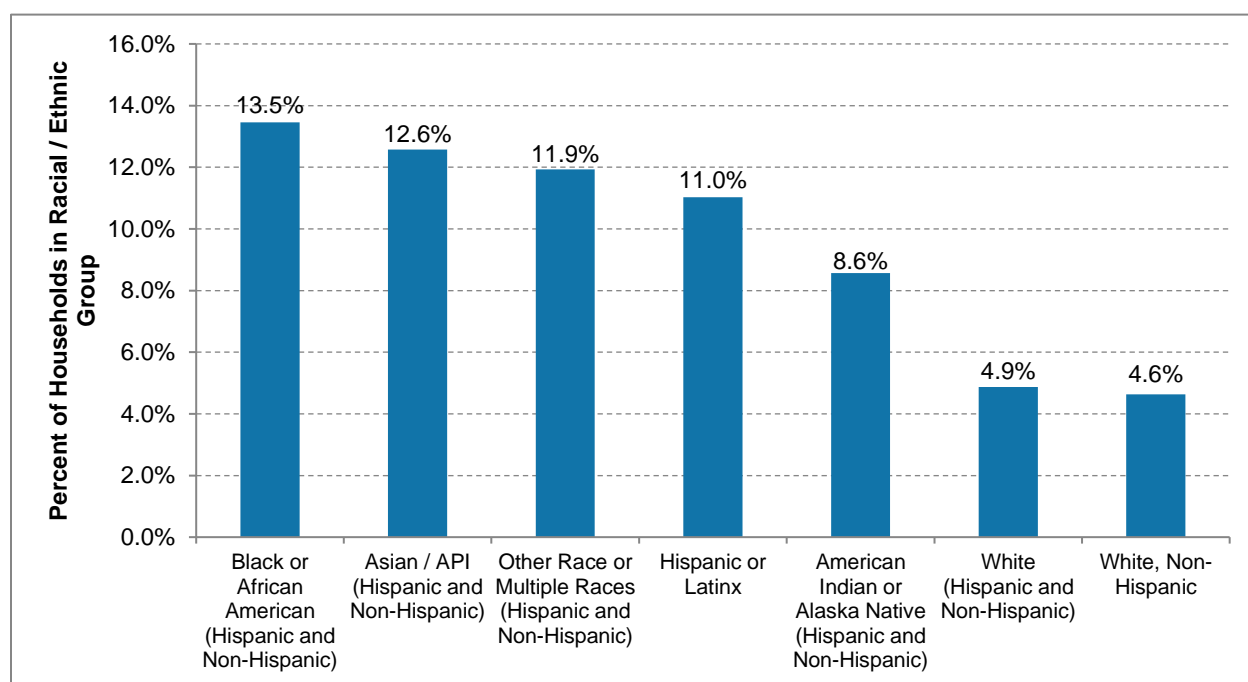
	Novato	Marin County
% of Population Below Poverty Level	6.4%	6.9%

*Source: ACS 5-year estimates (2020), S1701*

As mentioned above, female-headed households with children experience poverty at a disproportionate rate, with 24.4 percent of female-headed households with children living below the Federal Poverty Level in Novato.

People of color are also more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from opportunities extended to white residents. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness. In Novato, Black or African American (Hispanic and Non-Hispanic) residents experience the highest rates of poverty followed by Asian/Asian Pacific Islander (Hispanic and Non-Hispanic) (see Figure A-25).

**Figure A-25: Poverty Status by Race, City of Novato**



Universe: Population for whom poverty status is determined

The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to AMI. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I))

## Farmworkers

The California Department of Housing and Community Development (HCD) identifies farmworkers as having special housing needs due to their limited income and the unstable nature of their employment.<sup>8</sup> Farmworkers are some of the lowest-paid workers in the U.S., according to a 2021 report from The Economic Policy Institute. On average, farmworkers in 2020 earned about \$14.62 per hour, "far less than even some of the lowest-paid workers in the U.S. labor force." Farmworkers are also more likely to have temporary and changing housing needs. Over the past two decades, along with efforts to assure overtime pay and a decent wage, there has been a shift to a more permanent workforce for many farms. This trend has shifted the bulk of the housing need from seasonal housing for migrant workers to permanently affordable housing for low-wage

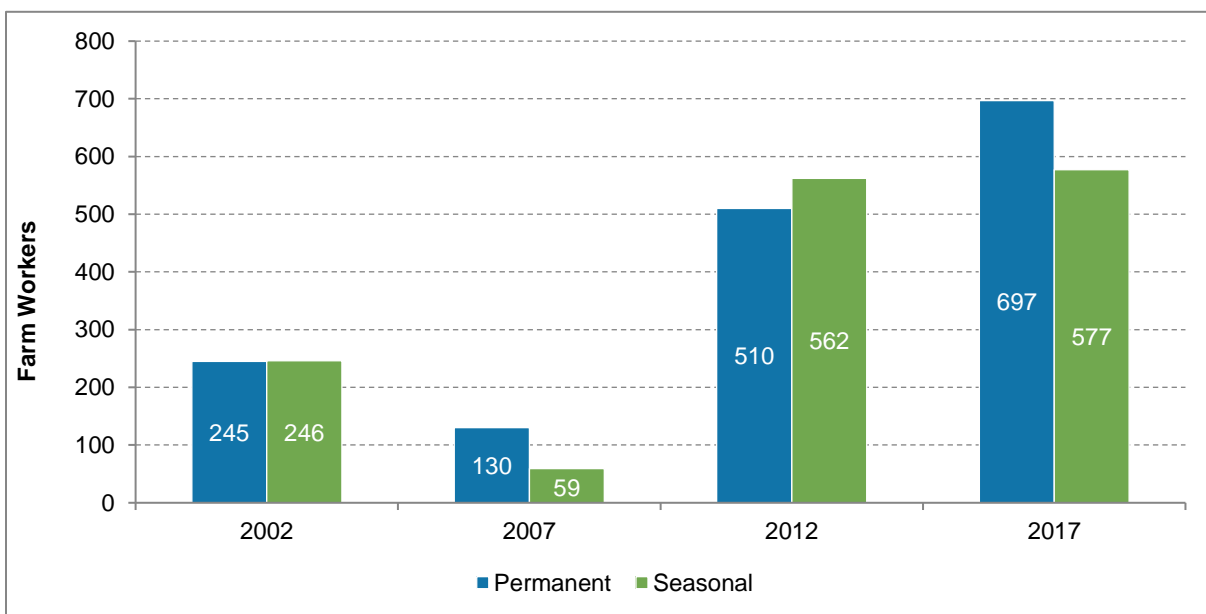
<sup>8</sup> California Department of Housing and Community Development, [Farmworkers](#).

working families. Farmworkers commuting to their place of work often experience long commutes, 75 miles on average according to the U.S. Department of Agriculture.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent and seasonal farmworkers in Marin County has increased since 2002. From 2002 to 2017, the number of permanent farmworkers increased from 245 to 697, and the number of seasonal farmworkers increased from 246 to 577 (see Figure A-26).

Although publicly available data does not provide an estimate specifically for the number of farmworkers in Novato, less than one percent of Novato residents work in the agriculture and forestry industry according to 2019 ACS data (see Figure A-10).

**Figure A-26: Farm Operations and Farm Labor by County, Marin County**



Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors)  
Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor)

In Novato, there were no reported students of migrant workers in the 2019-20 school year. The trend for the Region for the past few years has been an overall decline of 2.4 percent in the number of migrant worker students since the 2016-17 school year. The change at the County level is a 100 percent decrease in the number of migrant worker students since the 2016-17 school year (see Table A-11).

**Table A-11: Migrant Worker Student Population**

Academic Year	Novato	Marin County	Bay Area
2016-17	0	0	4,630
2017-18	0	0	4,607
2018-19	0	11	4,075
2019-20	0	0	3,976

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded, and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

## People Experiencing Homelessness

Homelessness remains an urgent challenge in many communities across California, reflecting a range of social, economic, and psychological factors. The Bay Area has some of the highest housing costs in the world, and an increasing number of low-income residents experiencing housing insecurity have found themselves unhoused as a result, either temporarily or long-term. Addressing the specific housing needs for the unhoused population remains a priority throughout the Region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances.

The Marin Point-in-Time (PIT) Count is a census and survey that identifies the sheltered and unsheltered homeless population. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. The 2022 PIT Count was conducted on February 17, 2022, by the Marin County Department of Health & Human Services, the Marin County Continuum of Care (CoC), and social research firm Applied Survey Research. ~~As of Summer 2022, only preliminary countywide results are available.~~

~~Marin County was able to avoid an expected sharp increase in~~ The 2022 Point-in-Time Count identified 1,121 persons experiencing homelessness in the past three years; overall homelessness increased by Marin County, an 8.4 percent, representing increase from the count conducted ~~1,034 individuals in 2019 and 1,121 individuals in 2022 (see Table A-12). Other key highlights from the preliminary numbers include:~~

- ~~• An almost 14. Of these, 291 (26 percent decrease in the total number of ) were sheltered individuals (from 326 to 291);~~
- ~~• A 17and 830 (74 percent increase in ) were unsheltered individuals (from 708 to 830) due to a required shift to non-congregate shelter to reduce COVID-19 transmission during the pandemic;~~

- ~~A 34 percent decrease in. There were 73 homeless veterans (from 99 to 65) due to key investments in resources for this population; families with 224 members counted; of these, 45 (59 percent) were sheltered and;~~

~~A 35 28 (41 percent increase in family homelessness (from 54 to 73)-) were unsheltered. Table A-12 provides a summary of demographic characteristics of Marin County's homeless population, comparing (where possible) figures from the 2019 PIT and 2022 PIT to each other and to Marin County's general population.~~

**Table A-12: ~~Homelessness by Shelter Status and Subpopulation~~, Marin County ~~Homeless~~  
Population Demographics (2019-2022)**

	2019	2022	Percent Change	2020 Marin County General Pop.
<del>Shelter Status</del> <u>Total Population</u>	1,034	1,121	8%	262,321
Sheltered	326	291	<del>-10.7</del> <u>11%</u>	–
Unsheltered	708	830	<del>+17.2</del> <u>%</u>	–
<u>Age</u>				
<del>Total</del> <u>0-17</u>	<del>1,034</del> <u>9%</u>	<del>+8.4</del> <u>%</u>	-11%	20%
<u>Subpopulation</u>				
<del>Chronic homelessness</del> <u>18-24</u>	<del>+10.5</del> <u>%</u>	14%	40%	7%
<u>25-59</u> <sup>1</sup>	=	<u>50%</u>	=	=
<u>60+</u> <sup>1</sup>	=	<u>28%</u>	=	=
<u>Gender</u>				
Male	<u>33%</u>	<u>39%</u>	<u>18%</u>	<u>49%</u>
Female	<u>67%</u>	<u>59%</u>	<u>-12%</u>	<u>51%</u>
Gender Non-Conforming/Transgender	<u>0%</u>	<u>1%</u>	<u>100%</u>	<u>–</u> <sup>2</sup>
<u>Race</u>				
<del>Veterans</del> <u>White</u>	<del>99</del> <u>66%</u>	<u>65%</u>	<del>-34.3</del> <u>2%</u>	68%
Black or African American	<u>17%</u>	<u>22%</u>	<u>29%</u>	<u>2%</u>
Multi-Race/Other	<u>11%</u>	<u>5%</u>	<u>-55%</u>	<u>11%</u>
<del>Family homelessness (# of families)</del> <u>Asian</u>	<del>54</del> <u>2%</u>	<del>+35.2</del> <u>%</u>	0%	6%
American Indian or Alaska Native	<u>3%</u>	<u>4%</u>	<u>33%</u>	<u>1%</u>
Native Hawaiian or Pacific Islander	<u>1%</u>	<u>2%</u>	<u>100%</u>	<u>&lt;1%</u>
<u>Ethnicity</u>				
Hispanic/Latino	<u>81%</u>	<u>77%</u>	<u>-5%</u>	<u>81%</u>
Non-Hispanic/Latino	<u>19%</u>	<u>23%</u>	<u>21%</u>	<u>19%</u>
<u>Location</u>				
Emergency Shelter	<u>17%</u>	<u>14%</u>	<u>-18%</u>	=
Transitional Housing	<u>15%</u>	<u>12%</u>	<u>-20%</u>	=
Vehicle	<u>25%</u>	<u>41%</u>	<u>64%</u>	=
Tent	<u>15%</u>	<u>18%</u>	<u>20%</u>	=
Boat	<u>12%</u>	<u>7%</u>	<u>-42%</u>	=
On the Street	<u>12%</u>	<u>8%</u>	<u>-33%</u>	=
Abandoned Building	<u>4%</u>	<u>0%</u>	<u>-100%</u>	=
<u>Region</u>				
North Marin	<u>310</u>	<u>349</u>	<u>13%</u>	=
Central Marin	<u>371</u>	<u>427</u>	<u>15%</u>	=
South Marin	<u>144</u>	<u>239</u>	<u>66%</u>	=
West Marin	<u>140</u>	<u>37</u>	<u>-74%</u>	=
Other	<u>69</u>	<u>69</u>	<u>0%</u>	=
<p>This data is based on PIT information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level.</p> <p>Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.<sup>1</sup> No comparison to prior years because data collected in the 2019 PIT and 2020 Decennial Census used a different set of age ranges.</p> <p><sup>2</sup> Data not collected as part of the 2020 Decennial Census.</p>				



**Table A-12: ~~Homelessness by Shelter Status and Subpopulation, Marin County~~ Homeless Population Demographics (2019-2022)**

	2019	2022	Percent Change	2020 Marin County General Pop.
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Source: ~~Marin County Homeless Count and Survey of Marin PIT Report on Homelessness (2019-, 2022); U.S. Census, Census 2020 – PL94 Redistricting Data; U.S. Census, ACS 2020 (5-Year Estimates)~~

~~The PIT Count usually includes a breakdown of the homeless population by jurisdiction. However, the preliminary numbers from the 2022 PIT Count do not contain this level of detail. Table A-13 provides the most recently available data on homelessness in Novato as reported in the 2019 PIT Count. PIT Counts from 2015 to 2022. According to these data, Novato saw an estimated 29 percent decrease in sheltered homelessness and 2 percent increase in unsheltered homelessness from 2019 to 2022. However, as noted in Table A-13, the 2022 PIT Count recategorized portions of Novato and its environs to Unincorporated North Marin, underscoring the importance of the City’s participation in countywide efforts to address homelessness holistically and across jurisdictional boundaries.~~

**Table A-13: Homeless Population by Shelter Status, City of Novato, ~~2019~~ (2015-2022)**

	Unsheltered	Sheltered	Total
<b>2015</b>	112	257	369
<b>2017</b>	169	181	350
<b>2019</b>	147	163	310
<b><u>2022</u></b>	<u>150</u>	<u>115</u>	<u>265</u>
<u>Unincorporated Marin County</u> <sup>1</sup>	<u>84</u>	<u>0</u>	<u>84</u>

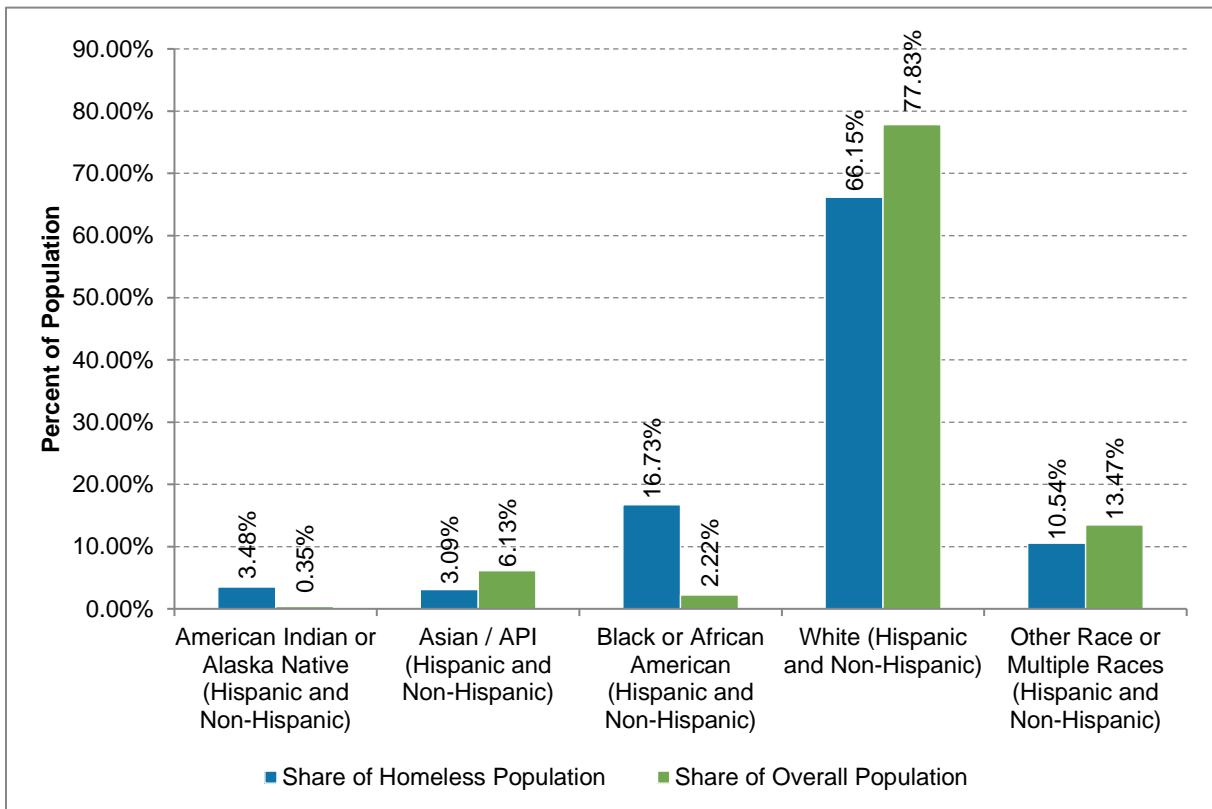
<sup>1</sup> In 2022, areas previously categorized as Novato were assigned to Unincorporated North Marin.

Source: ~~Marin County Homeless Count and Survey Comprehensive of Marin PIT Report on Homelessness (2019, 2022)~~

As noted above, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black or African American residents of the Bay Area.

In Marin County, white (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness, accounting for 66.2 percent of the homeless population and 63.5 percent of the total population. Hispanic and Latino residents and Black or African American (Hispanic and Non-Hispanic) residents account for 18.8 percent and 16.7 percent of the population experiencing homelessness while only making up 15.9 percent and 2.2 percent of the total population, respectively (see Figures A-27 and A-28).

**Figure A-27: Racial Group Share of General and Homeless Populations, Marin County**

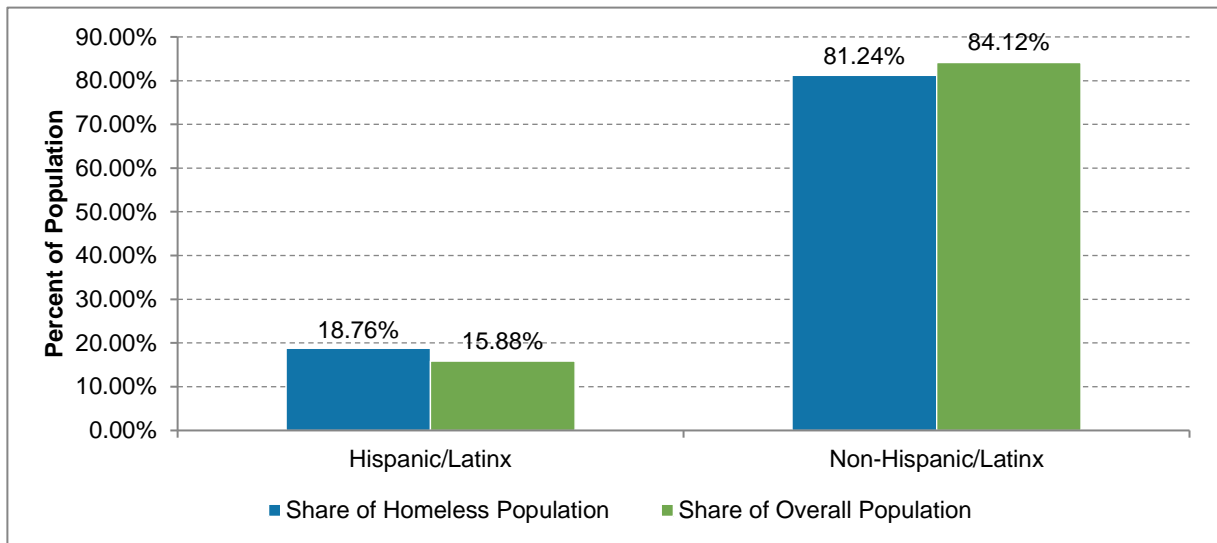


Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latino ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latino ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latino and non-Hispanic/Latino individuals.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

**Figure A-28: Hispanic/Latino Share of General and Homeless Populations, Marin County**



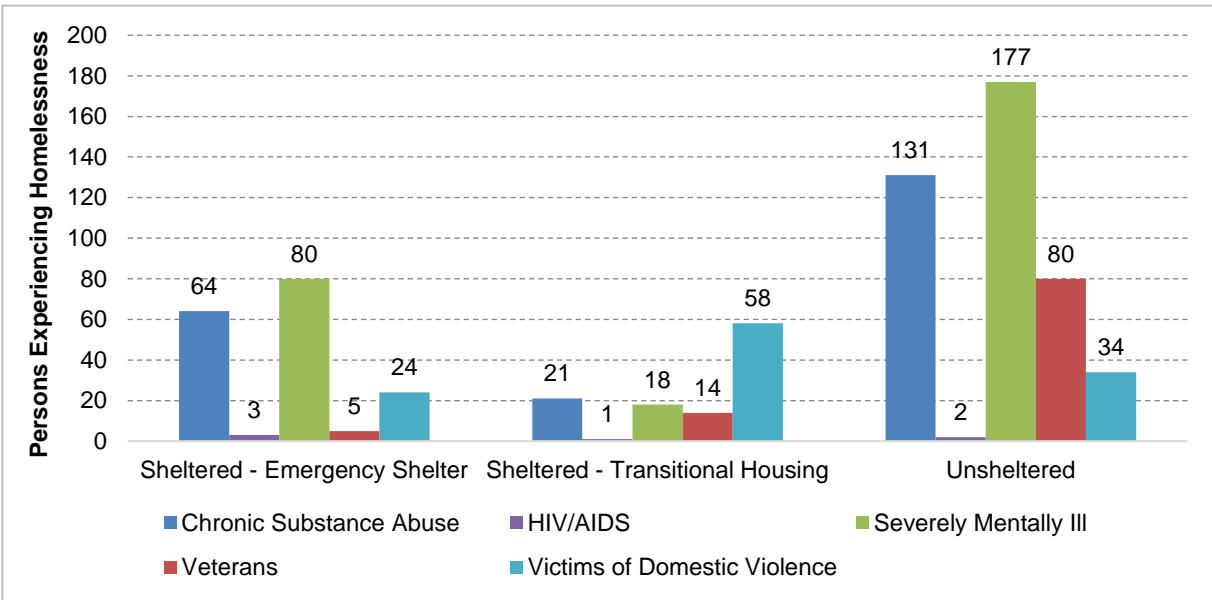
Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latino ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latino or non-Hispanic/Latino) could be of any racial background.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), CoC Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

Many of those experiencing homelessness are dealing with severe health issues, including mental illness, alcoholism, substance abuse, and domestic violence, many of which are potentially life threatening and require additional assistance. In Marin County, individuals experiencing homelessness are commonly challenged by severe mental illness, with 275 reporting this condition (see Figure A-29). Of those, 64.4 percent are unsheltered, further adding to the challenge of supporting these individuals.

**Figure A-29: Characteristics for the Population Experiencing Homelessness, Marin County**



Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area County is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), CoC Homeless Populations and Subpopulations Reports (2019))

In Novato, the student population experiencing homelessness totaled 176 during the 2019-20 school year and increased by 95.6 percent since the 2016-17 school year. By comparison, Marin County has seen a 29.9 percent increase in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the Region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

**Table A-14: Students in Local Public Schools Experiencing Homelessness**

Academic Year	Novato	Marin County	Bay Area
2016-17	90	976	14,990
2017-18	45	837	15,142
2018-19	75	1,126	15,427
2019-20	176	1,268	13,718

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded, and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

## Emergency Shelters/Transitional Housing

Since the vast majority of Marin County's homeless support services are located in either San Rafael or Novato, it is likely that most of ~~the~~Marin County's 291 sheltered individuals recorded in the 2022 PIT Count were residing in one of these two jurisdictions. As shown in Table A-15, there are currently 80 emergency shelter beds and 55 units of transitional housing located in Novato. The Constraints ~~analysis~~Analysis (Appendix C) describes how the City regulates emergency shelters and transitional and supportive housing: and will continue to do so in compliance with State law, including AB 139 (parking standards) and AB 2339 (land use regulations and sufficient capacity).

**Table A-15: Emergency Shelters and Transitional and Supportive Housing ~~in~~ in City of Novato**

Facility/Program Name	Provider Name	Number of Beds/Units		
		Emergency Shelter (beds)	Transitional Housing (units)	Supportive Housing (units)
Gilead House	Gilead House	–	12	–
New Beginnings Center	Homeward Bound of Marin	80	–	–
Next Key Center	Homeward Bound of Marin	–	29	–
Oma Village	Homeward Bound of Marin	–	14	–
Hamilton Meadows	EAH Housing	–	–	101
<b>Total</b>		<b>80</b>	<b>55</b>	<b>101</b>

Source: [Gilead House](#), [Homeward Bound of Marin](#)

Homeward Bound of Marin is the chief provider of emergency shelter and transitional and long-term housing and support services for homeless individuals and families in Marin County, serving

approximately 2,000 people each year. The New Beginnings Center (NBC) located in Novato is an 80-bed dormitory style facility built at the former Hamilton Army Airfield. NBC provides basic health care, around-the-clock counseling, an on-site 12-step program, relapse prevention workshops, a dining room that serves three meals a day, five on-site vocation training programs and other services as necessary to help residents move into and maintain long-term housing. The Next Key Center also provides 29 units of transitional housing next door to NBC.

Gilead House has provided a stable home environment for homeless single mothers and their children for over two decades. Originally located on 7<sup>th</sup> Street, the organization now provides 12 units of transitional housing at an apartment building on Leafwood Drive.

Most recently, in August 2022 the Novato City Council approved Homeward Bound of Marin's development of 24 one-bedroom apartments of permanent supportive housing for veterans, 26 one-bedroom apartments of workforce affordable housing, and a job training center at 826 State Access Road. This project was made possible due in part to support from the City Council, who had previously committed \$750,000 of the City's affordable housing fund to it in 2020 and advocated for further county and State grants in Summer 2022. Construction began on Phase I of the project in November 2022.

### **Resources for People Experiencing Homelessness**

~~The~~Regionally, the Marin County CoC coordinates housing and services funding for individuals and families experiencing homelessness. The CoC is responsible for outreach, intake, and assessment of service and housing needs, providing immediate and safe alternatives to sleeping on the streets, facilitating individuals' and families' access to transitional housing with supportive services, and ensuring that individuals and families have access to affordable, permanent housing. Additionally, the CoC is responsible for tracking and managing the population of people experiencing homelessness.

The City will often collaborate with Marin County CoC to implement proven strategies to support homeless residents. For example, since 2017 both jurisdictions partnered with the non-profit [Downtown Streets Team \(DST\)](#) to connect individuals with vital social services and stable employment opportunities through sidewalk and street cleaning. DST operations in Novato have also included a [pilot mobile shower program](#) which provides basic hygiene at encampments, churches, medical facilities, and other places in need.

In response to an infusion of new federal housing subsidies, the Novato City Council voted in 2022 to authorize the allocation of up to \$240,000 in one-time federal American Rescue Plan stimulus funds to support the County of Marin in hiring additional case managers to help unhoused community members secure and maintain housing. This contribution will assist Marin County CoC in implementing its Housing First approach to homelessness, its Homeless Outreach Team, and other collaborative regional efforts.

In FY 22/23, the City hired two full-time staff to manage the City's local response to homelessness, develop best practice-oriented public policy, and coordinate homeless outreach efforts. The new

Homeless Services Division supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency. The City also maintains and operates the Temporary Encampment at Lee Gerner Park. This city-sanctioned encampment provides temporary shelter for up to 17 individuals and includes case management, outreach services, security, showers, and bathrooms. In FY 22/23, the City partnered with Community Action Marin's Community Alternative Response Engagement (CARE) Team to provide outreach services to individuals in the encampment. The City also recently established the new Housing and Homeless Committee, whose purpose is to provide information and make recommendations to the City Council regarding homeless policy and issues within the City.

## **Non-English Speakers**

California adopted a bilingual state constitution in 1849<sup>9</sup> and has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is common for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to act due to immigration status concerns.

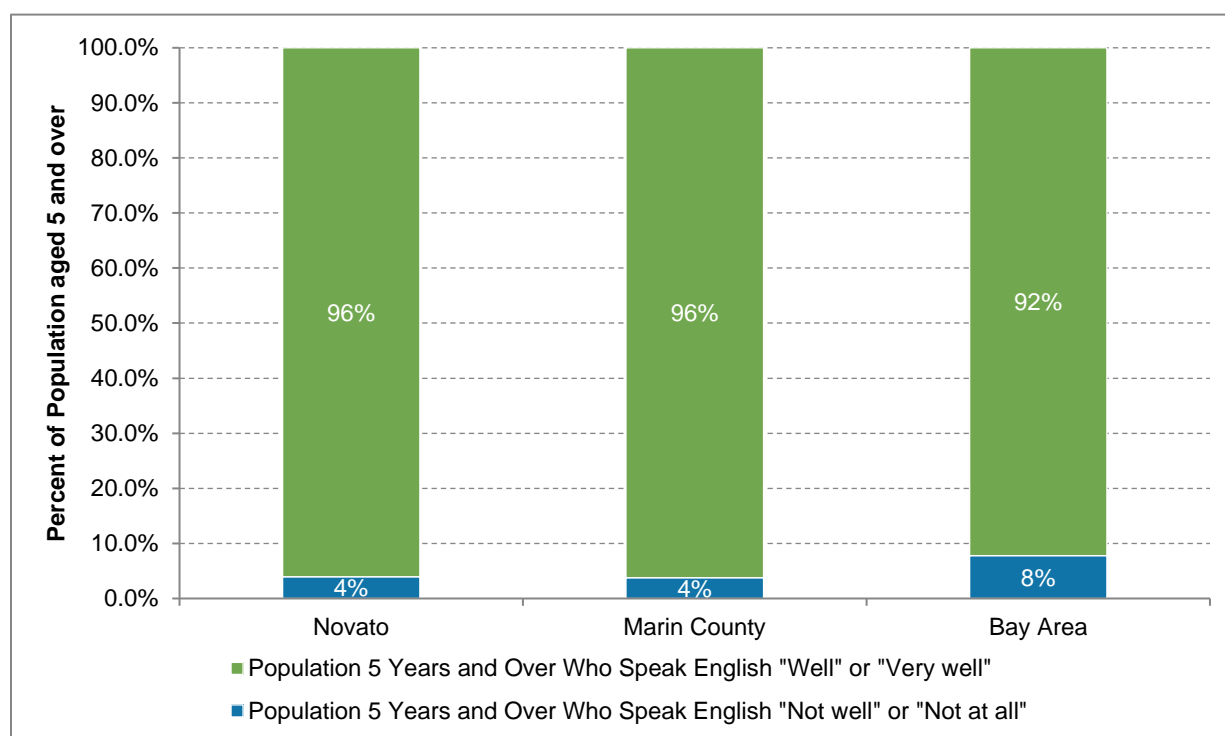
In Novato, four percent of residents five years and older identify as speaking English not well or not at all, equivalent to the proportion for Marin County. Throughout the Region the proportion of residents five years and older with limited English proficiency is 7.8 percent.

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<sup>9</sup> The provision for bilingual publication of laws, decrees, and regulations was removed in the subsequent California Constitution of 1878.



**Figure A-30: English Proficiency—Population Over Five Years of Age**



Universe: Population 5 years and over

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005)

### A.3.5 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement (sometimes called gentrification) has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they are at greater risk of losing their support network.

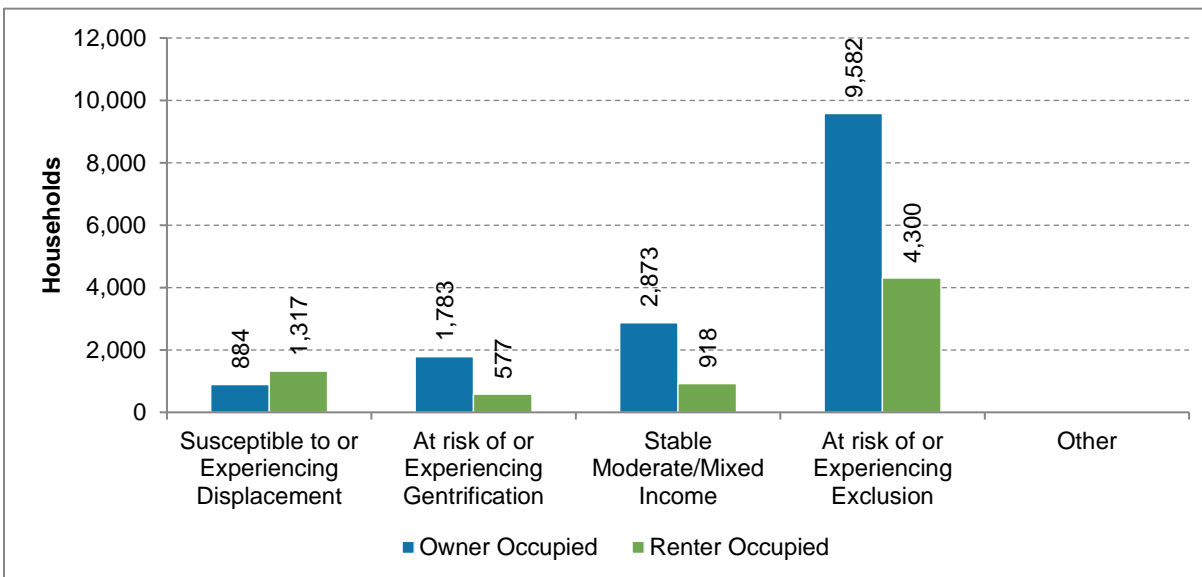
In 2018, the Urban Displacement Project (a joint research initiative of UC Berkeley and the University of Toronto) mapped all neighborhoods in the Bay Area and identified their risk for displacement (e.g., Susceptible to Displacement, Stable, etc.).<sup>10</sup> They found that in Novato, 9.9 percent of households lived in neighborhoods that are susceptible to displacement and 10.6 percent lived in neighborhoods at-risk of gentrification.

Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. The same research initiative estimated that 62.4 percent of

<sup>10</sup> Urban Displacement Project. [SF Bay Area – Gentrification and Displacement](#). (2018-.)

households in Novato lived in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.

**Figure A-31: Households by Displacement Risk and Tenure, City of Novato**



Universe: Households

Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources.

Source: ABAG 2021 Pre-certified Housing Needs Data (Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure)

## Section A.4 Housing Stock Characteristics

### A.4.1 Housing Type and Vacancy

In recent years, most housing produced in the Region and across the State consisted of single-family homes and larger multi-unit buildings. As a result, some communities are investigating “missing middle housing,” including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Novato in 2020 was made up of 58.6 percent single-family detached homes, 16 percent single-family attached homes, 6.3 percent multifamily homes with two to four units, 16.6 percent multifamily homes with five or more units, and 2.6 percent mobile homes.

**Table A-16: Housing Type Trends, City of Novato**

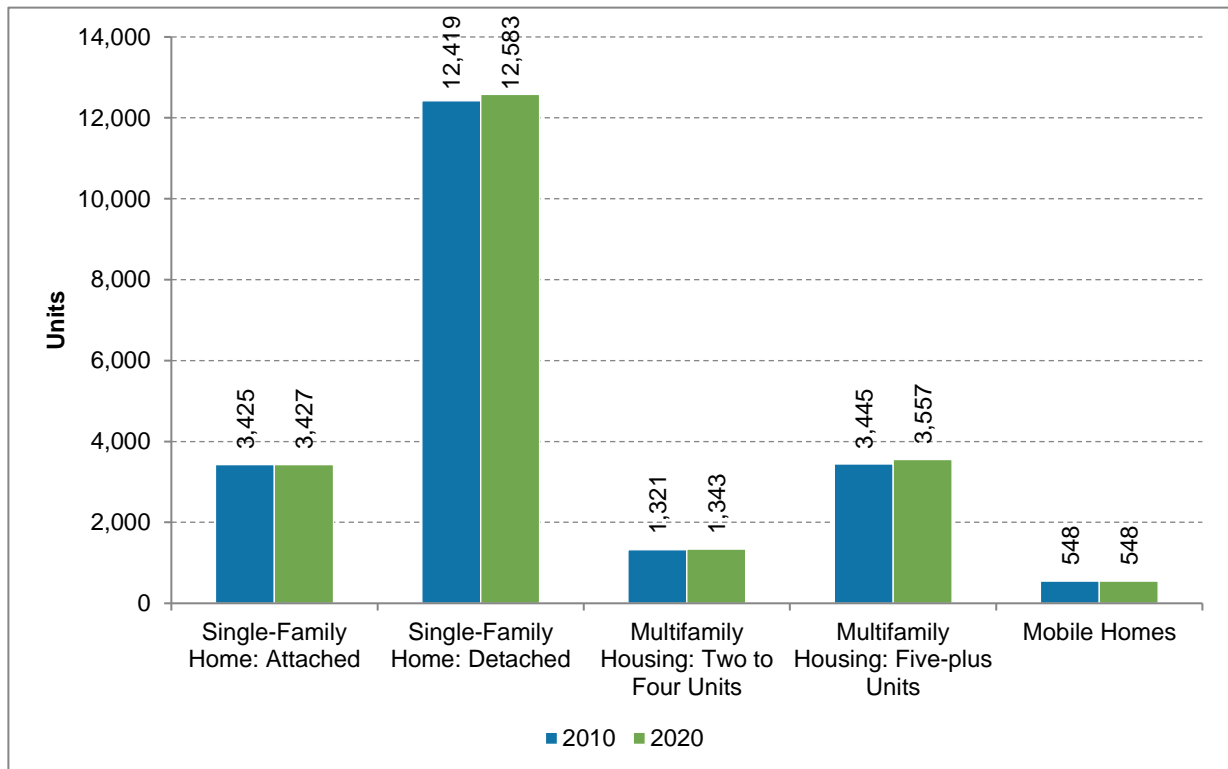
	2010	2020	Change (in Units)	% Change
Single-Family Home: Attached	3,425	3,427	2	0.1%
Single-Family Home: Detached	12,419	12,583	164	1.3%
Multifamily Housing: Two to Four Units	1,321	1,343	22	1.7%
Multifamily Housing: Five-plus Units	3,445	3,557	112	3.3%
Mobile Homes	548	548	0	N/A
<b>Total</b>	<b>21,158</b>	<b>21,458</b>	<b>300</b>	<b>1.4%</b>

Universe: Housing units

Source: California Department of Finance, E-5 series

In Novato, single-family detached homes (see Figure A-32) saw the most growth between 2010 and 2020.

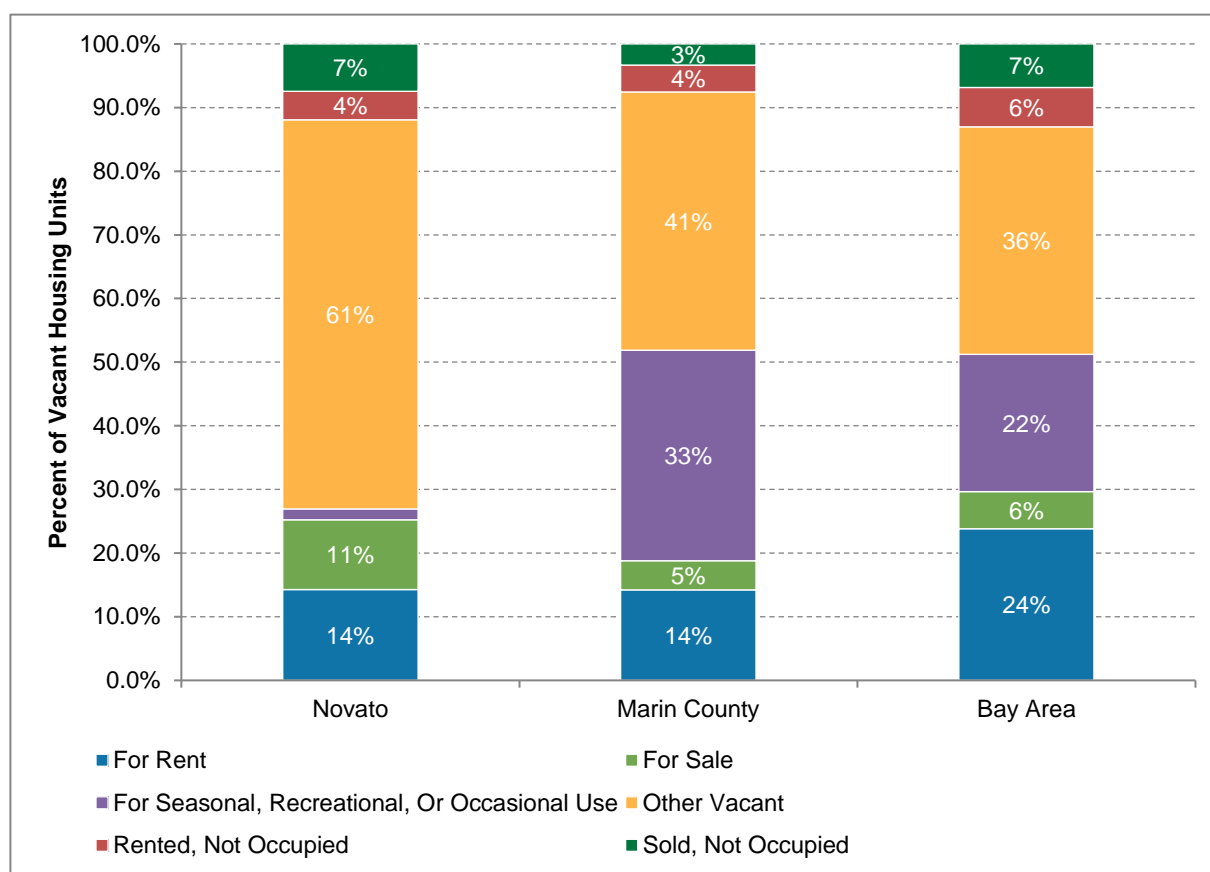
**Figure A-32: Housing Type Trends, City of Novato**



Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

**Figure A-33: Vacant Units by Type**



Universe: Vacant housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004)

Vacant units make up 3.3 percent of the overall housing stock in Novato, compared to 6.6 percent in the County and six percent in the Region. Of the 765 vacant units, 109 are available to rent, 84 available to buy, and the most common type of vacancy is “Other Vacant” (61 percent). Novato has significantly more vacant units classified as “Other Vacant” and a lower number of vacant units for seasonal, recreational, or occasional use compared to the County and the Region (see Figure A-33).<sup>11</sup>

Throughout the Bay Area, vacancies make up six percent of the total housing units, with homes listed “For Rent,” units used for “Seasonal, Recreational, or Occasional Use,” and units not otherwise classified (“Other Vacant”) making up the majority of vacancies. The Census Bureau

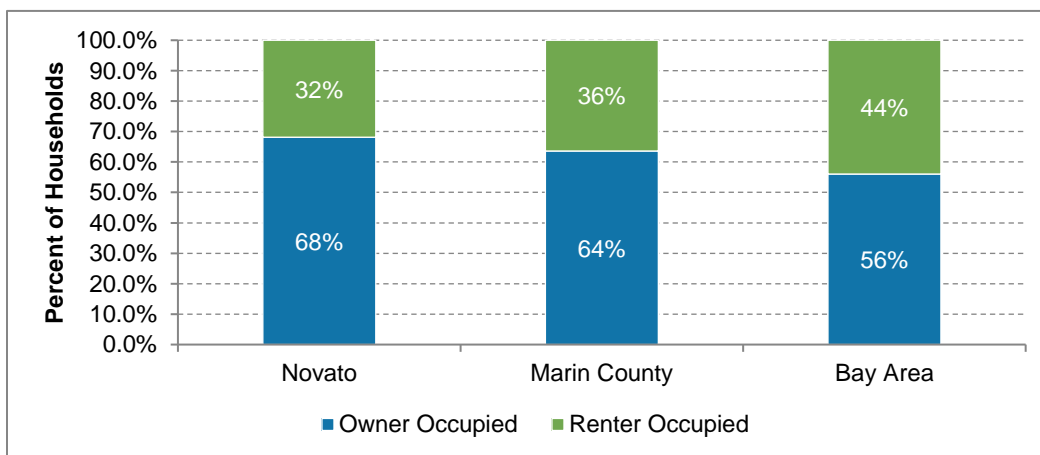
<sup>11</sup> The vacancy rates by tenure are for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (2.5 percent). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a significant number of vacancy categories, including the numerically significant “other vacant.”

classifies a unit as vacant if no one is occupying it when Census interviewers are conducting the ACS or Decennial Census. Vacant units classified as “For Seasonal, Recreational, or Occasional Use” are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like those listed on AirBnB and VRBO are likely to fall in this category. The Census Bureau classifies units as “Other Vacant” if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration. In a region with a thriving economy and housing market like the Bay Area, units being renovated/repared and prepared for rental or sale are likely to represent a large portion of the “Other Vacant” category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of “Other Vacant” units in some jurisdictions. The largest share of vacancies in Novato is due to “Other Vacant” reasons, similar to that of Marin County and the Bay Area.

#### A.4.2 Housing Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the degree of potential housing insecurity or instability (number of persons or households that may lose access to housing due to overpayment, overcrowding, or lack of housing options, etc.). Generally, renters may be displaced more quickly if rental prices increase. In Novato, there are a total of 22,325 housing units, and fewer residents rent than own their homes (31.9 percent versus 68.1 percent) (see Figure A-34). By comparison, 63.7 percent of households in Marin County are renters, while 43.9 percent of Bay Area households rent their homes.

**Figure A-34: Housing Tenure**

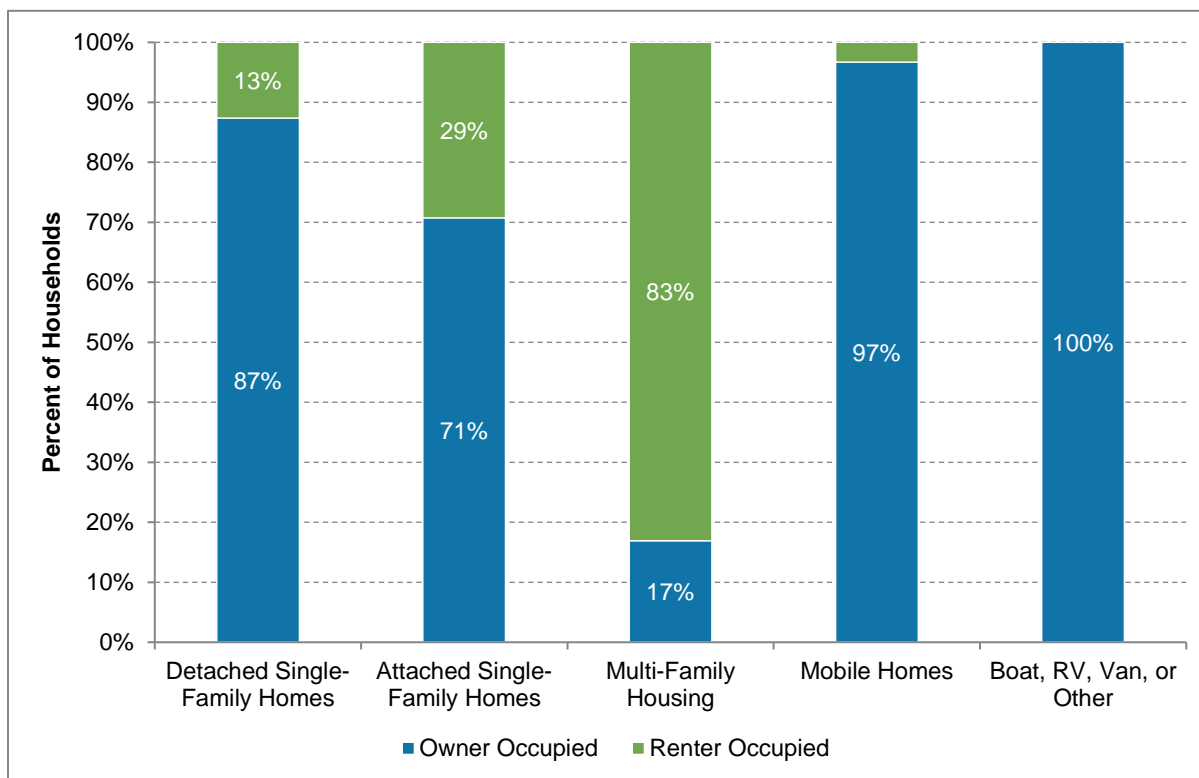


Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multifamily housing. In Novato, 87.4 percent of households

in detached single-family homes are homeowners, while 16.9 percent of households in multifamily housing are homeowners (see Figure A-35). Therefore, most multifamily units in Novato are rented.

**Figure A-35: Housing Tenure by Housing Type, City of Novato**



Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032)

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policies are still evident across many Bay Area communities.

In Novato, 37.8 percent (31 of 82 total households) of American Indian or Alaska Native householders own their homes, while homeownership rates are 40.5 percent for Hispanic or Latino householders (1,152 of 2,841 total), 43.3 percent for Other Race or Multiple Races householders (928 of 2,141 total), 47.7 percent for Black or African American householders (218 of 457 total), 62.5 percent for Asian or Pacific Islander householders (1,015 of 1,623 total), and 73 percent for white householders (25,426 of 34,844 total). Notably, recent changes to State law

require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

**Table A-17: Housing Tenure by Race of Householder, City of Novato**

Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non-Hispanic)	31	0.1%	51	0.4%	82
Asian / API (Hispanic and Non-Hispanic)	1,015	3.5%	608	4.6%	1,623
Black or African American (Hispanic and Non-Hispanic)	218	0.8%	239	1.8%	457
Hispanic or Latino	1,152	4.0%	1,689	12.8%	2,841
Other Race or Multiple Races (Hispanic and Non-Hispanic)	928	3.2%	1,213	9.2%	2,141
White (Hispanic and Non-Hispanic)	13,021	45.3%	5,001	37.8%	18,022
White, Non-Hispanic	12,405	43.1%	4,417	33.4%	16,822
<b>Total</b>	<b>28,770</b>	<b>100.0%</b>	<b>13,218</b>	<b>100.0%</b>	<b>41,988</b>
Universe: Occupied housing units For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.					

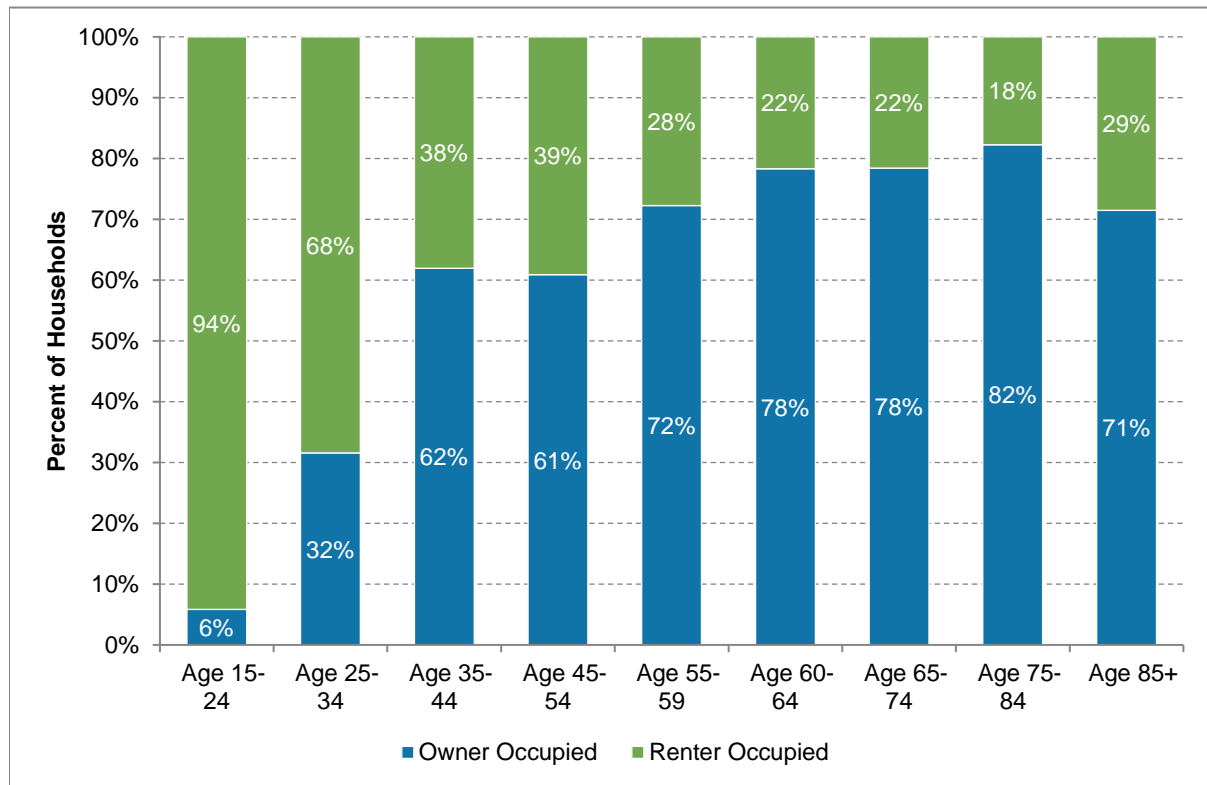
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I))

The age of residents who rent or own their home can also signal a community's housing challenges. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options to move or downsize in an expensive housing market.

In Novato, 49.5 percent of householders between the ages of 25 and 44 and 21.1 percent of householders over 65 are renters. The age group with the most renters is the 15 to 24 age group with 94 percent as renters (see Figure A-36).



**Figure A-36: Housing Tenure by Age, City of Novato**



Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007)

### A.4.3 Housing Units Permitted

Between 2015 and 2019, 266 housing units were issued permits in Novato. Of these, 58.6 percent ~~of~~ were for above moderate-income housing, 17.3 percent were for moderate-income housing, and 24.1 percent were for low- or very low-income housing (see Table A-18).

**Table A-18: Housing Permitting, City of Novato**

Income Group	Number of Units
Above Moderate-Income Permits	156
Moderate Income Permits	46
Low Income Permits	41
Very Low-Income Permits	23
<b>Total</b>	<b>266</b>
Universe: Housing permits issued between 2015 and 2019 HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the AMI for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the AMI for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the AMI for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the AMI for the county in which the jurisdiction is located.	

Sources: ABAG 2021 Pre-certified Housing Needs Data (California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020))

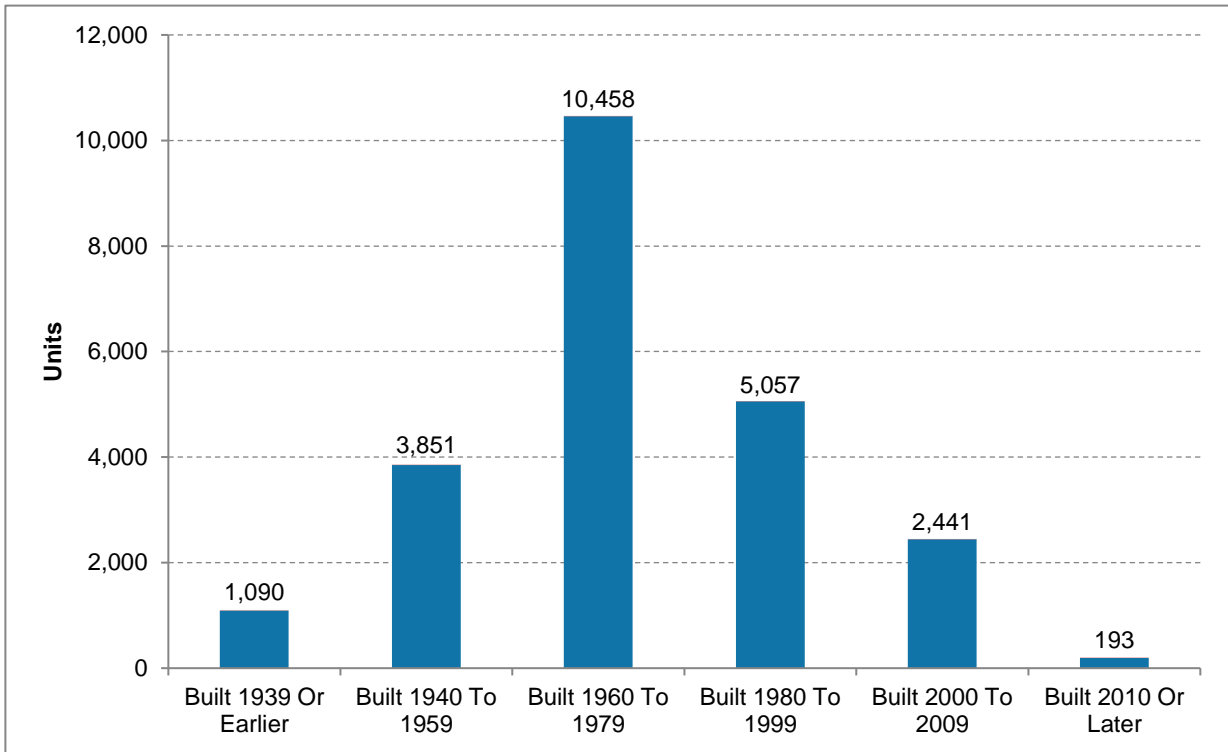
#### A.4.4 Housing Age and Condition

The age of housing stock is a key indicator of the community's overall housing condition. As homes age, there is a greater need for maintenance, repair, and/or replacement of key elements (plumbing, electric, roof, gutters, walks, and patios). If not properly addressed, an aging housing stock can represent poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not come close to meeting the population and job growth experienced throughout the Region.

In Novato, the largest proportion of the housing stock (45.3 percent) was built between 1960 and 1979, with 10,458 units constructed during this period (see Figure A-37). This is consistent with Marin County, where the largest portion of units were also built between 1960 and 1979. Of Marin County's housing stock, 37.9 percent was built before 1960 while 21.4 percent of Novato's housing stock was built before 1960. Only 193 units (0.8 percent of the current housing stock) were built after 2010. In Marin County, 1.4 percent of housing units were built in 2010 or later.

**Figure A-37: Housing Units by Year Structure Built, City of Novato**



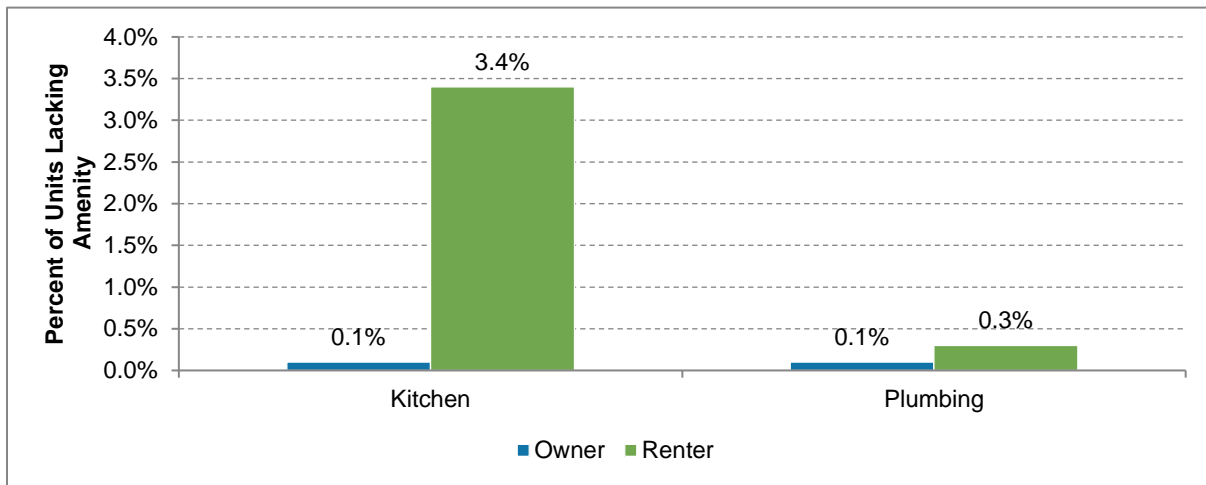
Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034)

## Substandard Housing

Housing costs in the Region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau gathers data to gain a sense of some of the substandard conditions that may be present, including lack of kitchen facilities or lack of plumbing. In Novato, 3.4 percent of renters in Novato reported lacking a kitchen and 0.3 percent of renters lack plumbing, compared to 0.1 percent of owners who lack a kitchen and 0.1 percent of owners who lack plumbing (see Figure A-39).

**Figure A-39: Substandard Housing Issues**



Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049)

The National Center of Healthy Housing (NCHH) estimates that in the San Francisco Area, 5.6 percent of housing units are in substandard condition. Among these units, 3.4 percent had moderate physical problems and 2.2 percent had severe physical problems.<sup>12</sup> Assuming the same share of units in Novato in 2018 (22,848) were substandard, an estimated 1,279 units would be in substandard condition in the City. However, these figures do not seem to reflect conditions in Novato, primarily due to the relative “youth” of the City’s housing stock, the high value of residential property, and recent new construction. Generally, property owners are motivated to keep housing in good condition because of the high value of houses and rents, and minor to extensive remodeling is common throughout the City.

The ongoing habitability of housing units is important to the City, especially to prevent deterioration and delayed maintenance in rented multifamily housing. Code Enforcement staff annually inspect all multifamily properties containing three units of more as part of the Multi-Family Inspection Program (Municipal Code Chapter 4-14). This program has been successful in the most recent planning period and as a result, Code Enforcement staff have seen a substantial decrease in the frequency and severity of substandard housing issues. Common code violations often involve unpermitted activity, such as structures being used as dwellings without being permitted for habitation, improperly placed room dividers, window relocations, and improper water heater installation/maintenance. The hygiene of inspected units is also a concern, often pest infestation, sewer leakage, or other issues caused by property mismanagement. In all cases, the

<sup>12</sup>The NCHH estimate is based on data from the 2018 U.S. Census Bureau American Housing Survey.

City works diligently with property owners to address these issues and brings in outside agencies, such as the Marin County Department of Health and Human Services, as needed.

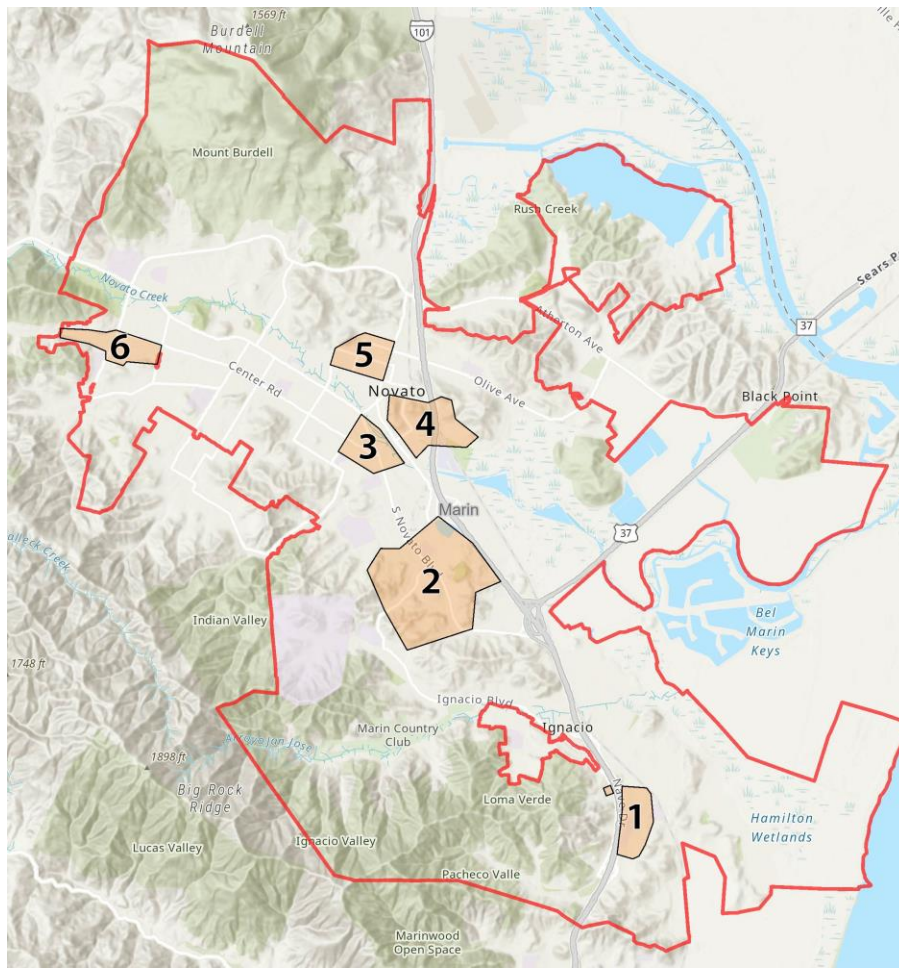
From July 2017 to July 2022, 116 code enforcement cases related to substandard housing conditions have been filed with the City. ~~These cases mostly involved pest infestation (e.g., rodents, bedbugs, etc.), possible lack of hot water or heat, sewer leakage, unsafe structures, and structures being used as dwellings without being permitted for habitation. The City works diligently with property owners to address these issues and brings in outside agencies such as the County of Department of Marin Health and Human Services as needed. There are currently four active cases involving substandard housing conditions.~~ There are currently four active cases involving substandard housing conditions. Recent code enforcement cases include a backed-up bathtub in a multifamily complex, causing problems with the building's fire and electrical systems and damage to six residential units. Another case involved a fire which damaged a complex's electrical system, leading to the temporary displacement of 20 residential units. In both cases, Code Enforcement staff have made diligent efforts to prevent future problems and return residents to their homes as quickly and safely as possible.

The City's Code Enforcement Division staff estimate that ~~23 residential~~ three units ~~in Novato per year (or 24 units total during the 2023-2031 planning period)~~ will require major rehabilitation. This estimate is based on the Division's history with code compliance cases and familiarity with the City's neighborhoods and structures. The City will continue to implement its code inspection and enforcement program to address substandard housing conditions.

### **2023 Windshield Survey**

To ensure the accuracy of the above estimates of substandard housing conditions, a windshield survey was conducted on May 17, 2023, focused on six subareas located across the City (see Figure A-40). These subareas were selected based on their higher concentration of structures built before 1960 (according to U.S. Census data) and/or a higher concentration of renter and lower-income households. The survey was limited by its consideration only of areas visible from the public right-of-way (i.e., exterior housing conditions), meaning interior problems or foundation/seismic issues could not be conclusively determined. However, the focus areas were selected to increase the likelihood of observing substandard conditions if they exist, both due to available data and the local knowledge of City staff.

**Figure A-40: 2023 Windshield Survey Subarea Map**



*Source: City of Novato, LWC*

Based on the survey, most housing in Novato is in good condition and affirms the City's experience that property owners are motivated to keep housing in good condition and remodel frequently. In fact, during the windshield survey it was observed that a greater number of homes were in the process of being remodeled than homes potentially in need of rehabilitation (of which three were observed). Though some of the City's older homes (both single-family and multi-family) could benefit from cosmetic improvements and reinvestment, there was no observed evidence of uninhabitable units in need of replacement. More details on the findings of the windshield survey are provided below in Table A-19.

**Table A-19: 2023 Windshield Survey Subarea Findings**

Subarea			Findings
#	Name	Characteristics	
1	<b>Census Tract 1050.01 / Dusel Ct.</b>	Portion of tract has median structure age of 1949. Data indicate higher prevalence of renter-occupied households, overcrowding, below-average household income.	<b>One</b> unit found in need of potential rehabilitation (siding/stucco in need of repainting/repair). Many newer multifamily/condo complexes; Census data likely out of date.
2	<b>Census Tract 1041.02</b>	Portion of tract has median structure age of 1959. Data indicate higher prevalence of multifamily units, displacement risk, poverty.	<b>One</b> unit found in need of potential rehabilitation (chipped paint). Otherwise, both single- and multi-family structures are older (corroborated by Census data), but in good condition.
3	<b>Nave Shopping Center Area</b>	Data indicate higher prevalence of multifamily units, renter-occupied households, displacement risk, poverty.	<b>One</b> unit found in need of potential rehabilitation (minor cracks in foundation, siding/stucco in need of repair). All single-family homes; older but in good condition.
4	<b>South of De Long Ave.</b>	Data indicate higher prevalence of renter-occupied households, overcrowding, poverty.	<b>No</b> units found in need of rehabilitation. All single-family homes; older but in good condition.
5	<b>Northwest Quadrant Neighborhood</b>	Data indicate higher prevalence of renter-occupied households, renter overpayment, overcrowding, below-average household income, poverty, high POC segregation.	<b>No</b> units found in need of rehabilitation. Diverse housing stock; single-family homes interspersed with 4–10-unit multi-family complexes.
6	<b>Sutro Ave. Area</b>	Data indicate higher prevalence of units built prior to 1960.	<b>No</b> units found in need of rehabilitation. All single-family homes in good condition.

Source: City of Novato, LWC

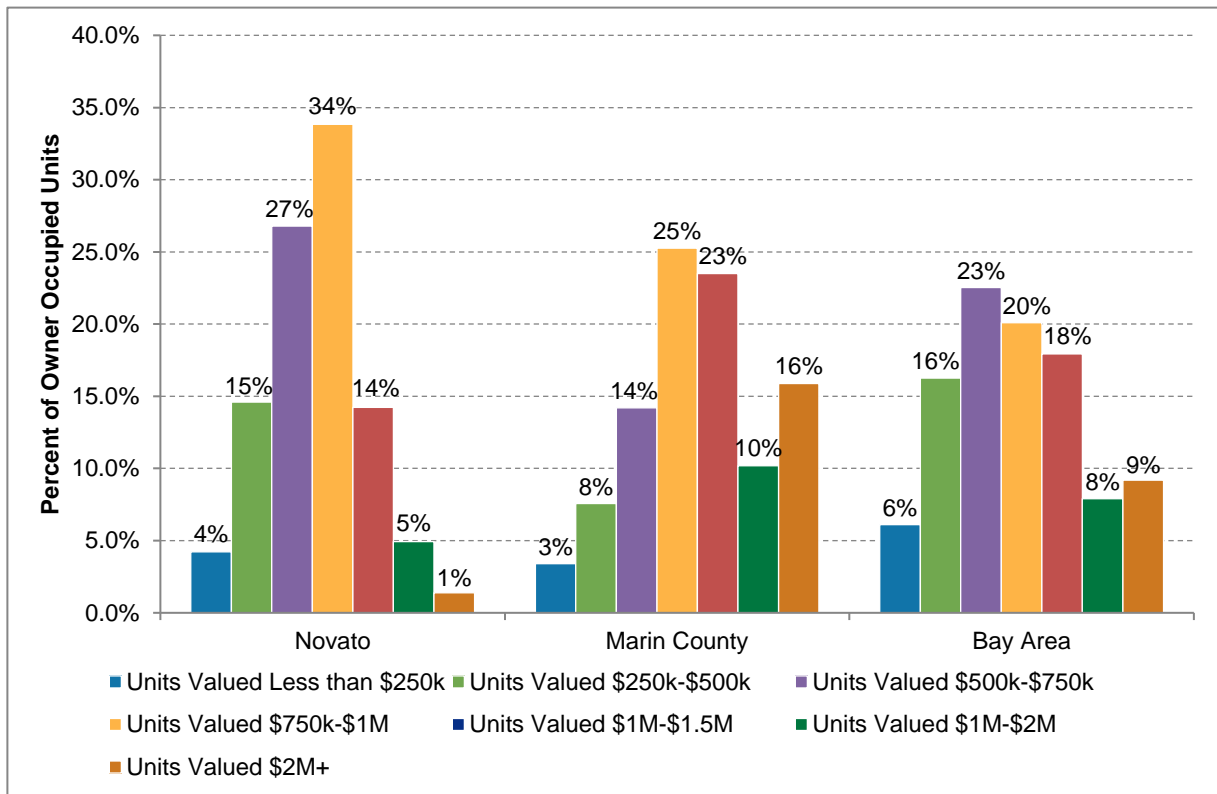
## Section A.5 Housing Costs and Affordability

### A.5.1 Ownership Costs

Home prices reflect a mix of supply and demand factors, including an area’s demographic profile, transportation and materials costs, and the labor market, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in Novato was estimated at \$916,140 by 2020 (see Figure A-39). The largest proportion of homes in Novato were valued between \$750,000 and \$1,000,000 (see Figure A-38). By comparison, in 2020 the typical home value is \$1,288,800 in Marin County and \$1,077,230 in the Bay Area (see Figure A-3841).



**Figure A-3841: Home Values of Owner-Occupied Units**



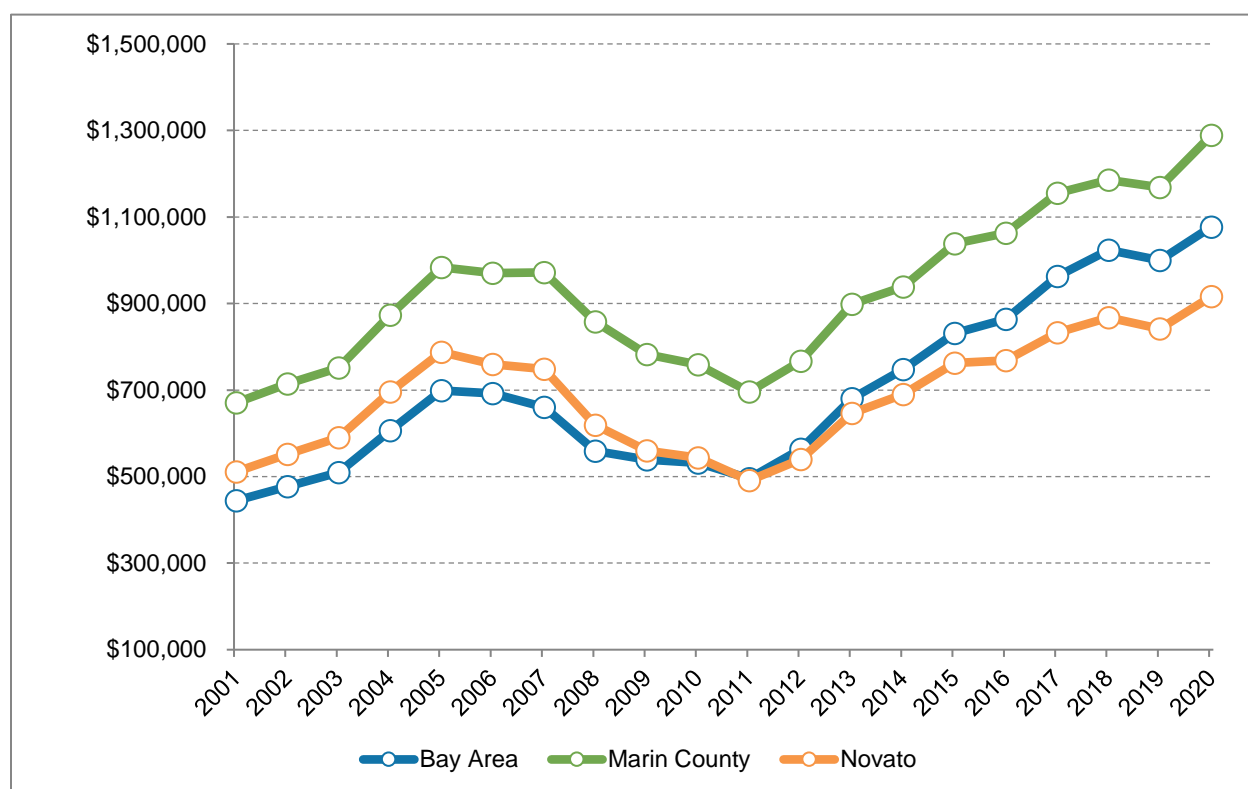
Universe: Owner-occupied housing units

Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series.

Source: ABAG 2021 Pre-certified Housing Needs Data (Zillow, Zillow Home Value Index (ZHVI))

The Region's home values have increased steadily since 2000, with a decrease during the Great Recession (2009-2012). From 2001 to 2020, the typical home value increased 79.1 percent in Novato from \$511,466 to \$916,143 (see Figure A-3942). As of August 2022, the typical home value in Novato is \$1,205,779 according to Zillow.

Figure A-3942: Zillow Home Value Index (ZHVI)



Universe: Owner-occupied units

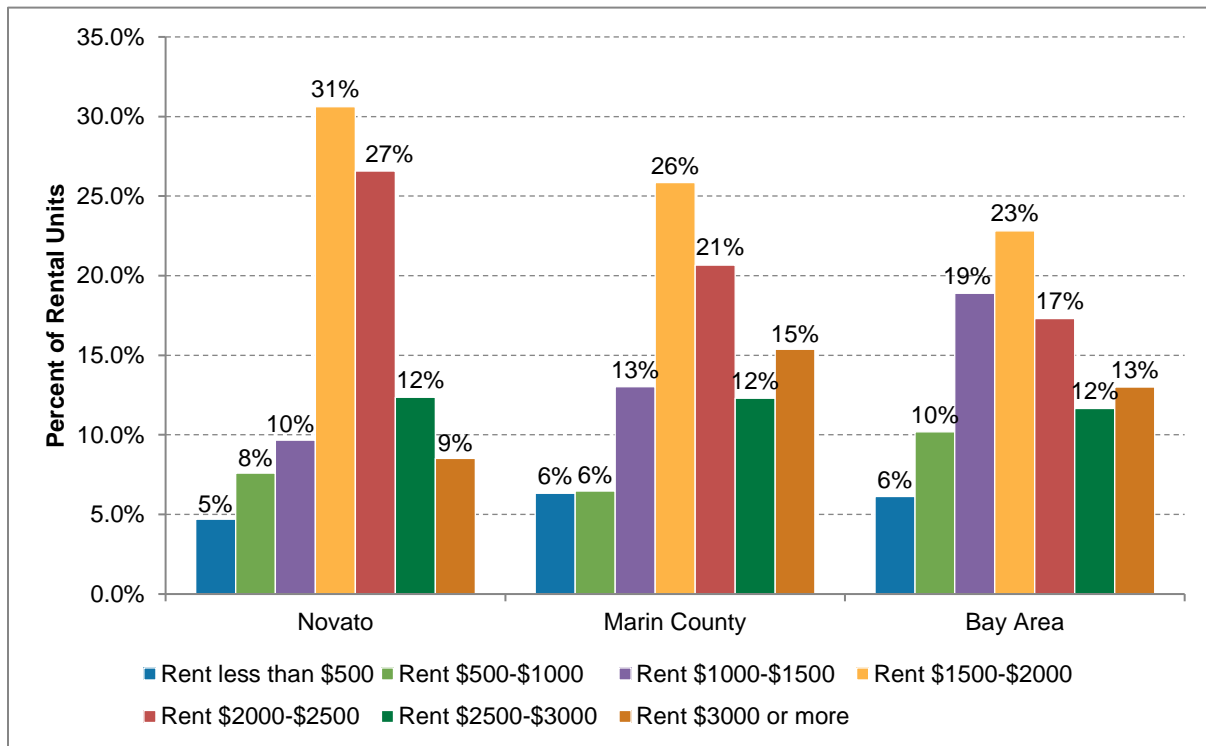
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075)

## A.5.2 Rental Costs

Like home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted, or displaced, with a disproportionate number particularly from communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the Region, and sometimes, out of the State.

In Novato, rents are less expensive than in Marin County and more expensive than in the Bay Area. Based on U.S. Census data, which often lags market valuations, 8.5 percent of rental units in Novato rented for more \$3,000 or more per month, and 12.4 percent of units rent between \$2,500 to \$3,000 per month (see Figure A-4043). Similar to the Region, a majority of units in Novato are available at rents between \$1,500 to \$2,000 per month.

**Figure A-4043: Contract Rents for Renter-Occupied Units**

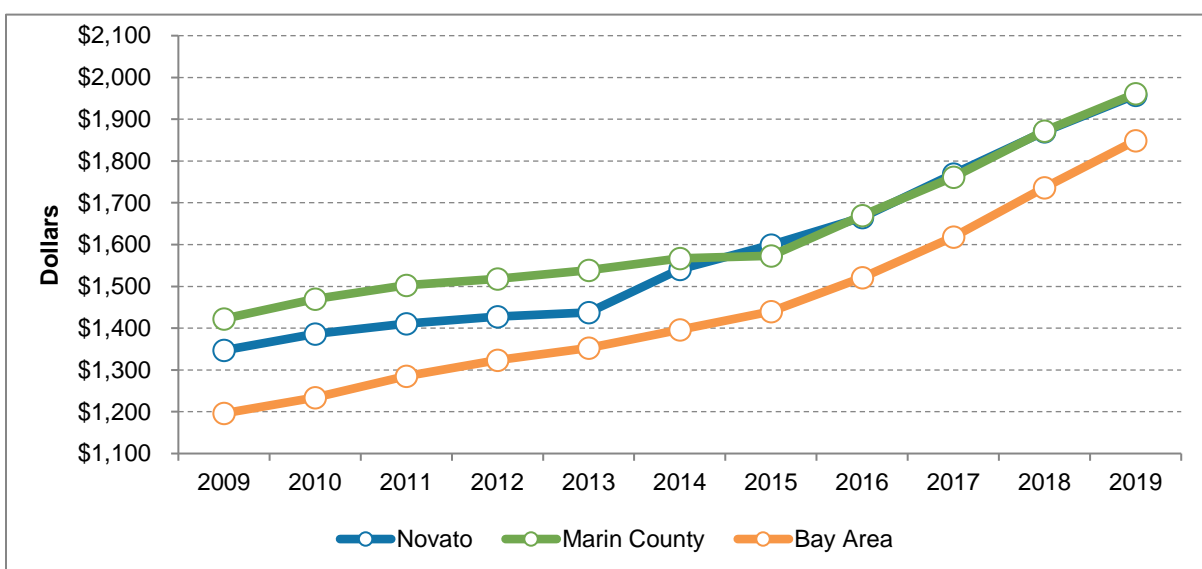


Universe: Renter-occupied housing units paying cash rent

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056)

From 2009 to 2019, according to U.S. Census data, the median rent has increased by 45.4 percent in Novato, from \$1,347 to \$1,950 per month (see Figure A-4144). In Marin County, the median rent has increased 25.1 percent, from \$1,423 to \$1,960. The median rent in the Region has increased significantly during this time from \$1,200 to \$1,850, approximately a 54 percent increase. Though less than the Bay Area, the rent increase in Novato from 2009 to 2019 outpaced the County. As of August 2022, the typical rent for all housing unit types in Novato is \$3,665 according to Zillow.

Figure A-4144: Median Contract Rent



Universe: Renter-occupied housing units paying cash rent

For unincorporated areas, median is calculated using distribution in B25056.

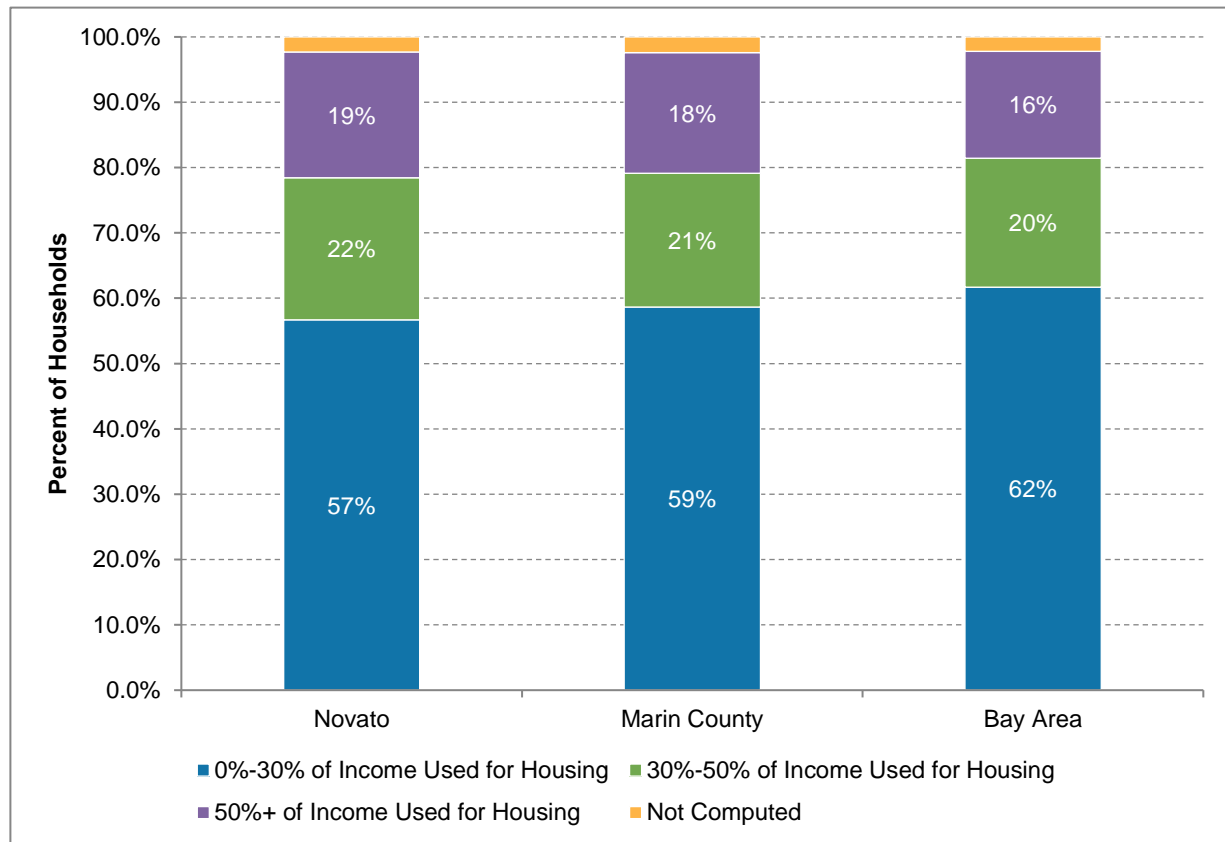
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year)

### A.5.3 Overpayment

According to HCD, households spending more than 30 percent of their income on housing, including utilities, are generally considered to be overpaying or “cost burdened.” Those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. When a household is overpaying for housing costs, there is less income for necessities such as health care, food, transportation, and clothing. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness. In the event of unexpected circumstances, such as loss of employment and health problems, lower-income households with a burdensome housing cost are more likely to become homeless or be forced to double-up with other households, which can lead to overcrowded conditions.

Novato has a slightly higher proportion of cost-burdened households compared to Marin County and the Bay Area. Of Novato’s households, approximately 22 percent are cost-burdened, and 19 percent are severely cost-burdened. In the County, the proportions are 21 percent and 18 percent, respectively (see Figure A-4245).

Figure A-4245: Cost Burden Severity

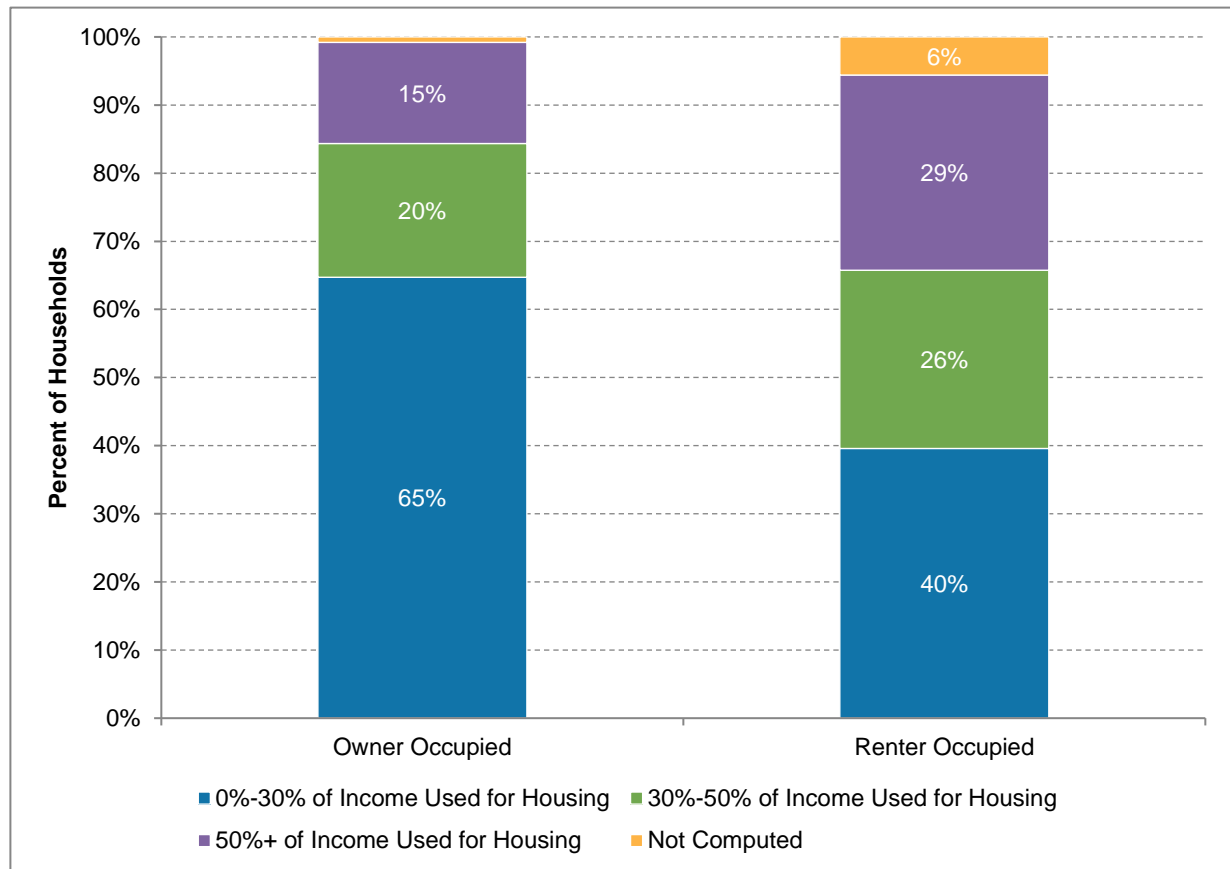


Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in Novato, 26.2 percent of renters spend 30 to 50 percent of their income on housing compared to 19.7 percent of those that own (see Figure A-4346). Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing, while 14.8 percent of owners are severely cost-burdened. In total, 34.5 percent of homeowners and 54.8 percent of renters experience some level of cost burden.

**Figure A-4346: Cost Burden by Tenure, City of Novato**



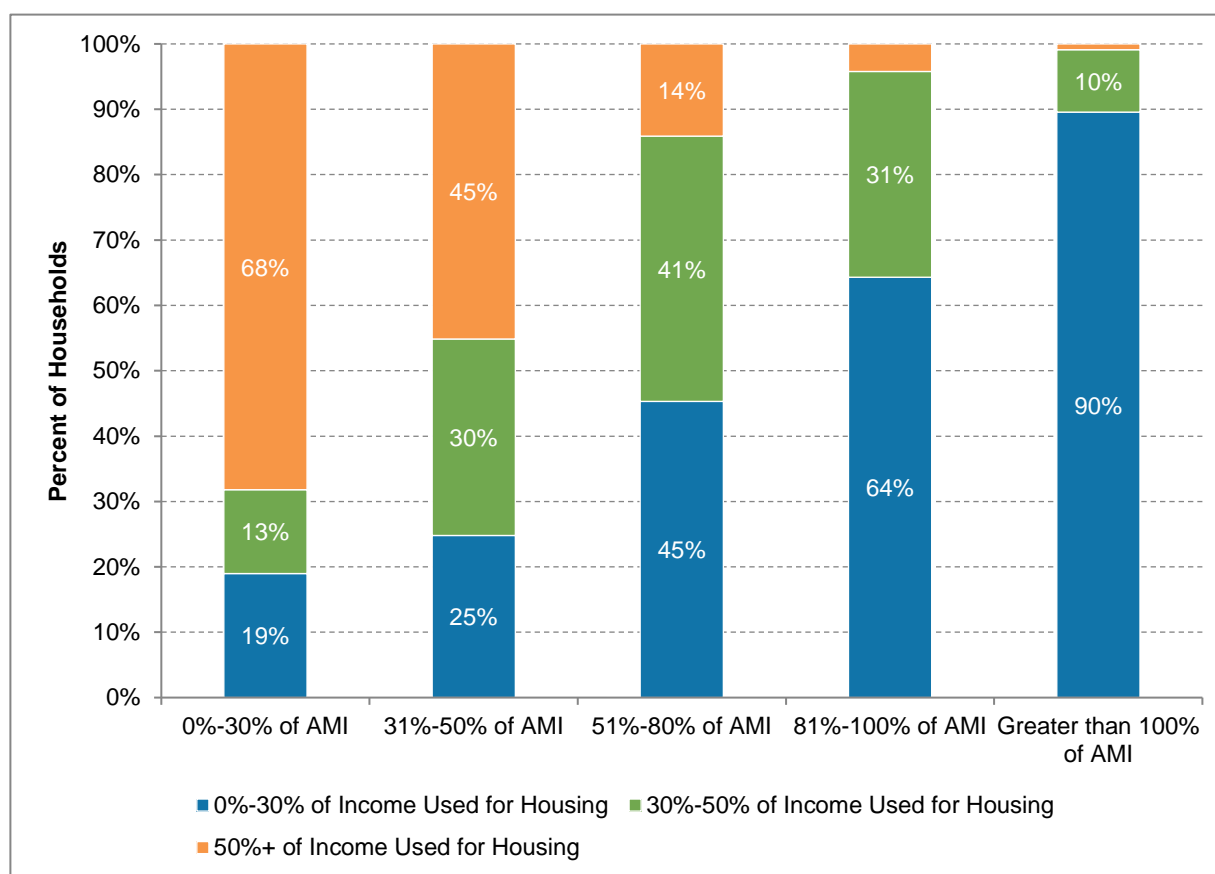
Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

In Novato, 20.3 percent of households spend 50 percent or more of their income on housing, while 20.4 percent spend 30 to 50 percent (see Figure A-4447). Lower-income households are more likely to be housing cost-burdened than higher-income households. For example, 68.2 percent of Novato households making less than 30 percent of AMI spend the majority of their income on housing. For Novato residents making more than 100 percent of AMI, just 0.9 percent are severely cost-burdened, and 89.6 percent of those making more than 100 percent of AMI spend less than 30 percent of their income on housing. Of all lower-income households in Novato (10,190 households), 69.9 percent (7,120 households) are cost-burdened.

Figure A-447: Cost Burden by Income Level, City of Novato



Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

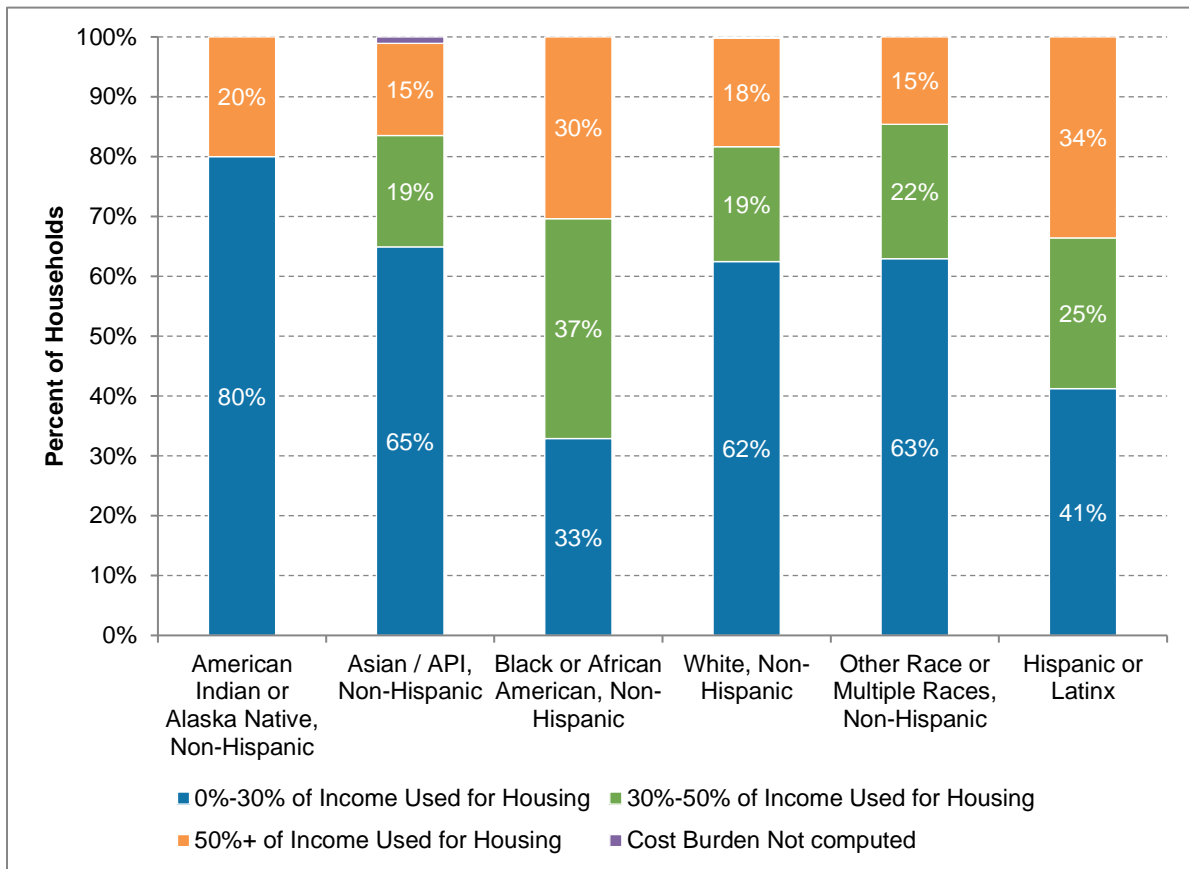
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Black or African American, Non-Hispanic residents are the most cost-burdened with 36.7 percent spending 30 to 50 percent of their income on housing, and Hispanic or Latino residents are the most severely cost-burdened with 33.6 percent spending more than 50 percent of their income on housing (see Figure A-4548).



Figure A-4548: Cost Burden by Race, City of Novato



Universe: Occupied housing units

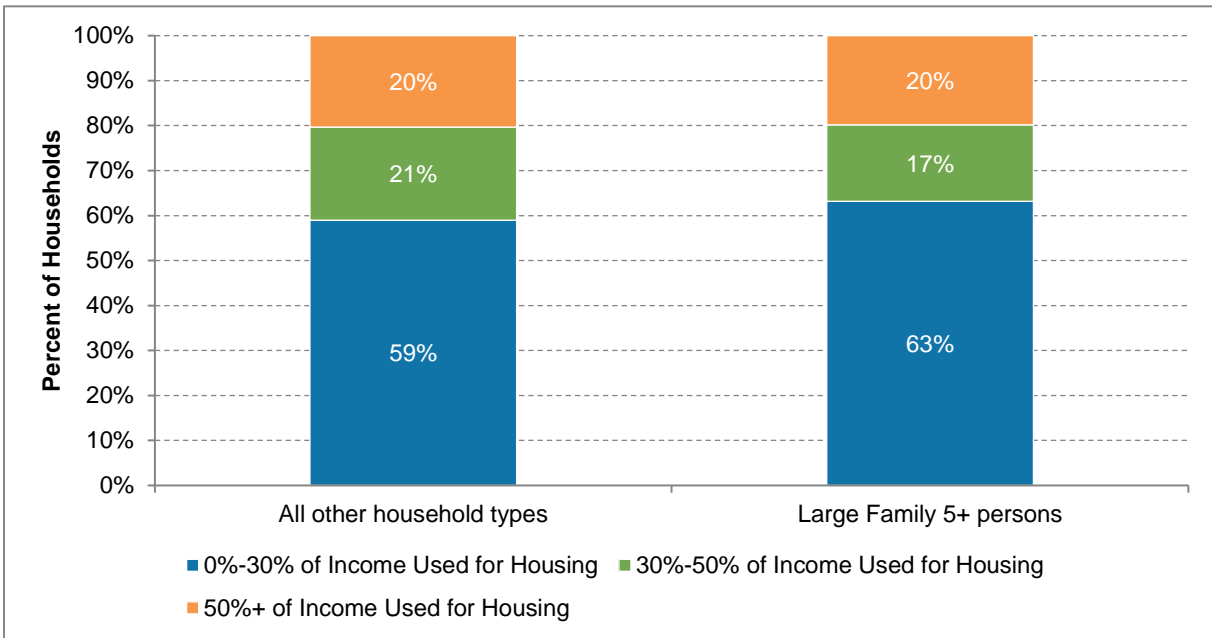
Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Large family households more often struggle to find housing due to a lack of availability of adequately sized, affordable housing. The higher costs of larger homes with multiple bedrooms can result in a disproportionate cost burden for larger families than the rest of the population and can increase the risk of housing insecurity.

Larger families in Novato, however, are not more likely to be cost-burdened than all other household types. In Novato, 17.1 percent of large family households experience a cost burden of 30 to 50 percent, while 19.8 percent of households spend more than half of their income on housing. Some 20.7 percent of all other households have a cost burden of 30 to 50 percent, with 20.3 percent of households spending more than 50 percent of their income on housing (see Figure A-4649).

**Figure A-4649: Cost Burden by Household Size, City of Novato**



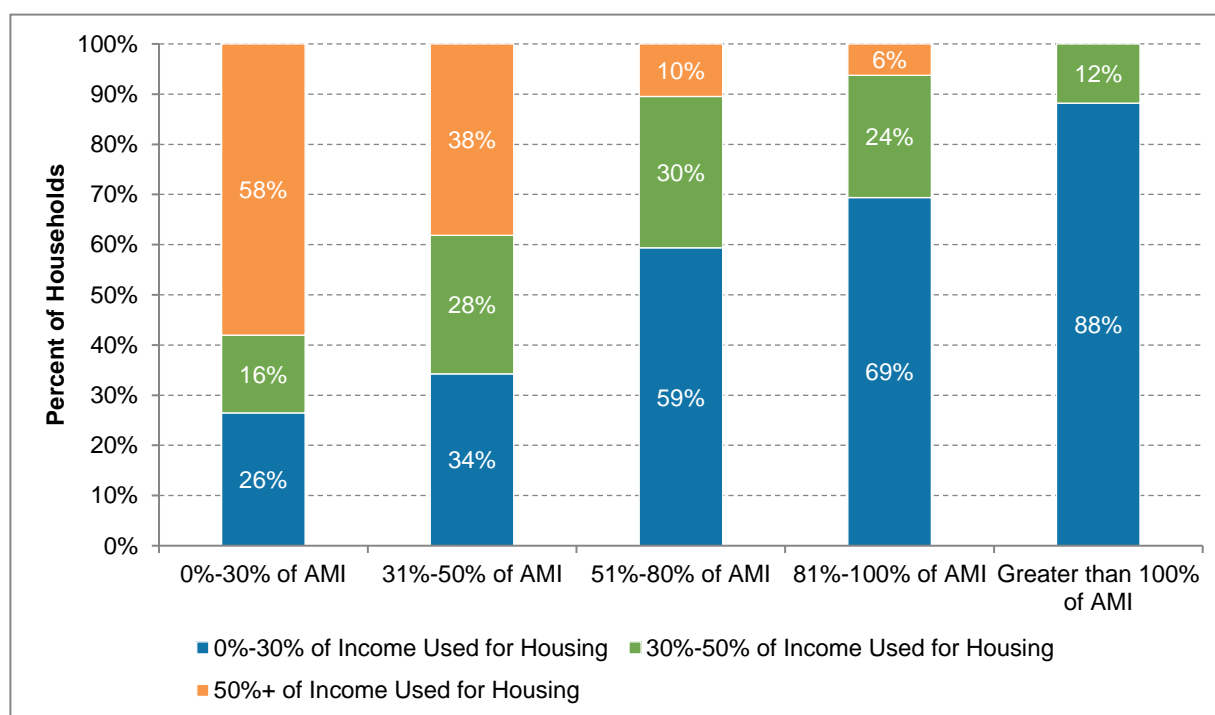
Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Displacement is a particular risk for cost-burdened seniors who are no longer able to make mortgage payments or pay ~~rents~~rent. Understanding how seniors are cost-burdened is important, particularly for low-income seniors. 58 percent of seniors making less than 30 percent of AMI are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 88.2 percent are not cost-burdened and spend less than 30 percent of their income on housing (see Figure A-4750). In total, 41.3 percent of seniors are cost-burdened.

**Figure A-4750: Cost-Burdened Senior Households by Income Level, City of Novato**



Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs,” which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

## Housing Costs Compared to Ability to Pay

The ability to pay for housing is a function of housing cost and other essential living expenses in relation to household income. Given market conditions, above-moderate income households have fewer problems locating affordable units. Affordable units are frequently defined as those reasonably priced for households that are low- to moderate-income.

Table A-4920 shows the 2021 income limits for Marin County and compares these income limits to affordable (no more than 30 percent of gross income) rent and purchase prices. The median gross rent in Novato (\$1,950) is generally affordable for three-person households earning 30 to 50 percent of Marin County median income (\$135,258). The median purchase price of a home in Novato (\$916,143) is generally affordable for three-person households earning more than 120 percent of AMI.

**Table A-1920: 2021 Marin County Ability to Pay for Housing and Fair Market Rent and Purchase Prices**

	Number of Persons in Household			
	1	2	3	4
<b>Extremely Low (0-30% AMI)</b>				
Annual Income Limit	\$38,400	\$43,500	\$49,350	\$54,8000
Monthly Income	\$3,200	\$3,625	\$4,113	\$4,567
Max. Monthly Gross Rent <sup>1</sup>	\$960	\$1,008	\$1,234	\$1,370
Max. Purchase Price 5% down <sup>2</sup>	\$163,710	\$185,452	\$210,392	\$233,627
Max. Purchase Price 20% down <sup>3</sup>	\$194,373	\$220,188	\$249,799	\$277,386
<b>Very Low (30-50% AMI)</b>				
Annual Income Limit	\$63,950	\$73,100	\$82,250	\$91,350
Monthly Income	\$5,329	\$6,092	\$6,854	\$7,613
Max. Monthly Gross Rent <sup>1</sup>	\$1,599	\$1,828	\$2,056	\$2,284
Max. Purchase Price 5% down <sup>2</sup>	\$272,636	\$311,645	\$350,654	\$389,450
Max. Purchase Price 20% down <sup>3</sup>	\$323,701	\$370,016	\$416,332	\$462,394
<b>Low (50-80% AMI)</b>				
Annual Income Limit	\$102,450	\$117,100	\$131,750	\$146,350
Monthly Income	\$8,538	\$9,758	\$10,979	\$12,196
Max. Monthly Gross Rent <sup>1</sup>	\$2,561	\$2,928	\$3,294	\$3,659
Max. Purchase Price 5% down <sup>2</sup>	\$436,772	\$499,229	\$561,686	\$623,929
Max. Purchase Price 20% down <sup>3</sup>	\$518,580	\$592,735	\$666,890	\$740,792
<b>Median (100% AMI)</b>				
Annual Income Limit	\$104,700	\$119,700	\$134,650	\$149,600
Monthly Income	\$8,725	\$9,975	\$11,221	\$12,467
Max. Monthly Gross Rent <sup>1</sup>	\$2,618	\$2,993	\$3,366	\$3,740
Max. Purchase Price 5% down <sup>2</sup>	\$446,364	\$510,313	\$574,049	\$637,785
Max. Purchase Price 20% down <sup>3</sup>	\$529,969	\$605,896	\$681,569	\$757,243
<b>Moderate (80-120% AMI)</b>				
Annual Income Limit	\$125,650	\$143,600	\$161,550	\$179,500
Monthly Income	\$10,471	\$11,967	\$13,463	\$14,958
Max. Monthly Gross Rent <sup>1</sup>	\$3,141	\$3,590	\$4,039	\$4,488
Max. Purchase Price 5% down <sup>2</sup>	\$535,680	\$612,205	\$688,731	\$765,257
Max. Purchase Price 20% down <sup>3</sup>	\$636,013	\$726,872	\$817,731	\$908,590
<b>(120-150% AMI)</b>				
Annual Income Limit	\$157,050	\$179,550	\$201,975	\$224,400
Monthly Income	\$13,088	\$14,963	\$16,831	\$18,700
Max. Monthly Gross Rent <sup>1</sup>	\$3,926	\$4,489	\$5,049	\$5,610
Max. Purchase Price 5% down <sup>2</sup>	\$669,546	\$765,470	\$861,074	\$956,677

**Table A-1920: 2021 Marin County Ability to Pay for Housing and Fair Market Rent and Purchase Prices**

	Number of Persons in Household			
	1	2	3	4
Max. Purchase Price 20% down <sup>3</sup>	\$794,953	\$908,843	\$1,022,354	\$1,135,864
<b>(150-180% AMI)</b>				
Annual Income Limit	\$188,460	\$215,460	\$242,370	\$269,280
Monthly Income	\$15,705	\$17,955	\$20,198	\$22,440
Max. Monthly Gross Rent <sup>1</sup>	\$4,712	\$5,387	\$6,059	\$6,732
Max. Purchase Price 5% down <sup>2</sup>	\$803,456	\$918,564	\$1,033,288	\$1,148,013
Max. Purchase Price 20% down <sup>3</sup>	\$953,944	\$1,090,612	\$1,226,825	\$1,363,037
<b>(180-200% AMI)</b>				
Annual Income Limit	\$209,400	\$239,400	\$69,300	\$299,200
Monthly Income	\$17,450	\$19,950	\$5,775	\$24,933
Max. Monthly Gross Rent <sup>1</sup>	\$5,235	\$5,985	\$1,733	\$7,480
Max. Purchase Price 5% down <sup>2</sup>	\$892,728	\$1,020,627	\$295,445	\$1,275,570
Max. Purchase Price 20% down <sup>3</sup>	\$1,059,938	\$1,211,791	\$350,782	\$1,514,486
<sup>1</sup> 30% of income devoted to maximum monthly rent or mortgage payment, including utilities, taxes, and insurance.				
<sup>2</sup> Assumes 95% loan (i.e., 5% down payment) @ 3% annual interest rate and 30-year term.				
<sup>3</sup> Assumes 80% loan (i.e., 20% down payment) @ 3% annual interest rate and 30-year term.				

Source: Department of Housing and Community Development, 2021

#### A.5.4 At-Risk Housing Assessment

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

Government Code Section 65583 requires the Housing Element to identify and analyze units that are at-risk of converting from affordable to market-rate within 10 years of the beginning of the planning period. If units are found to be at-risk, the Housing Element must estimate the total cost of replacing and preserving these units and include a list of entities with the capacity to acquire multifamily developments at-risk.

The data ~~in the table below~~ in Table A-21 comes from the California Housing Partnership's Preservation Database, the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the State, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table.

There are 828816 assisted units in Novato in the Preservation Database, ~~12 of which.~~ Among these units, six are ~~listed as originally supported by California Housing Finance Agency (CalHFA)~~

loans and at very high/moderate risk of conversion. However, the database also indicates that the affordability end date expired in being converted to market-rate housing by 2033. These six units are subsidized, deed-restricted efficiency units within Stonehaven House, a group home for people with developmental disabilities owned by Stonehaven House Inc. (see Table A-22). The restrictions on these units are set to expire by May 2018/2032. The remaining 846/810 assisted units have estimated affordability end dates from 2032/2038 to 2070 and thus are not at- risk of conversion during/within 10 years of the beginning of the planning period.

**Table A-~~2021~~: Assisted Units at Risk of Conversion, City of Novato**

Risk of Conversion	Novato	Marin County	Bay Area
Low	<u>846/810</u>	2,368	110,177
Moderate	<u>06</u>	0	3,375
High	0	56	1,854
Very High	<u>420</u>	17	1,053
Total Assisted Units in Database	<u>828/816</u>	2,441	116,459

Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included.

While California Housing Partnership's Preservation Database is the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the State. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Housing Partnership uses the following categories for assisted housing developments in its database:

Very-High Risk: Affordable homes that are at- risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

High Risk: Affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: Affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Low Risk: Affordable homes that are at- risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Housing Partnership, Preservation Database (2020))2022)

**Table A-22: Assisted Units at Risk of Conversion by 2033, City of Novato**

Project Name	Address	Assisted Units			Type of Subsidy	Current Owner	Earliest Date of Expiration	Risk Level
		Type	Non-Elderly	Elderly				
Stonehaven House	2 Stonehaven Ct.	Disabled	6	0	HUD (202/162) <sup>1</sup>	Stonehaven House Inc.	May 2032	Moderate

<sup>1</sup> See 24 Code of Federal Regulations Part 891 Subpart E - Section 202 Projects for the Nonelderly Handicapped Families and Individuals—Section 162 Assistance

Source: California Housing Partnership Preservation Database (2022); California Housing Partnership Affordable Housing Map & Benefits Calculator (2023)

The establishment of Stonehaven House was sponsored by Lifehouse Inc. (a non-profit social service provider) but is owned by a separate corporation (Stonehaven House Inc.) per HUD requirements. The Stonehaven corporation receives rent from Lifehouse and from clients through

HUD subsidy, while Lifehouse provides staffing and other services.<sup>13</sup> According to the California Housing Partnership's Affordable Housing Map & Benefits Calculator, Stonehaven House benefits from Section 202/162 subsidy, which provides a direct loan to non-profit organizations for project development and rent subsidy for the development of units for physically handicapped, developmentally disabled, and chronically mentally ill residents.

In the 5th Cycle Housing Element, Stonehaven House was reported as being an at-risk project with Section 202/811 HUD subsidies expiring in 2015. At the time, Lifehouse anticipated renewing its federal subsidy contracts and was successful in doing so. As Lifehouse is a non-profit dedicated to providing affordable housing for its clients in the long term, it is unlikely that it will fail to renew its contract.

### **Preservation and Replacement Cost Analysis**

The following section provides an analysis of the estimated cost to preserve or replace the units that are at risk of conversion to market-rate. The analysis compares the costs of providing rent subsidies, acquiring and rehabilitating the units, and constructing new units.

Rent subsidies are a potential option for preserving affordable housing units. Rent subsidies function similarly to housing choice vouchers (Section 8), which fund the difference between the affordable rent and the fair market rent. If the City were to fund rent subsidies, it could leverage a variety of sources to do so. Table A-23 shows that the estimated total rent subsidy to preserve the six at-risk units is \$54,144 per year. Assuming the difference between the affordable rents and fair market rents remains constant, then the total cost to maintain the units for the next 55 years would be \$2,977,920 (\$496,320 per unit).

**Table A-23: Estimated Rent Subsidies**

<u>Unit Size</u>	<u>Units</u>	<u>Very Low-Income Rent</u>	<u>Fair Market Rent</u>	<u>Monthly Subsidy/Unit</u>
<u>Efficiency</u>	<u>6</u>	<u>\$1,598 <sup>1</sup></u>	<u>\$2,350 <sup>2</sup></u>	<u>\$752</u>
<b><u>Total Annual Subsidy</u></b>				<b><u>\$54,144</u></b>
<sup>1</sup> Calculated based on 30% of the 2021 Marin County Very Low Income (50% AMI) limit for a one-person family.				
<sup>2</sup> Calculated based on the 2021 Fair Market Rent in Marin County for an efficiency unit.				

*Source: HCD 2021 Income Limits for Marin County; HUD FY 2021 Fair Market Rent by Unit Bedrooms*

Purchasing and transferring the ownership of at-risk units to be managed by a non-profit or for-profit housing organization is another potential method for preserving the units' affordability status. Acquired assisted units, particularly older units, may also require rehabilitation to update the units and extend the life of their use. The estimated costs for acquiring and rehabilitating at-risk units are shown in Table A-24. According to recent California Tax Credit Allocation Committee

<sup>13</sup> Lifehouse, Consolidated Financial Statements and Independent Auditor's Report (2021-2022).



(CTCAC) applications in Marin County, the average per-unit cost for acquisition and rehabilitation is \$573,066. The total cost to acquire and rehabilitate the six at-risk units would be \$3,456,396.

**Table A-24: Estimated Acquisition and Rehabilitation Costs**

<u>Project Name</u>	<u>City</u>	<u>CTCAC Application Year</u>	<u>Units</u>	<u>Total Development Cost</u>	<u>Cost per Unit</u>
<u>Mackey Terrace</u>	<u>Novato</u>	<u>2016</u>	<u>50</u>	<u>\$25,217,815</u>	<u>\$504,356</u>
<u>Walnut Place</u>	<u>Point Reyes Station</u>	<u>2016</u>	<u>25</u>	<u>\$13,171,372</u>	<u>\$526,854</u>
<u>Piper Court Apartments</u>	<u>Fairfax</u>	<u>2017</u>	<u>27</u>	<u>\$17,391,225</u>	<u>\$644,119</u>
<u>Bennett House</u>	<u>Fairfax</u>	<u>2019</u>	<u>70</u>	<u>\$42,251,232</u>	<u>\$603,589</u>
<u>Centertown Apartments</u>	<u>San Rafael</u>	<u>2021</u>	<u>60</u>	<u>\$35,184,716</u>	<u>\$586,411</u>
<u>Average Cost Per Unit</u>					<u>\$573,066</u>
Note: Cost estimates are based on applications approved by governing bodies and are not certified total development costs.					

Source: CTCAC Annual Reports (2016-2021)

Constructing new units could also replace the at-risk units. Table A-25 shows the estimated cost of new construction of below market-rent units. Based on recent CTCAC applications in Marin County, the average cost to build a new assisted unit is \$668,882. Using this per-unit estimate, the total replacement cost for the six at-risk units would be \$4,013,292.

**Table A-25: Estimated Replacement Costs**

<u>Project Name</u>	<u>City</u>	<u>CTCAC Application Year</u>	<u>Units</u>	<u>Total Development Cost</u>	<u>Cost per Unit</u>
<u>Victory Village</u>	<u>Fairfax</u>	<u>2018</u>	<u>54</u>	<u>\$28,606,885</u>	<u>\$529,757</u>
<u>Vivalon Healthy Aging Campus</u>	<u>San Rafael</u>	<u>2021</u>	<u>67</u>	<u>\$47,504,043</u>	<u>\$709,016</u>
<u>Drake Avenue Apartments</u>	<u>Sausalito</u>	<u>2022</u>	<u>74</u>	<u>\$56,822,593</u>	<u>\$767,873</u>
<u>Average Cost Per Unit</u>					<u>\$668,882</u>
Note: Cost estimates are based on applications approved by governing bodies and are not certified total development costs.					

Source: CTCAC Annual Reports (2018-2022)

Table A-26 compares the costs of the preservation and replacement methods and shows that building new units is the most expensive option. Providing rent subsidies is the least expensive method; however, this option does not allow for physical updates to the units and does not allow for the leveraging of private-sector financing. It is also important to note that none of the estimates are precise calculations and are only intended to demonstrate the relative magnitude of need.

**Table A-26: Summary of Preservation and Replacement Costs**

Method	Estimated Cost per Unit	Total Estimated Cost
<a href="#">Rent Subsidy</a>	<a href="#">\$496,320</a>	<a href="#">\$2,977,920</a>
<a href="#">Acquisition and Rehabilitation</a>	<a href="#">\$573,066</a>	<a href="#">\$3,456,396</a>
<a href="#">New Construction</a>	<a href="#">\$668,882</a>	<a href="#">\$4,013,292</a>

*Source: LWC*

### **Qualified Entities to Acquire and Manage Affordable Housing**

There are several non-profit and for-profit organizations in the region that could facilitate the acquisition and management of assisted units. HCD maintains a list of pre-approved organizations that are interested in the acquisition and management of assisted units. As of December 2021, there are six qualified organizations in Marin County (Table A-27).

**Table A-27: HCD Qualified Entities in Marin County**

<a href="#">Organization</a>	<a href="#">Address</a>	<a href="#">City</a>
<a href="#">Marin Housing Authority</a>	<a href="#">4020 Civic Center Drive</a>	<a href="#">San Rafael</a>
<a href="#">Canal Community Alliance</a>	<a href="#">91 Larkspur St</a>	<a href="#">San Rafael</a>
<a href="#">Affordable Housing Foundation</a>	<a href="#">P.O. Box 26516</a>	<a href="#">San Francisco</a>
<a href="#">Northern California Land Trust, Inc.</a>	<a href="#">3122 Shattuck Avenue</a>	<a href="#">Berkeley</a>
<a href="#">Volunteers of America National Services</a>	<a href="#">1108 34th Avenue</a>	<a href="#">Sacramento</a>
<a href="#">L + M Fund Management LLC</a>	<a href="#">1877 Palmer Ave</a>	<a href="#">Westchester, NY</a>

*Source: HCD (2021)*

### **Funding Sources to Preserve or Replace Assisted Units**

Potential funding sources to preserve or replace assisted units are provided in the list below. These resources include federal, state, and local funding programs and are described in Appendix G (Housing Resources).

- [HOME Investment Partnerships Funds](#)
- [Community Development Block Grant Program \(CDBG\)](#)
- [Section 108 Loan Guarantee Program](#)
- [Housing Choice Voucher \(Section 8\) Program](#)
- [Low Income Housing Tax Credits \(LIHTC\)](#)
- [Section 811 Project Rental Assistance Program](#)
- [California Housing Finance Agency \(CalHFA\)](#)
- [Marin County Affordable Housing Trust Fund](#)

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## Section B.1 Introduction

### B.1.1 Overview and Purpose

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According to California Government Code [Section 65580-65589](#), the Housing Element must include an inventory of adequate sites that are zoned and available within the planning period to meet the jurisdiction's fair share of regional housing needs across all income levels. The sites inventory, in addition to projected accessory dwelling units (ADUs) and entitled or in-process development projects, assists in determining whether the jurisdiction has enough developable land to meet its Regional Housing Needs Allocation (RHNA), given its current regulatory framework and market conditions. This Appendix details the sites inventory and supporting analysis methodology and assumptions.



### B.1.2 Regional Housing Needs Allocation

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Jurisdictions must provide sufficient land to accommodate enough housing for all economic segments of the community. Compliance is determined by the jurisdiction's ability to provide adequate development capacity through appropriate development regulations and land use policies. The number of new units that must be accommodated is established through each jurisdiction's share of the region's projected housing needs for the planning period. This share for each jurisdiction is called the Regional Housing Needs Allocation (RHNA).

The Association of Bay Area Governments (ABAG), a regional planning agency, is responsible for distributing the RHNA to each jurisdiction within its nine-county region. The RHNA is distributed by income category.

For the 2023-2031 Housing Element update, Novato is allocated a RHNA of 2,090 units as follows:

- Extremely Low and Very Low Income (less than 50 percent of AMI): 570 units (27 percent)
- Low Income (50 to 80 percent of AMI): 328 units (16 percent)
- Moderate Income (80 to 120 percent of AMI): 332 units (16 percent)
- Above Moderate Income (greater than 120 percent of AMI): 860 units (41 percent)

For the 6<sup>th</sup> Cycle Housing Element planning period, January 31, 2023 through January 31, 2031, the City must ensure the availability of adequate residential sites to accommodate these units. This Appendix provides an overview of the methodology used to evaluate the adequacy of sites within Novato and identifies such sites for future residential development to fulfill the City's share of regional housing needs.

### B.1.3 Data

The sites inventory analysis used data provided by the City, such as GIS data and building permit/entitlement information. The following is an overview of the data used:

- City GIS data, including Base Zoning Districts, General Plan Land Use designation, Existing Use, Assessor Parcel Number (APN), and parcel size, etc.;
- ADU applications and permit approval history;
- Entitled projects and projects in the entitlement phase;
- Prior Housing Element site inventories;
- Annual Progress Reports to HCD during the 5<sup>th</sup> Cycle; and,
- Zoning Code allowed density and floor area ratio standards (FAR).

## Section B.2 Future Residential Development Potential

### B.2.1 Accessory Dwelling Units

State laws in effect since January 1, 2018 have significantly eased the development standards and streamlined the approval process for ADUs. As a result, the City has experienced an increasing trend in ADU building permit issuance and production in recent years. Table B-1 shows the number of building permits issued for ADUs in Novato from 2018 through 2021.

**Table B-1: Permitted ADUs – Building Permits Issued**

Year	Permitted ADUs
2018	6
2019	10
2020	16
2021	27
<b>Total</b>	<b>59</b>
<b>Annual Average</b>	<b>14.75</b>

*Source: City of Novato, Annual Progress Reports (APRs) 2019-2021*

In 2022, the City adopted updated Zoning Code [Section 19.34.030](#) (Accessory Dwelling Units) and [Section 19.34.031](#) (Junior Accessory Dwelling Units) to comply with recent State laws, correcting multiple inconsistent or prohibited provisions. The City issued an average of 14.75 ADU permits per year during a four-year period from 2018 through 2021. Based on this annual average, the City is projecting that 118 ADUs will be permitted over the eight-year planning period. The

Housing Element includes Program 1.B to continue to incentivize ADU production to help meet the City's RHNA. Furthermore, the City will monitor ADU production and affordability throughout the planning period and implement additional actions if target ADU numbers are not being met.

ABAG conducted [a regional ADU affordability analysis](#) to provide local governments in the region with assumptions for ADU affordability that can be used to assign projected ADUs to income categories. The ADU affordability assumptions identified in the ABAG technical guidance memo were applied to ADUs projected over the planning period and are listed in Table B-2.

**Table B-2: Affordability per ABAG ADU Survey**

Income Level	Percent	ADU Projections
Extremely Low/Very Low	30%	35
Low	30%	36
Moderate	30%	35
Above Moderate	10%	12
Total		118

Source: ABAG, [Using ADUs to Satisfy RHNA](#), 2022

### **B.2.2 Entitled and Proposed Developments**

Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have received a certificate of occupancy between July 1, 2022 and January 31, 2031 can be credited toward the RHNA. This includes housing developments that are proposed or received entitlement and are expected to be issued a certificate of occupancy no later than January 31, 2031. ~~Table B-3~~[Table B-3](#) lists those projects that meet those criteria and can be credited toward the 6<sup>th</sup> Cycle RHNA.

As indicated in Table B-3, these projects are all either already entitled (approved) or currently under review. Though ultimate construction of units is a decision that the developer/owner makes, these projects all have the ability to be completed within the 6<sup>th</sup> Cycle planning period.



Table B-3: ~~Approved/Entitled~~ **Developments and Proposed Development Pipeline** <sup>1</sup>

APN	Address	Status	Vacant/Existing or Previous Use	Units by Income Level <sup>2</sup>				
				Very Low	Low	Moderate	Above Moderate	Total Net New
124-282-18	200 San Marin Dr.	Approved	Vacant	–	–	6	–	6
125-180-49	8161 Redwood Blvd.	Approved	Vacant	–	40	40	–	80
125-202-03, 125-202-04, 125-202-05	773-777 San Marin Dr.	In review	Vacant office	130	130	–	1,040	1,300
<del>125-580-17,</del> 125-180- <del>2823,</del> 125-180-38	<del>–North Redwood Dr. &amp; Pinkston Rd.</del>	<del>Approved</del> In review	Vacant	<del>424</del> 9	8	<del>81</del> 2	<del>64</del> 61	<del>122</del> 130
141-201-12, 141-201-48	1787 Grant Ave.	In review	Vacant commercial	4	4	27	–	35
141-261-29	1316-1320 Grant Ave., 1020 Fourth St.	<del>In review (SB 35)</del> In review (SB 35)	Offices, residential	23	158	46	–	227
141-262-14, 141-262-13	1212-1214 Grant Ave.	In review (SB 35)	Offices	7	46	14	–	67
141-282-07, 141-282-04	1107-1119 Grant Ave.	In review (SB 35)	Vacant commercial	20	138	40	–	198
143-011-05, 143-011-08	<u>7506 &amp;</u> 7530 Redwood Blvd.	In review	Vacant	18	7	40	113	178
143-151-06	<del>–Bahia Dr. &amp; Topaz Dr.</del>	Approved	Vacant	–	–	–	5	5
153-162-70	101 Landing Ct.	Approved	Commercial, RV storage lot	4	3	25	–	32
157-690-37, 157-690-53	115 San Pablo Ave.	Sold to developer; application pending	Former Hamilton Air Base	–	36	–	55	91
153-170-56	200 Landing Ct.	In review	Vacant	–	3	3	22	28

Table B-3: ~~Approved/Entitled~~ **Developments and Proposed Development Pipeline** <sup>1</sup>

APN	Address	Status	Vacant/Existing or Previous Use	Units by Income Level <sup>2</sup>				
				Very Low	Low	Moderate	Above Moderate	Total Net New
157-970-07	<del>-826 State Access Rd.</del>	<del>In review</del> Under Construction	Former Hamilton Air Base	50	–	–	–	50
157-980-05	970 C St.	In review	Former Hamilton Air Base	–	3	29	–	32
Total				<del>2983</del> <b>05</b>	576	<del>2782</del> <b>282</b>	<del>1,299</del> <b>296</b>	<del>2,451</del> <b>459</b>

<sup>1</sup> Per project applications; current as of ~~December 2022~~ January 2024.

<sup>2</sup> Any low- or moderate-income units are or will be deed-restricted to the identified income level.

Source: City of Novato

## **Project Pipeline – Approved or Under Construction**

Projects in this category have received their development approvals and are either under construction or in a pre-construction phase of development.

### **124-282-18 | 200 San Marin Dr. | Comstock Commons**

This project consists of six live/work units on a 25,700 square foot infill parcel in the San Marin neighborhood of Novato. Due to its size, the project is exempt from the City's inclusionary housing requirement to provide affordable units on site, but is subject to paying in-lieu affordable housing fees; these fees are leveraged by the City to support other affordable housing projects such as the Habitat for Humanity and Homeward Bound of Marin projects described below. Because of the unit size and type, as well as the project location, the units are assumed to serve moderate-income households.



The applicant requested a zone change from Planned District to General Commercial and a condominium map, all of which were approved by the City on March 22, 2022.

### **125-180-49 | 8161 Redwood Blvd. | Habitat for Humanity**

This 80-unit residential project was proposed by Habitat for Humanity of Greater San Francisco (Habitat). The project is required to deed-restrict 100% of the units as affordable housing with 40 low-income and 40 moderate-income units. It is located on a 13.5-acre property donated to Habitat by Pacific Gas & Electric.

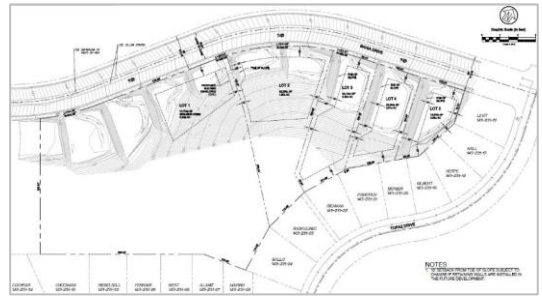


The property was formerly zoned for Light Industrial Office (LIO). A General Plan amendment and zone change, as well as all other needed entitlements, were approved by the City on January 11, 2022. In addition, the City granted tax and fee waivers totaling \$1,482,876 for the project, as well as two separate grants of \$350,000 and \$160,902 for a cumulative City contribution to the project of \$1,993,778. Habitat was able to leverage the two City grants via a three-way City-County-State program, which increased public funding of the project by another \$700,000 and \$321,804, respectively.

The project was issued a grading permit in November 2022 and is currently in plan review for building permitting.

### **143-151-06 | Bahia Dr. (east of Cerro Crest Dr., west of Topaz Dr.) | Bahia River View**

This project is a 5-lot subdivision of a vacant lot located in the Bahia neighborhood of Novato. The applicant requested a zone change from PD to R1-10 and tentative subdivision map in order to develop five single family homes. The City approved the requests in March 2022. The final map process to record the subdivision is currently in progress. The property and entitlements are currently for sale and have generated interest from residential builders.



### **153-162-70 | 101 Landing Ct. | AHO #2 (Former RV Storage Lot)**

This project site was one of the City's 5<sup>th</sup> Cyle Affordable Housing Opportunity (AHO) sites. This project redevelops a former RV, boat, and trailer storage lot into 32 townhomes. Because the site was an AHO site, it is required to deed-restrict 20 percent, or seven units, for lower-income households, set aside as four very low- and three low-income units. Because of the project location and size, the remaining units are assumed to serve moderate-income households.

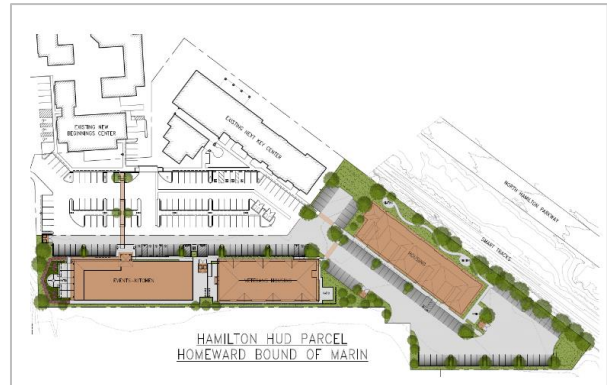


The City approved a vesting tentative map, density bonus (granting of waiver/reduction), and all other needed approvals on December 8, 2020. The property and entitlements were sold by the original project applicant to Affordable Housing Land Consultants, a limited liability corporation affiliated with AMG & Associates, a professional residential development firm. Construction of the project is pending submittal of construction detail plans and issuance of a building permit.

On July 25, 2023 the applicants submitted a revised development application that would include 350 residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

### **157-970-07 | 826 State Access Rd. | Homeward Bound of Marin Veteran's and Workforce Housing**

This project is located on a parcel at the former Hamilton Army Air Base. The property was transferred to the City of Novato by the federal government in the late 1990's and will be leased to Homeward Bound for \$1/year for the purposes of veteran's and workforce housing and jobs training. Homeward Bound is the primary operator of homeless shelters and services provider in Marin County.



The project consists of 26 workforce apartments and 24 one-bed units reserved for formerly homeless military veterans, as well as a 10,800 square foot commercial kitchen and event/dining space. The facility will house a culinary training program for residents of the new development as well as the neighboring Next Key Center. The workforce/veteran's housing will complete Homeward Bound's Hamilton campus. The campus includes Next Key, 29 studio apartments set aside for formerly homeless residents completing jobs trainings programs, and New Beginnings, an 80-bed shelter which opened in 2000, set aside for single adults and offering onsite employment skills training. The City approved the project in August 2022, along with a grant of \$750,000 to assist with development. The project pulled its first building permit in November 2022 and is currently under construction.

### **Project Pipeline – In Review**

Projects in this category are currently under active review by the City of Novato.

### **123-202-03, -04, -05 | 773-777 San Marin Dr. | Fireman's Fund**

The 777 San Marin project is proposed at the former Fireman's Fund office campus and is located in the North North Redwood Boulevard Focus Area (Site 7) of Novato General Plan 2035. General Plan 2035 was adopted in October 2020 and includes Land Use Policy 27, describing the City's perspective on future land uses and development in this focus area. In particular, Land Use Policy 27 acknowledges the City's interest in considering General Plan and zoning amendments for a mixed-use redevelopment (commercial and residential) of Site 7 if proposed by the owner. The property was purchased by San Marin Owner, LLC (Applicant), an affiliate of Bay West Development.



The City received an application for Design Review from the Applicant on July 7, 2021, together with all required forms and a deposit of \$7,206. The Applicant submitted a plan set for review by staff and the City's Design Review Commission.<sup>1</sup> Excerpts from their plan set follow:



Since that time, approximately 90 hours of City staff time and 75 hours of City consultant time have been spent working with the Applicant on redevelopment of the former Fireman's Fund Insurance campus to a mixed-density housing development. This time does not include significant staff time spent engaging the Applicant and their legal counsel in pre-property purchase and pre-application discussions prior to their formal application, including conversations about amending Novato General Plan 2035 to recognize a full residential redevelopment of the property. Based on these conversations, the Applicant subsequently purchased the property with an understanding there was staff support for a residential redevelopment proposal and an understanding of the application requirements and process to realize such development.

The Applicant filed their application prior to the City initiating its Housing Element update work. Once the update began, they requested to be brought into the Housing Element process. The Applicant was advised their proposal would be recognized in the Housing Element as a "pipeline project." Additionally, the City agreed to incorporate the project into the CEQA analysis needed for the Housing Element update to relieve the Applicant from covering the cost of separate CEQA documentation for the project.

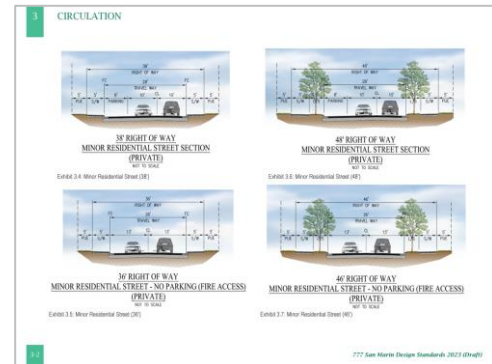
ARCHITECTURAL OBJECTIVE STANDARDS - SINGLE FAMILY	
Contemporary	
	<b>DEFINING CHARACTERISTICS (include all, unless otherwise noted):</b> <ul style="list-style-type: none"> <li>One primary roof form</li> <li>Subsidiary roof forms, and/or dormers smaller than primary roof form</li> <li>Gable, Shed or Flat roofs (Max. 2)</li> <li>0-10° Pitch</li> <li>0-10° Pitch</li> </ul>
	<b>Roof Materials:</b> <ul style="list-style-type: none"> <li>For pitched roofs only choose one of the following (does not apply to flat roofs): <ul style="list-style-type: none"> <li>Max. 40 year dimensional composition roof shingles</li> <li>Flat Concrete Roof Tiles</li> </ul> </li> </ul>
	<b>Exterior Finish (Max. 2):</b> <ul style="list-style-type: none"> <li>Horizontal Lap Siding with 4" 2" exposure</li> <li>Horizontal or Vertical 7-8" Siding</li> <li>Brick or Stone Veneer</li> <li>Metal Siding</li> <li>Stucco, smooth or fine dash finish</li> </ul>
	<b>Windows and Doors:</b> <ul style="list-style-type: none"> <li>Recessed windows (min. 2") or enhanced window trim (min. 2" deep) at front elevations, enhanced elevations, and 2nd story windows or additional elevations visible from a street or common open space</li> <li>Garage Doors: Flat (no panels) or rectangular recessed panels (no bevels). Any windows to be square or rectangular</li> </ul>
	<b>Trim and Accents:</b> <ul style="list-style-type: none"> <li>Trim shall match adjacent material</li> </ul>
	<b>Colors:</b> <ul style="list-style-type: none"> <li>No more than 3 wall colors or combination of colors and brick/stone veneer per building</li> <li>No more than 3 accent colors for trim, decorative elements, and doors per building</li> </ul>
<b>ADDITIONAL ENHANCEMENTS (minimum 1 required):</b> <ul style="list-style-type: none"> <li>Standing beam metal roof</li> <li>Decorative metal or wood railings</li> <li>Metal awnings at windows or doors</li> <li>Wood brackets or corners</li> <li>Wood Porch Posts</li> <li>Wood or Smooth Paint Trim</li> <li>Rectangular, Square or Round columns and pilasters - minimum of 4" width in any direction</li> <li>Flush entry doors with no panels. Any glazing to be square or rectangular</li> </ul>	

During conversations about the project's relationship to the Housing Element, staff observed that the proposal requires a particular mix of product types and densities, some of which are below

<sup>1</sup> City staff are aware that a consultant working on this project has provided comments to HCD. The particular comment was that they did not have an application on file. This comment appears to be in stark contrast to the application materials, deposit monies, staff work, and public meetings associated with this project and this property.

State “Mullen densities” and some that are above densities allowed by the City’s existing zoning designations. Staff also advised the Applicant that objective standards would be applied to the project consisting of the standards being developed for City-wide application to residential development in Novato (see Program 3.C).

The Applicant expressed concern about applying the City’s draft standards given some of the physical characteristics of the project site, such as existing utility and drainage easements and roadway network. The Applicant desired standards with more flexibility than that offered by the City’s draft objective standards. As a result, the Applicant requested to work collaboratively with City staff on the development of objective design standards specific to this development proposal and carry those standards through the City’s design review process. Since that time, the Applicant has developed a 68-page set of objective design standards for the entirety of the project site and its components, including residential unit types, circulation (streets) types and locations, and open space locations and configurations.



On January 23, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, 44-acres of the property is now assigned the High-Density Multiple Family Residential (R20) land use designation of Novato General Plan 2035. This designation permits a density range of 20.0 to 30.0 dwelling units per acre, representing development potential of up to 1,300 dwelling units. The balance of the property is now designated as Open Space (OS); this area is constrained by steep slopes, oak woodlands, drainage channels, and wetlands. The City Council’s action also included adopting an ordinance establishing a site-specific master plan/ precise development representing the zoning regulations applicable to future residential development projects at the property. The master plan/ precise development incorporates the objective design standards developed by the Applicant and recommended by the City’s Design Review Commission. Of note, the master plan/precise development plan includes a provision requiring a minimum of 25% of the single-family residences proposed at the property to include a junior accessory dwelling units, representing the potential for an additional 40 to 60 dwelling units.



### **125-580-23, 125-180-38 | North Redwood Dr. & Pinkston Rd. | Valley Oaks**

This proposed residential development includes 61 attached and detached single family homes with 42 attached junior accessory dwelling units (JADUs) and 20 townhome-style condominium units on a 37.6-acre site. The site has been laid out to avoid oak woodland habitat and creek crossings and has been sensitively designed around one of the City's other AHO sites from the 5<sup>th</sup> Cycle (the area shown in gray in the graphic and labeled "Land Use: BPO, Zoning: PD)."



Similar to the Fireman's Fund site at 777 San Marin (above), this project included a mix of densities and housing products. The City worked with this developer to design project-specific objective design standards for the build-out of the proposed project's housing units, streets, parking areas, and open space. The site-specific objective design standards were recommended for approval by the Design Review Commission on April 19, 2023. The developer has notified City staff that he has successfully negotiated a purchase deal with a builder and the project could complete permitting before the end of 2024 and be under construction.



The project will provide 16 to 20 units affordable to low- and moderate-income households in order to comply with the City's inclusionary ordinance. These units will be guaranteed through deed restrictions. In addition, the 49 JADU units are assumed to serve very low-income households due to their size and situation. The remaining units are assumed to serve above moderate-income households.

On January 9, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, portions of the property are now assigned the High-Density Multiple Family Residential (R20; 20- to 30- units per acre), Medium Density Residential (R5; 5.1 to 10.0 units per acre), and Open Space (OS) land use designations of Novato General Plan 2035. The City Council's actions also included adopting an ordinance establishing a site-specific master plan/precise development representing the zoning regulations applicable to future residential development projects at the property, as well as a tentative subdivision map. The master plan/precise development incorporates the objective design standards developed by the Applicant and recommended by the City's Design Review Commission.

### **141-201-12, -48 | 1787 Grant Ave. | AHO Site #1**

This residential project proposal is for 35 new attached single-family homes on two parcels, totaling 2.15 acres. The site was formerly occupied by Bridgepoint Academy, a private preschool facility. The site includes several constraints, including a creek and floodway easement, making more density difficult to achieve. This site was one of the City's AHO sites in the 5<sup>th</sup> Cycle and will need to meet the more



stringent affordability levels of the AHO sites. Four units will be deed-restricted for very low-income households while another four will be deed-restricted for low-income households. Based upon the project's location and project density, the remaining 27 units are assumed to serve moderate-income households.

### **141-261-29 | 1316-1320 Grant Ave., 1020 Fourth St. | AMG #1**

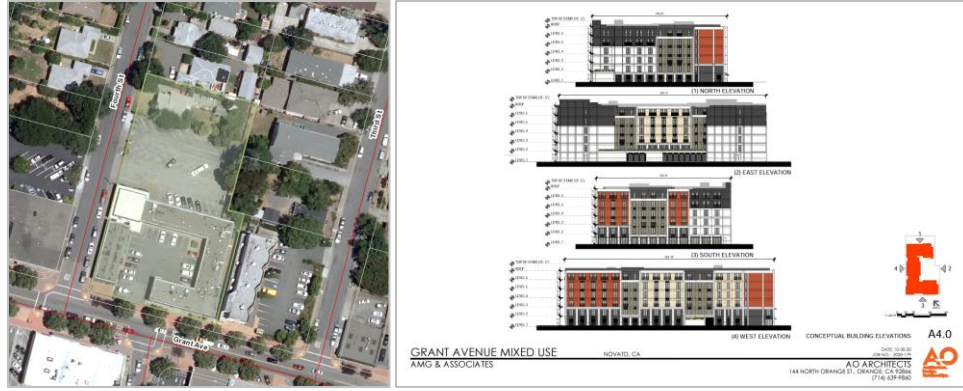
This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020.<sup>1</sup> This project is referred to as AMG #1 (City case file #P2020-038).

The proposed project is located on two parcels in Downtown Novato which combine to 1.2 acres and are currently improved with single story medical and dental office buildings and a single-family home. These improvements would be demolished to accommodate the proposed project. The applicant proposed a 75 percent density bonus project based on proximity to the City's Sonoma-Marín Area Rail Transit (SMART) station for a total of 225 units and 41 parking spaces. The developer's Notice of Intent (dated 10/30/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units (23 units) at 50% AMI for Marin County
- 10% of affordable units (23 units) at 60% AMI for Marin County
- 60% of affordable units (133 units) at 80% AMI for Marin County
- 20% of affordable units (46 units) at 110% AMI for Marin County.

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<sup>1</sup> City staff are aware that AMG & Associates has communicated to HCD about what they perceive to be an unwarranted amount of time spent in the AB 168 tribal consultation process. It is the City's perspective that the State legislature, through enacting AB 168, has confirmed that Native American tribes have a right to consult with developers and it is the City's role to facilitate that consultation process. The City has followed all applicable laws regarding these required consultations. Several of the consultation outcomes have been the sole decision of the developer or were the result of the developer's actions.



The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

### **141-262-13, -14 | 1212-1214 Grant Ave. | AMG #2**

This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020. This project is referred to as AMG #2 (City case file #P2020-013).

The proposed project is located on two parcels in Downtown Novato which are occupied by two small, single-story structures which currently house small service and retail businesses, including a travel agency. These improvements would be demolished to accommodate the proposed project. The two parcels combine to just over one-third of an acre (0.37 acres). The developer proposed an 80 percent density bonus project based on proximity to the City's SMART station for a total of 67 units; no parking is included. The developer's Notice of Intent (dated 11/11/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units at 50% AMI for Marin County
- 10% of affordable units at 60% AMI for Marin County
- 60% of affordable units at 80% AMI for Marin County
- 20% of affordable units at 110% AMI for Marin County.





The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

#### **143-011-05, -08 | 7506 & 7530 Redwood Blvd. | Village at Novato**

This project is a proposed mixed-use development of 178 new residential units and 14,00 square feet of retail space located along Redwood Boulevard, the City's major north/south arterial. It will be developed in one 3-story and two 4-story buildings on a currently vacant site which was designated as AHO Site #4 in the City's 5<sup>th</sup> Cycle Housing Element.



The applicant requested a density bonus with six requests for waivers or concessions. The identified affordability is based on the density bonus request of 46.25 percent in exchange for a very low-income unit contribution of 14.75 percent of the base yield of 122, or 18 units. The development will provide another seven units restricted for low-income households in order to meet the City's inclusionary requirements. These units will be guaranteed by deed restriction. In addition, the AHO designation carries a density of 20-23 units/acre, with a 20 du/acre minimum. At this density range and based on unit size, staff estimated 40 units will be rented to moderate-income households and the remaining 113 units would serve above moderate-income households.

On January 23, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, portions of the property are now assigned the Mixed Use (MU; 20- to 30- units per acre) and Affordable Housing Overlay (AHO) land use designations of Novato General Plan 2035. The City Council's actions also included rezoning the property to Mixed Use (MU) and approving a design review and density bonus request (additional units, concessions, and waivers) to support the project.

#### **157-690-37, -53 | 115 San Pablo Ave. | Bachelor Officers' Quarters and Officer's Club**

This project is the adaptive reuse of the historic Bachelor Officers' Quarters of the former Hamilton Army Airfield, together with the non-historic Officers' Club building and the non-historic Hamilton

Gym. The total site holdings are approximately nine acres. The property is currently being remapped for sale, so size is approximate. The City offered the parcels for sale through the Surplus Land Act process and has successfully negotiated a deal with a developer experienced with the renovation of historic properties. That developer has entered into a Purchase and Sale Agreement with the City and is in the process of developing their project plans.

The developer's plan is to renovate the Officers' Quarters and replace both the Officers' Club and Gym. Though early in the process, the developer has projected 91 total units and is anticipating setting aside no less than 40 percent of those units (or 36) for low-income households. This high percentage is the result of their particular funding sources. The remaining 55 units are assumed to accommodate above moderate-income households due to the project location, site, and amenities.



The developer has committed to timelines through the sales agreement which would result in the units being produced within the 6<sup>th</sup> Cycle planning period.

### **153-170-56 | 200 Landing Ct. | The Pavilions Eco Village**

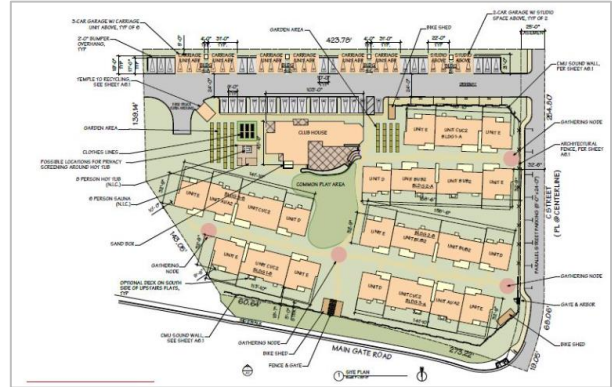
The subject site consists of a single parcel and is currently vacant and undeveloped. Surrounding uses and zones are mixed, with R1 and R4 single-family residential neighborhoods to the north and west, and parcels zoned General Commercial (GC) to the south and southeast. Immediately east of the property is Highway 101. One of the nearby GC parcels (101 Landing Ct.) is in the project pipeline and described above.

The site is considered feasible for a live/work development of 28 residential units of three affordability categories: three low-, and three moderate-, and 22 above moderate-income. Approximately two acres of the site area nearest to the existing street are considered developable. The remainder of the site has considerable slope, which has been difficult to design around. The plan shown to the right illustrates the development footprint that is feasible for development.

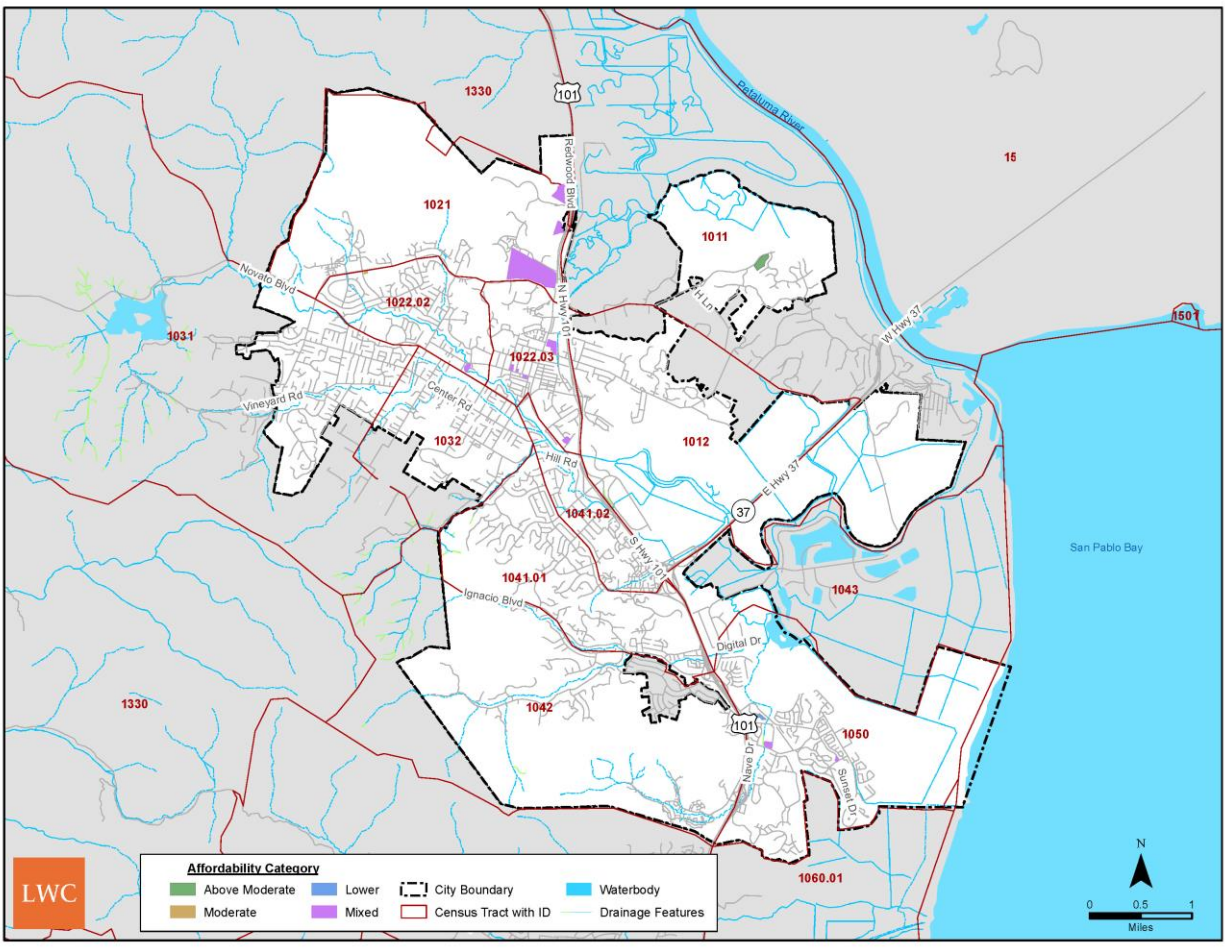
This neighborhood has been generally attractive for development/redevelopment as evidenced by the neighboring site with approval for residential development. This market evidence, together with the property owner's interest in residential zoning, proximity to amenities, and transit combine to make this site attractive for residential development.

### **157-980-05 | 970 C St. | C Street Village**

This proposed project is a co-housing development of 32 townhomes and flats, together with a 3,738 square foot clubhouse for community activities, located on a 2.68-acre parcel in Novato's Hamilton neighborhood. The project will be required to meet the City's 20 percent inclusionary requirement which would result in seven units being set aside for low- (4) or moderate- (3) income households. The unit sizes range from 840 to 1818 square feet. This project applicant is the actual group of buyers who will eventually own the housing units. They will essentially be acting as owner/builders and eliminating the typical mark-up that would come from a builder. Based upon this fact, as well as the unit sizes, the project density, and the project location, the remaining 25 units were also assumed to accommodate moderate-income households.



**Figure B-1: Entitled and Proposed Developments by Income Affordability Category**





## B.2.3 Density and Capacity Assumptions

Table B-4 identifies the maximum allowed densities for zoning districts that allow residential uses. Novato does not have any minimum density standards in any of the following zones.

**Table B-4: Maximum Density for Zones that Allow Residential Development**

<u>Zoning District</u>		<u>Max Density</u>
<b><u>Residential Districts</u></b>		
<u>RR</u>	<u>Rural Residential</u>	<u>0.49 du/ac</u>
<u>RVL</u>	<u>Very Low Density Residential</u>	<u>1 du/ac</u>
<u>R1</u>	<u>Low Density Residential</u>	<u>5 du/ac</u>
<u>R4</u>	<u>Medium Density Detached Residential</u>	<u>7 du/ac</u>
<u>R5</u>	<u>Medium Density Residential</u>	<u>10 du/ac</u>
<u>R10</u>	<u>Medium Density Multi-Family Residential</u>	<u>20 du/ac</u>
<u>R20</u>	<u>High Density Multi-Family Residential</u>	<u>30 du/ac</u>
<b><u>Commercial and Industrial Districts</u></b>		
<u>BPO</u>	<u>Business and Professional Office</u>	<u>=</u>
<u>CN</u>	<u>Neighborhood Commercial</u>	<u>20 du/ac</u>
<u>CDR</u>	<u>Downtown Core Retail</u>	<u>23 du/ac</u>
<u>CDB</u>	<u>Downtown Core Business</u>	<u>23 du/ac</u>
<b><u>Special Purpose Districts</u></b>		
<u>MU</u>	<u>Mixed Use</u>	<u>20 du/ac</u>
<u>CF</u>	<u>Community Facilities</u>	<u>20 du/ac</u>
<u>REI</u>	<u>Research/Education-Institutional</u>	<u>—<sup>1</sup></u>
<b><u>Overlay Districts</u></b>		
<u>D</u>	<u>Downtown Novato Specific Plan Overlay District</u>	<u>—<sup>2</sup></u>
<u>H</u>	<u>Historic Overlay District</u>	<u>—<sup>2</sup></u>
<u>AHO</u>	<u>Affordable Housing Opportunity Overlay District</u>	<u>23 du/ac</u>
<sup>1</sup> Maximum number of dwellings upon final buildout shall not exceed 130 residential units.		
<sup>2</sup> May be combined with any primary zoning district.		

*Source: City of Novato General Plan 2035, Chapter 2 (Great Places)*

## Realistic Capacity and Development Trends

Recent projects approved in Novato are an important indicator of realistic residential capacity for future projects in the community. Table B-4 ~~lists recent~~ 5 summarizes assumptions for realistic residential development capacity based on recent development trends from in process, approved,

entitled, and/or permitted projects approved in/within Novato which have received certificates of occupancy prior to July 1, 2022 and are not eligible to be included in the 6<sup>th</sup> Cycle Housing Element's project pipeline considerations.

**Table B-45: Realistic Residential Development Capacity Case Studies Assumptions**

<u>Zone<sup>1</sup></u>	<u>Projects Proposed, Approved, Permitted, and/or Built</u>	<u>Average Development Trends Capacity</u>	<u>Realistic Capacity Assumption</u>
<b><u>R1-10</u></b>	- <u>Bahia River View (0.73 du/ac; above moderate income)</u>	<u>0.7 du/ac (14.6% max density)</u>	<u>14.6% max density (0.7 du/ac)</u>
<b><u>R-10</u></b>	- <u>Springbrook Green Homes (7.03 du/ac; above moderate income)</u>	<u>7.0 du/ac (35.2% max density)</u>	<u>35% max density (7.0 du/ac)</u>
<b><u>MU</u></b>	- <u>Village at Novato (30.43 du/ac; mixed income)</u>	<u>30.4 du/ac (132% max density)</u>	<u>70% max density (4.3 du/ac)</u>
<b><u>-AHO</u></b>	- <u>Achieved Density (du/ac) 7711 Redwood Blvd. Residences (20.0 du/ac; lower income)</u> - <u>Grant Ave. Residences (16.7 du/ac; mixed income)</u> - <u>Landing Court Homes (16.2 du/ac; mixed income)</u>	<u>Percent Max. Density 17.6 du/ac (76.6% max density)</u>	<u>75% max density (17.3 du/ac)</u>
<b><u>PD</u></b>	- <u>Bahia Heights (1.1-5 du/ac; above moderate income)</u> - <u>Atherton Place (14.0 du/ac; above moderate income)</u> - <u>Hamilton Cottages (10.7 du/ac; mixed income)</u> - <u>Comstock Commons (10.7 du/ac; moderate income)</u> - <u>Habitat Redwood Blvd. (5.9 du/ac; mixed income)</u> - <u>Fireman's Fund (36.1 du/ac; mixed income)</u> - <u>Valley Oaks (3.2 du/ac; mixed income)</u> - <u>Bachelor Officer's Quarters/Office's Club (9.1 du/ac; mixed income)</u> - <u>Homeward Bound of Marin – Workforce and Veteran Housing (18.9 du/ac; very low income)</u> - <u>C Street Village (12 du/ac; mixed income)</u>	<u>912.2 du/ac (57.4% max density)<sup>2</sup></u>	<u>4.0512.2 du/ac</u>
<b><u>CDR</u></b>	- <u>1301 Grant Ave. Mixed Use and HenHouse Brewing Company (21.4 du/ac; above moderate income)</u> - <u>Grant Ave. &amp; 3<sup>rd</sup> St. (181.1 du/ac; mixed income)</u> - <u>Grant Ave. Mixed Use Project (189.2 du/ac; mixed income)</u> - <u>AMG 3 (232.9 du/ac; mixed income)</u>	<u>CDR 156.2 du/ac (678.9% max density)</u>	<u>375% max density (17.3 du/ac)</u>
<b><u>CF</u></b>	- <u>Hamilton Village (16.0 du/ac; above moderate income)</u>	<u>80% 16.0 du/ac (80% max density)</u>	<u>75% max density (15 du/ac)</u>

~~R10-4.5~~<sup>1</sup> No sites are located in the A, C, RR, RVL, R1, R4, R5, BPO, CN, CG, CDR, CDB, CI, LIO, CF, REI zoning districts, nor are any sites within the D or H overlay districts.

~~<sup>2</sup> Percentage of maximum density calculated from proposed, approval, permitted, and/or built projects on parcels whose underlying General Plan land use designation possessed a maximum density (i.e., R1, R10, MU, CN, CF). This percentage calculation excluded the following projects: Comstock Commons, Habitat Redwood Blvd., Fireman's fund, Valley Oaks.~~

Source: City of Novato

The realistic capacity assumptions identified in Table B-5 are conservative, reflecting densities in-line or slightly lower than demonstrated trends, though there are instances in which development has been proposed above 100 percent of maximum allowed density. For example, the Village at Novato project (currently in review, as described above in Table B-3) proposes 25 lower-income, 40 moderate-income, 113 above moderate-income housing, as well as 14,000 square feet of ground floor retail/commercial space. This higher density and the number of affordable units are the result of the property being within the Affordable Housing Opportunity (AHO) Overlay, a requested zoning amendment from General Commercial (CG) to Mixed-Use (MU), and the applicant requesting a density bonus pursuant to State law.

Of the recently proposed, approved, and/or entitled projects in these zones (see Table B-5), no projects requested densities below the density assumptions for the sites inventory (see Table B-7).

Projects that are below maximum density are constrained by various factors, including but not limited to the ~~widespread use of the Planned Development (PD) zoning district. Although the PD district itself does not identify specific uses or development standards allowable in this zone, in practice, comparable standards and uses particular to the proposed use are implemented and allowed. In addition~~City's hillside lot regulations, design standards/guidelines, and the Design Review process. As discussed in Appendix C, Division 19.26 (Hillside and Ridgeline Protection) of the Zoning Ordinance will be evaluated and modified to reduce ambiguities in hillside regulations and streamline their application to relevant parcels (Program 3.B). Additionally, Section 19.42.030.E (Design Criteria), which describes the findings required during the Design Review process, will be replaced with objective design standards in compliance with SB 330 (Program 3.C) and the Design Review process as a whole will be streamlined to reduce average processing time (Program 3.D). Also, market forces in Novato influence housing development to keep density lower than in other parts of the Bay Area region.

## **B.2.4 Methodology**

To create the Housing Element sites inventory in compliance with State law, the City of Novato developed a comprehensive, iterative methodology to screen parcels for near-term development. The methodology is comprised of several phases described below.

### **Phase 1: Vacant Residential Parcels**

The City analyzed vacant sites in multi-family and mixed-use zoning districts identified in the 5<sup>th</sup> Cycle Housing Element to determine which are still available for development. Each vacant parcel was identified to potentially be able to accommodate a specific income category given its maximum allowable density standards. Income level determinations are identified in Table B-6. The lower-income category threshold is consistent with the default density for Novato pursuant to Government Code Section 65583.2(c)(3).

**Table B-6: Income Levels by Density**

<u>Density Allowed by Zone</u>	<u>Income Level</u>
<u>&lt; 10 dwelling units/acre</u>	<u>Above moderate</u>
<u>10 – 19 dwelling units/acre</u>	<u>Moderate</u>
<u>≥ 20 dwelling units/acre</u>	<u>Lower</u>

Source: HCD

## **Phase 2: Screening for Potential Lower-Income Sites**

Per Government Code Sections 65583.2(c)(2)(A) and (B), sites accommodating lower-income housing should be between 0.5 and 10 acres. All sites originally considered for lower income housing capacity but whose lot size is smaller than 0.5 or larger than 10 acres were categorized for moderate income housing capacity.

## **Phase 3: Site-by-Site Assessment**

Following the screening analysis, a site-by-site assessment and refinement of sites was conducted using additional information from direct observation or firsthand experience from City staff. During this analysis, some potential sites were found to have other conditions (e.g., irregular shape, accessibility issues/landlocked, etc.) that could preclude them from the site inventory. This analysis included an evaluation of environmental and infrastructure constraints, described in Appendix C, Section C.4. There are no known environmental, infrastructure, contamination, easement, or property condition constraints to the development of housing on the identified sites in the sites inventory during the planning period.

## **Phase 4: Parcels in Prior Housing Elements**

Vacant parcels from both the 4th and 5th Cycles and non-vacant parcels from the 5th Cycle can be reused in this Housing Element (the 6th Cycle) to accommodate lower-income housing, but they must be rezoned to allow projects with at least 20 percent of the units affordable to lower income households to be by-right. Figures B-2 and B-3 below show all 6<sup>th</sup> Cycle sites and identify any site previously identified as a site in the 5<sup>th</sup> Cycle. All 6<sup>th</sup> Cycle sites currently allow multi-family housing by-right at densities adequate to accommodate lower-income housing based on the City's General Plan and Zoning Code; therefore, no additional rezoning is required.

## **Phase 5: Rezone Site Selection**

The preliminary evaluation of existing residential capacity showed the need to identify additional sites to accommodate the RHNA. Based on statements of interest and local knowledge, the City prepared an initial list of potential rezone areas/parcels. The sites were narrowed to those found to be most suitable for housing development based on environmental impact, property owner interest, likelihood of development, and affirmatively furthering fair housing (see Appendix F). The

potential rezone sites and associated evaluation were presented and discussed at the Planning Commission and City Council. The City Council considered input from the public and Commission before approving the rezone areas/parcels for inclusion in the Housing Element. Based on this direction, this Housing Element includes Program 1.A (Rezone for RHNA Shortfall).

Table B-7 lists the parcels in the City's housing sites inventory with unit capacity by income category, excluding parcels identified for rezoning.

**Table B-7: Sites Inventory**

Location		Current Designation		Density (du/ac)		Acres	Existing Use	Infra.	Publicly Owned	Identified In Past HE Cycles	Unit Capacity			Income Categories		
Address/ Intersection	APN	GP	Zoning	Min.	Max.						Max	Density Assumption	Realistic Net	Lower	Mod.	Above Mod.
<u>1110 Olive Ave.</u>	<u>141-234-10</u>	<u>R10</u>	<u>R10-4.5</u>	<u>=</u>	<u>20</u>	<u>0.49</u>	<u>Vacant</u>	<u>Current</u>	<u>No</u>	<u>Yes, Last 2</u>	<u>9.80</u>	<u>35%</u>	<u>3</u>	<u>=</u>	<u>3</u>	<u>=</u>
<u>1017 4th St.</u>	<u>141-253-09</u>	<u>R10</u>	<u>R10-4.5</u>	<u>=</u>	<u>20</u>	<u>0.17</u>	<u>Vacant</u>	<u>Current</u>	<u>No</u>	<u>Yes, Last 2</u>	<u>3.46</u>	<u>35%</u>	<u>1</u>	<u>=</u>	<u>1</u>	<u>=</u>
<u>Vallejo Ave. &amp; 1st St.</u>	<u>141-263-30</u>	<u>MU</u>	<u>MU</u>	<u>=</u>	<u>20</u>	<u>0.31</u>	<u>Vacant</u>	<u>Current</u>	<u>No</u>	<u>Yes, Last 2</u>	<u>6.26</u>	<u>70%</u>	<u>4</u>	<u>=</u>	<u>4</u>	<u>=</u>
													<b>Total</b>	<b>0</b>	<b>8</b>	<b>0</b>

Source: City of Novato

## Section B.3 Adequacy of Residential Sites in Meeting RHNA

### B.3.1 Summary

Table B-58 summarizes the City's methods for satisfying the majority of its RHNA and outlines the City's unit capacity based on projected ADUs ~~and~~ approved/entitled projects ~~provided, and available sites~~ (described above in Tables B-1 ~~B-3,~~ and B-37). Based on these sources ~~(ADU projections and approved/entitled projects),~~ the City has excess capacity in the lower and above moderate- income categories, but a shortfall of 14 units in the moderate-income category. The City has identified potential parcels for rezoning to address the RHNA shortfall, which would result in surplus capacity for all income levels (Table B-69 and Program 1.A).

Table B-58: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>	<b>See Very Low</b>	<b>570</b>	<b>328</b>	<b>332</b>	<b>860</b>	<b>2,090</b>
ADUs	–	35	36	35	12	118
<u>Proposed/</u> Approved/ Entitled Projects	–	<u>298305</u>	576	<u>278282</u>	<u>1,299296</u>	<u>2,454459</u>
<u>Sites Inventory</u>	=	=	=	<u>8</u>	=	<u>8</u>
<b>Remaining RHNA</b>	See Very Low	<u>-4754</u>		<u>197</u>	<u>-454448</u>	<u>-479495</u>
<b>Surplus / (Shortfall)</b>		<u>4754</u>		<u>(197)</u>	<u>454448</u>	<u>479495</u>

Source: City of Novato, LWC

Table B-69: Residential Development Potential and RHNA (With Rezoning Program)

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>	<b>See Very Low</b>	<b>570</b>	<b>328</b>	<b>332</b>	<b>860</b>	<b>2090</b>
ADUs	–	35	<u>3536</u>	35	12	<u>417118</u>
<u>Proposed/</u> Approved/ Entitled Projects	–	<u>298305</u>	576	<u>278282</u>	<u>1,299296</u>	<u>2,454459</u>
<u>Sites Inventory</u>	=	=	=	<u>8</u>	=	<u>8</u>
<b>Remaining RHNA</b>	See Very Low	<u>-4754</u>		<u>197</u>	<u>-454448</u>	<u>-479495</u>
<b>Surplus / (Shortfall)</b>		<u>4754</u>		<u>(197)</u>	<u>454448</u>	<u>479495</u>
Potential Rezoning		<u>=</u>		42	<u>0</u>	42
<b>Final Surplus / (Shortfall) with Rezoning</b>		<u>4754</u>		<u>2335</u>	<u>454448</u>	<u>521537</u>

Source: City of Novato, LWC



The City will monitor development during the 6<sup>th</sup> Cycle planning period (2023-2031), and will identify additional sites for housing development, if needed, to maintain availability of adequate sites. (Program 1.E).

AB 725 requires at least 25 percent of the above moderate income RHNA be met on sites that allow four or more units, and at least 25 percent of the moderate income RHNA be met on sites that allow four or more units, but not more than 100 units per acre. The City's residential potential through the entitled/proposed projects, ~~preliminary~~ pipeline, and ~~sites~~ sites inventory complies with these requirements.

### **B.3.2 Rezoning Program**

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The City has specifically identified two rezone sites in order to make up and exceed its moderate income RHNA shortfall and to ensure a surplus or buffer to help maintain its inventory to satisfy its "no-net loss" obligations under SB 166 throughout the planning period. The two rezone sites are as follows:

1. North Redwood
2. Baywood Center Offices

The owners of ~~both~~ the two rezone sites have indicated interest in redeveloping these parcels for housing during the planning period (i.e., prior to January 31, 2031). In addition, the City has taken a conservative approach in estimating realistic capacity at each rezone site given unique parcel size, shape, slope, and other geographic characteristics, as well as the density and capacity assumptions described earlier. Please see the individual rezone site profiles below for a more detailed discussion of each.

#### **Market Conditions for Nonvacant Properties**

Of the City's two rezone sites, only Site #2 (also called Baywood Center Offices or 1682 Novato Blvd.) is nonvacant. However, the existing use (office building) is not considered an impediment to residential development given the property owner's interest in discontinuing this use and redevelopment of the site during the planning period.

Redevelopment potential of Site #2 is supported by recent development trends. As demonstrated in Table B-3, three of the City's pipeline projects include nonvacant sites with underutilized office space being redeveloped into multi-family residential developments representing a variety of project scales and levels of unit affordability (see project narratives for Fireman's Fund, AMG #1, and AMG #3 above). The declining trend of brick-and-mortar retail coupled with COVID-19 pandemic impacts has dramatically impacted the viability of many commercial uses – as demonstrated in Table B-3, even several fully-occupied commercial properties and properties with other low-intensity uses are being converted into multi-family and residential mixed-use projects

in Novato. These conversions are occurring based on the strong demand for housing and lack of vacant land.

Redevelopment potential of Site #2 is further supported by recent market data. According to a report by real estate firm Cushman and Wakefield, the regional North Bay office vacancy rate increased in the second quarter of 2023 to 14.2 percent, just below the 14.4 percent vacancy rate observed at the close of the fourth quarter of 2022 – the highest level seen since 2012.<sup>1</sup> The Northern Marin sub-region (which includes Novato and San Rafael) had the highest vacancy rate at 17.2 percent. This decreasing demand for office space serves as additional evidence that existing office uses are not impediments to the redevelopment of housing.

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<sup>1</sup> Cushman & Wakefield, San Francisco North Bay MarketBeat Report, Office Q2 2023. (July 2023)

## Site 1 – North Redwood

Location	Meadow Crest Rd. and Wood Hollow Dr.
APN	125-202-12
Current General Plan Designation	Business & Professional Office (BPO)
Proposed General Plan Designation	High Density Multiple Family Residential (R20)
Current Zoning District	Planned Development (PD)
Proposed Zoning District	High Density Multiple Family Residential (R20)
Lot Size	8.36 acres
Estimated Housing Units	20 moderate-income units, based on realistic site capacity



### Background and Description:

The subject site is an undeveloped parcel located in the San Marin Commerce Park Master Plan area. The site was originally designated for office development in 1979 and has remained vacant despite approval of an office development in 2000.

Surrounding development includes existing single- and multi-family residences, a to-be-constructed hotel, an 80-unit townhome project under-construction on a site rezoned through Novato's 5<sup>th</sup> cycle Housing Element, and an existing office building. There are two pending housing development proposals on separate parcels adjacent to the property. The site is within a half-mile of the San Marin SMART commuter rail station.

### Key Considerations and Feasibility for Site Development:

The site is located in an area of Novato transitioning from prospective office use to housing development given a long-standing lack of demand for new office space. This assessment was corroborated by the property owner, who independently approached the City with a desire to rezone for residential development, even given topographic conditions requiring compliance with the City's hillside development regulations.

Although the site is relatively large in acreage, it is irregularly shaped, steeply sloped in many areas, and hosts stands of oaks trees and open grassland. Despite these characteristics, the site is considered feasible for residential development on the basis of the City's decision in 2000 to approve a 24,000 square-foot office building on the site, which was found to meet Novato's hillside development requirements. Accordingly, the site is projected to accommodate approximately 20 multi-family residences constructed within the same development envelope, building footprint, floor area, and height of the previously approved office building. Such a housing development could potentially consist of one- and two-bedroom apartments or small condominiums in a stacked-flat configuration with surface parking.

## Site 2 – Baywood Center Offices

Location	1682 Novato Blvd.
APN	141-291-32
Current General Plan Designation	Business & Professional Office (BPO)
Proposed General Plan Designation	High Density Multiple Family Residential (R20)
Current Zoning District	Business & Professional Office (BPO)
Proposed Zoning District	High Density Multiple Family Residential (R20)
Lot Size	1.41 acres
Estimated Housing Units	22 moderate-income units, based on realistic site capacity



### Background and Description:

The subject site consists of a single parcel developed with a three-story, 32,531 square-foot office building with on-site surface parking. Owners of the property requested the City consider this site for potential redevelopment with housing.

The area surrounding the site is developed with commercial uses, single-family homes, and multi-family residences. The site is within easy walking distance to bus stops, restaurants, retail outlets, public parks and facilities (i.e., library, gymnastics, and teen centers), and other commercial services.



### Key Considerations and Feasibility for Site Development:

The site is considered to be feasible for housing development of up to 22 residential units through the conversion of the existing building to one- and two-story apartments or small condominiums or redevelopment with a new apartment or condominium development. The site is located in the AO flood zone, but is otherwise free of any known physical constraints that would impair conversion of the existing building to housing or the construction of a new building(s) for housing. New development would need to conform to special design regulations published by the Federal Emergency Management Agency due to the flood zone designation and there are numerous examples in the City of housing developments meeting such standards.

The high vacancy rate of the existing office building, as reflective of the overall office market in Novato, prompted the property owner to request the City consider this site for redevelopment with housing units. Notwithstanding the owner's expressed interest in housing, this site is considered to be generally attractive for redevelopment with multi-family housing given its proximity to downtown Novato, public transit, public parks and facilities, and commercial services.

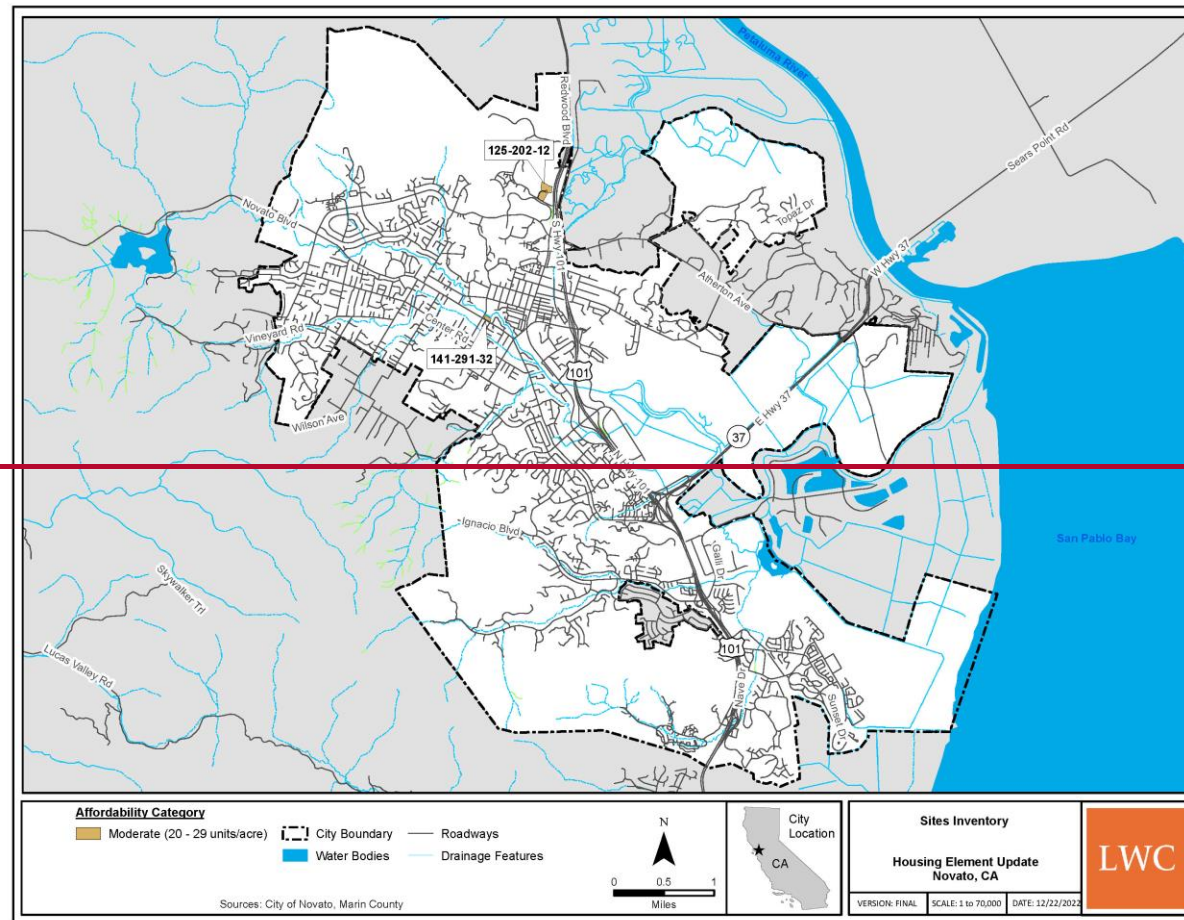
### B.3.3 Housing Sites Map

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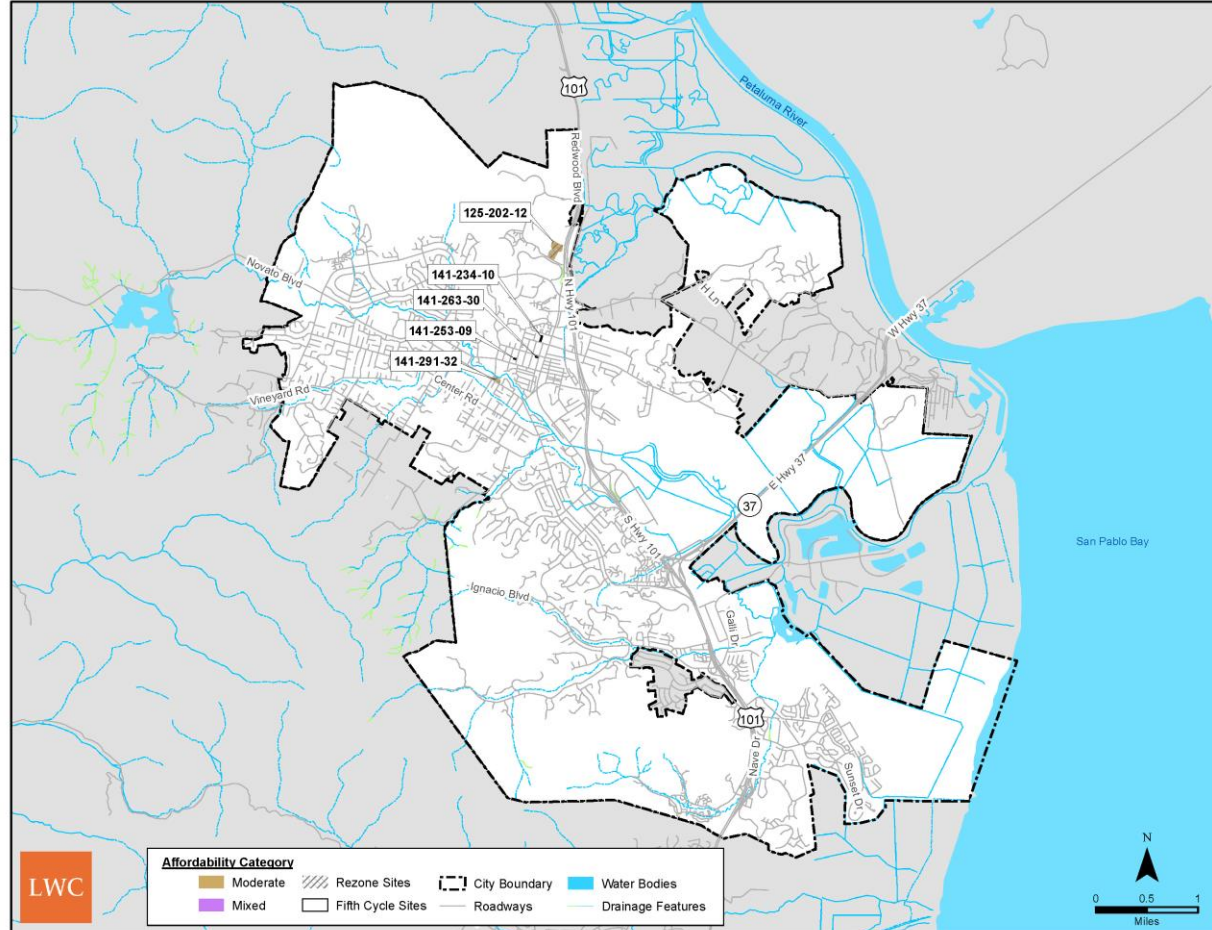
Figures B-~~12~~ and B-~~23~~ show the sites inventory ~~of~~ and rezone sites by anticipated income affordability category.

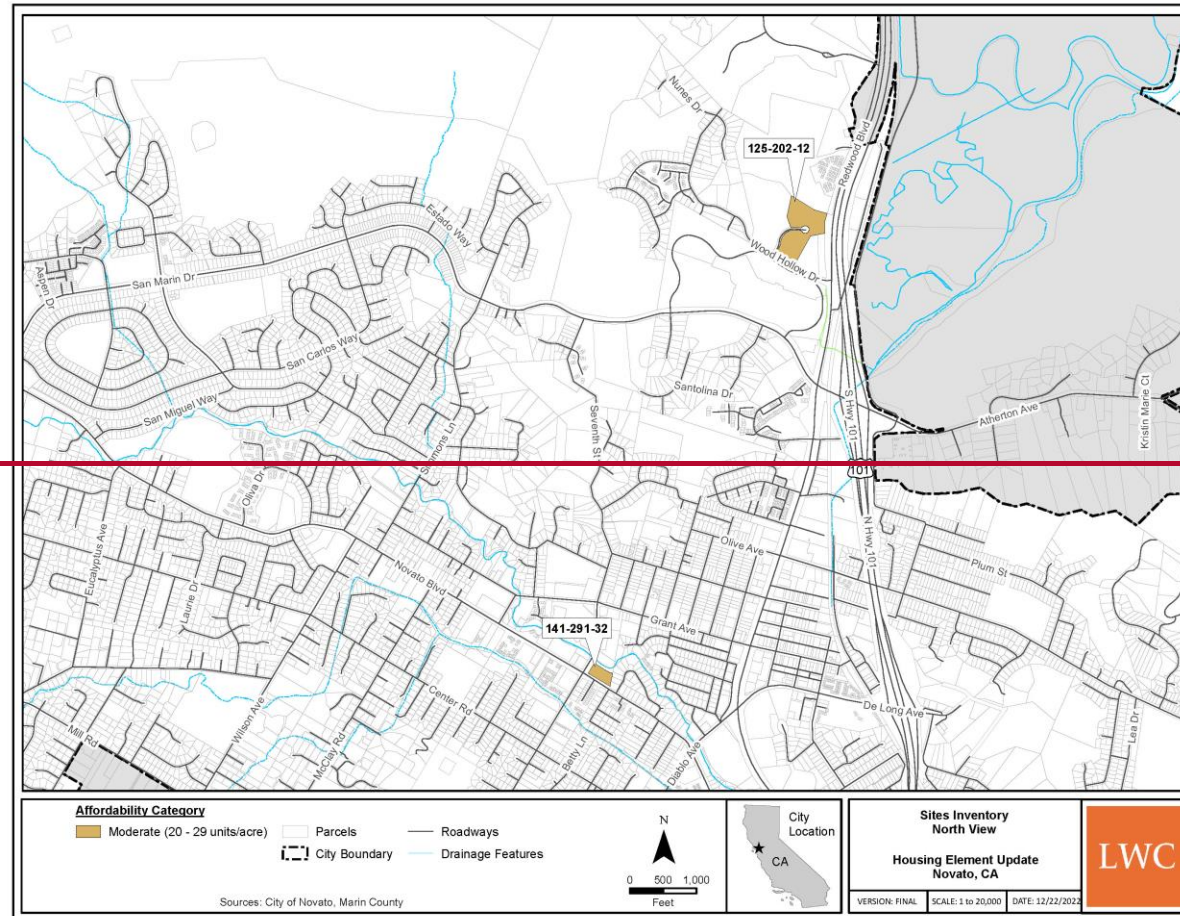
Figure B-42: 6<sup>th</sup> Cycle Housing Element ~~Site~~Sites Inventory and Rezone Sites by Income Affordability Category (City View)

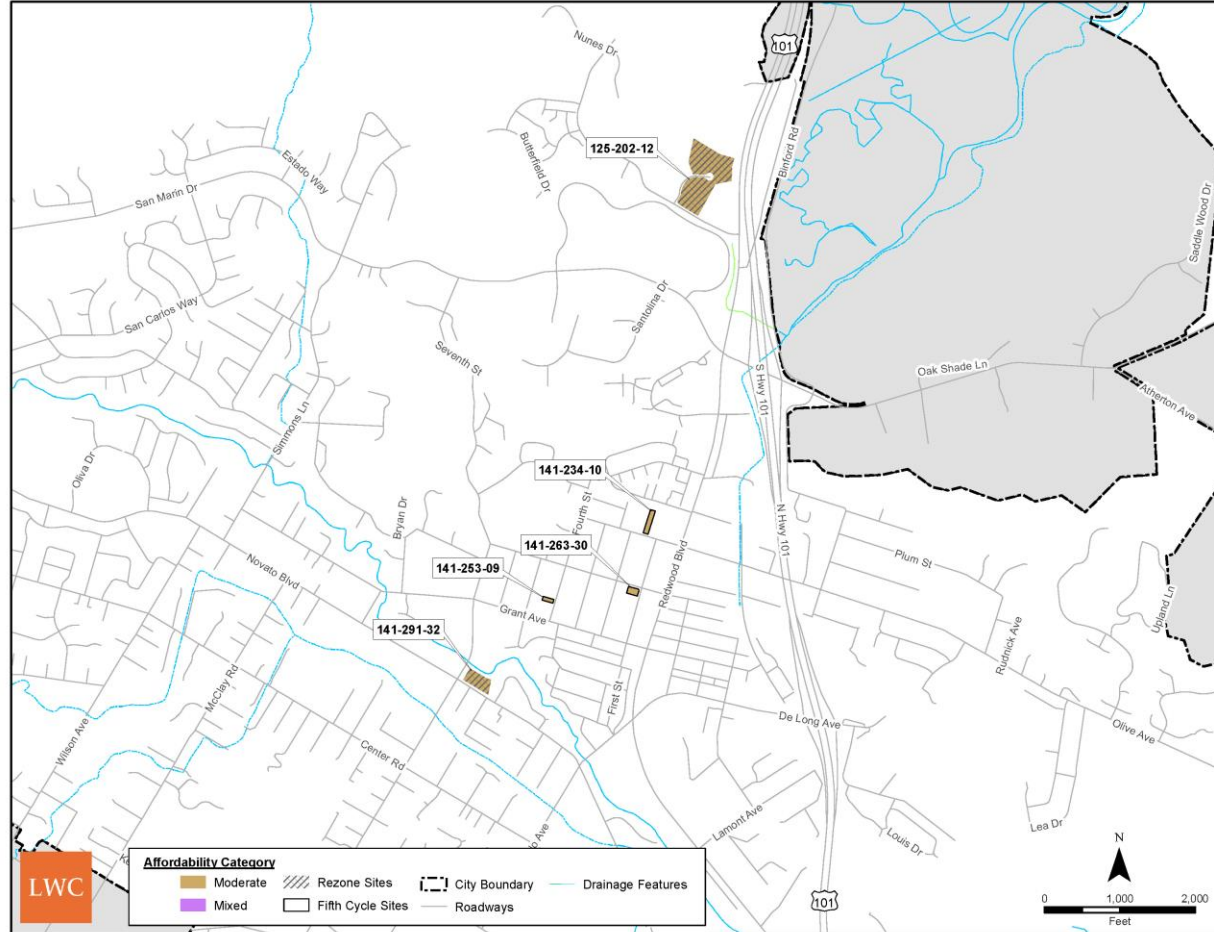












### B.3.4 Housing Sites Table

Table B-79 lists the parcels in the City's housing sites inventory with unit capacity by income category. All sites are subject to rezoning.

**Table B-710: Rezone Sites**

Address	APN	Parcel Size (Acres)	Existing Use	Current		Proposed		5 <sup>th</sup> Cycle Site	Income Category	Gross Max. Units <sup>1</sup>	Realistic Units
				General Plan	Zoning	General Plan	Zoning				
—	125-202-12	8.36	Vacant	BPO	PD	R20	R20	No	Moderate	133	20
<b>1682 Novato Blvd.</b>	141-291-32	1.41	Offices	BPO	R10	R20	R20	No	Moderate	22	22
<b>Total</b>										<b>155</b>	<b>42</b>
<sup>1</sup> Assumes 20 dwelling units per acre, multiplied by 0.80 to account for non-habitable space, and rounded down.											

Source: City of Novato, LWC

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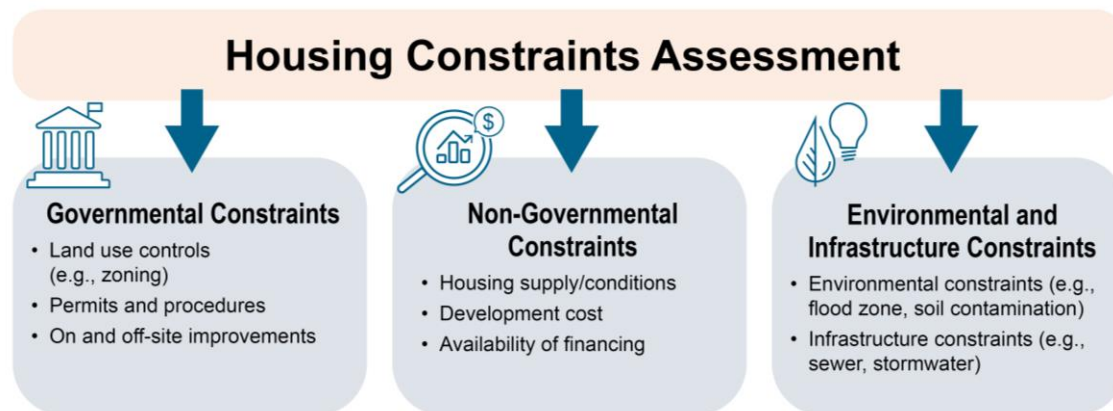
## Section C.1 Introduction and Summary

### C.1.1 Introduction

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This Appendix covers local governmental, non-governmental, environmental, and infrastructure constraints to housing production in Novato.



### C.1.2 Summary

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City policies and regulations, such as the Zoning Ordinance, and market factors outside of the City's control affect the quantity and type of residential development that occurs in Novato. The following summarizes key governmental and non-governmental constraints to housing development as detailed in this Appendix:

- Definitions within the City's hillside protection regulations are not objective and need to be revised. In addition, ordinance language regulates parcels based on the site's average slope and not the slope of areas proposed for development.
- The design review process has not yet been comprehensively revised to comply with State requirements for objective design standards and streamlined processing. Currently, it includes a sequenced process with land use approval that lengthens the review timeline.
- Due to recent legislative updates, zoning provisions for certain residential uses are not consistent with State law (e.g., Low Barrier Navigation Centers, employee/farmworker housing, density bonus, etc.).
- The City's calculation of density bonus units does not include units designated to satisfy affordable housing inclusionary requirements, which is prohibited by State law.
- Economic conditions in Novato reflect a competitive housing market for both for-sale and rental housing, although comparatively lower land costs facilitate more affordable housing development relative to the rest of the Bay Area.



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## Section C.2                      Governmental Constraints

### C.2.1                      Introduction

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Since governmental actions can constrain the development and the affordability of housing, State law requires the housing element to "address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Government Code [Section 65583\(c\)\(3\)](#)).

The primary policies and regulations that affect residential development and housing affordability in Novato include the General Plan, the Zoning Ordinance (the Ordinance), development processing procedures and fees, on- and off-site improvement requirements, and the California Building and Housing Codes. In addition to a review of these policies and regulations, this Section includes an analysis of the governmental constraints on housing production for persons with disabilities.

### C.2.2                      Land Use Controls

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The following provides an overview of the City's land use controls and their relation to the City's housing supply.

#### **General Plan Land Use Designations**

The City adopted General Plan 2035 on October 27, 2020. Chapter 2 (*Great Places*) addresses State requirements, usually fulfilled by a Land Use Element, including sections on land use, community character, and housing, which direct the location and form of future development.

The General Plan includes 19 land use designations that allow a range of residential development types at a variety of densities (see Table C-1). Density is used for residential land use designations and is described by dwelling units per net acre (du/ac). For primarily non-residential designations, intensity is also used, expressed as the floor area ratio (FAR), which is the total gross floor area of all buildings on a lot relative to the total land area of that lot.

**Table C-1: General Plan Land Use Designations Allowing Residential**

FAR= floor area ratio   du = dwelling unit   ac = acre			
General Plan Designation	Max. Residential		Description
	Density (du/ac)	Intensity/FAR	
Residential			
Rural Residential (RR)	0.49	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses in rural, low-density settings. Additionally, certain agriculture, recreation, education, resource, assembly, lodging, day care, and utility uses may be allowed.
Very Low-Density Residential (RVL)	0.5 - 1	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses on larger lots. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Low-Density Residential (R1)	1.1 - 5	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Detached Residential (R4)	4.1 - 7	–	Applies to areas appropriate for single family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Residential (R5)	5.1 - 10	–	Applies to areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single and two-family homes, either detached or attached, and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Multi-Family Residential (R10)	10.1 - 20	0.6 <sup>1</sup>	Applies to areas appropriate for single family, two-family and multi-family homes and related accessory residential uses. Additionally, certain education, assembly, lodging, day care, and utility uses may be allowed.
High Density Multi-Family Residential (R20)	20.1 - 30	0.6 <sup>1</sup>	Applies to areas appropriate for multifamily housing and related accessory residential uses. Additionally, certain education, assembly, lodging, day care, and utility uses may be allowed.
Commercial and Mixed-Use Designations			
Mixed-Use (MU)	10 - 20	0.4 - 0.8 <sup>2</sup>	Appropriate for sites where the surrounding area is currently developed with a mix of commercial and residential land uses. Certain retail, office, research and development, service, live-work <sup>3</sup> , recreation, assembly, education, and utility facilities may be allowed. Housing development may be permitted only in conjunction with commercial and/or office uses.
Neighborhood Commercial (CN)	10 - 20	0.4 - 0.6 <sup>2</sup>	Applied to neighborhood shopping areas including a mix of retail, service, office, and utility uses. Additionally, certain recreation, assembly, education, and residential uses may be allowed.
General Commercial (CG)	–	0.4	Applied to areas appropriate for a broad range of retail, service, research and development, office, recreation, assembly, education,

**Table C-1: General Plan Land Use Designations Allowing Residential**

FAR= floor area ratio   du = dwelling unit   ac = acre			
General Plan Designation	Max. Residential		Description
	Density (du/ac)	Intensity/FAR	
			and live-work <sup>3</sup> uses. Additionally, certain manufacturing and utility uses may be allowed.
<b>Downtown Core (CD)</b>	10 - 23	1.2 or 2 <sup>2</sup>	Applied to the downtown area suitable for a mix of retail, service, office, recreation, assembly, and education uses. Additionally residential (mixed use and live-work <sup>3</sup> ) and utility uses may be allowed.
<b>Business and Industrial Designations</b>			
<b>Commercial/Industrial (CI)</b>	–	1	Applied to areas suitable for intensive commercial land uses, including certain manufacturing, processing, warehousing, retail, service, office, research and development, recreation, education, utility, and live-work <sup>3</sup> uses.
<b>Business and Professional Office (BPO)</b>	–	0.4	Applied to areas appropriate for a variety of office, research, and education activities. Additionally, certain limited retail, service, residential (live-work <sup>3</sup> ), and utility uses may be allowed.
<b>Research/Education-Institutional (REI) <sup>3</sup></b>	1	0.2	Applied to areas suitable for a mix of medical research, educational and laboratory uses, with related multi-family residential, recreation, office, and commercial uses in a campus setting.
<b>Light Industrial/Office (LIO)</b>	–	0.4 - 0.6	Applied to areas appropriate for light industrial and manufacturing uses, including warehousing, office, retail, live-work <sup>3</sup> and utility uses that will not create objectionable noise, smoke, odor, dust, and other nuisances. Additionally, service, education, and recreation uses may be allowed.
<b>Community and Natural Resource Designations</b>			
<b>Conservation (CON)</b>	1 du/10ac - 1 du/60ac	–	Applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.
<b>Agriculture (AG)</b>	1 du/60ac	–	Applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.
<b>Community Facilities, Public Utilities, and Civic Uses (CF)</b>	10.1 - 20	0.8 <sup>2</sup>	Applied to areas suitable for public land uses, including certain open space and recreation uses may be allowed. Additionally, education, assembly, medical, research and development, service, residential and utility uses may be allowed.
<b>Affordable Housing Opportunity Combining Designation (AHO)</b>	20 – 23 <sup>4</sup>	–	Applied to multi-family dwellings, accessory retail and service uses, recreation, home occupations, community facilities, and other similar uses to serve residents of multi-family dwellings, or any land use normally allowed in the primary land use designations.
<sup>1</sup> Residential care facilities for the elderly. <sup>2</sup> Mixed-use <del>project</del> projects must comply with both the FAR and the allowable density range. <sup>3</sup> Live-work projects consist of an integrated housing unit and working space, occupied and utilized by a single household in a commercial or industrial structure which has been designed or structurally modified to accommodate joint residential occupancy and work activity, which includes complete kitchen space and sanitary facilities and working space reserved for and regularly used by one or more occupants of the unit. A live-work unit is not a multi-family dwelling or mixed-use development. <sup>4</sup> Multi-family housing.			

Source: City of Novato General Plan 2035, Chapter 2 (Great Places)

## Downtown Specific Plan

The City's [Downtown Specific Plan](#) (DSP) was adopted in 1998 and last amended in 2013. The DSP envisions Novato's Downtown as a multi-faceted hub of economic, social, and cultural activities which attracts pedestrian-oriented commerce while maintaining its small-town character. Limited residential development is allowed on upper floors or towards the rear of sites, but is discouraged along Redwood Boulevard in recognition of its auto-oriented nature. As part of the General Plan 2035 update, the DSP was evaluated to determine which policies and programs were still relevant and which needed to be updated. The decision was made to retain and update policies and programs which remained relevant in the Land Use Element of the General Plan as a Focus Area. The DSP as a separate policy document was repealed with ~~adopted on~~[the adoption of](#) General Plan 2035 in 2020.

When amended in 2013, the Affordable Housing Opportunity Combining Designation (AHO) (see Table C-1) was added to the DSP and assigned to 7506 Redwood Boulevard, which is in the process of being developed as a 178-unit mixed-use project.

## Northwest Quadrant

The [Northwest Quadrant](#) is a residential neighborhood of older single-family residences and mid-size apartments buildings in close proximity to Downtown restaurants, shopping, services, and transit. The predominant land use designation is Medium Density Multi-Family Residential (R10).

A neighborhood plan prepared and adopted in 1977 sought to stem the development of apartment buildings in the area and included a policy that an existing single-family dwelling in "sound condition" could not be demolished and replaced by a multi-family building (three or more units). As described in Appendix F (Affirmatively Forwarding Fair Housing), the Census tract which contains the Northwest Quadrant now presents some of the most meaningful fair housing issues of any other City neighborhood due to its high proportion of non-white, lower-income, and/or tenant households with a high (9.3 percent) overcrowding rate.

In response to community feedback during the General Plan 2035 planning process, seven recommended updates to the original neighborhood plan were proposed and included as policy LU 28 (Northwest Quadrant Neighborhood). This policy includes programs to consider adoption of new form-based zoning regulations (LU 28b), revision of zoning regulations for non-conforming apartments (LU 28c), and land use redesignation of several sites (LU 28d, LU 28e). Housing Element Program 6.D is proposed to continue implementation of recommended updates to the Northwest Quadrant.

## Zoning Districts

The Zoning Ordinance is Chapter 19 of the Municipal Code. The Zoning Ordinance and Zoning Map are available on the City's website, consistent with Government Code [Section 65940.1\(a\)\(1\)\(B\)](#). This Section analyzes the Zoning Ordinance and the zones that allow

residential development. The City has 19 zoning districts which allow residential uses in some capacity. Table C-2 lists the zones that allow residential development with a description of each.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>Agricultural and Resource Districts</b>		
<b>A</b>	<b>Agricultural</b>	Applied to lands that are to be protected and maintained in agricultural use, with allowable non-agricultural uses being related to and supportive of the continuing primary agricultural use. The A zoning district is consistent with the Agricultural land use designation of the General Plan.
<b>C</b>	<b>Conservation</b>	Intended to maintain privately-owned, unimproved land to conserve natural resources. The C zoning district is consistent with the Conservation land use designation of the General Plan.
<b>Residential Districts</b>		
<b>RR</b>	<b>Rural Residential</b>	Intended for areas appropriate for rural, low density residential living. The RR zoning district is consistent with the Rural Residential land use designation of the General Plan.
<b>RVL</b>	<b>Very Low Density Residential</b>	Intended for areas appropriate for the development of single-family homes. The RVL zoning district is consistent with the Very Low-Density Residential land use designation of the General Plan.
<b>R1</b>	<b>Low Density Residential</b>	Intended for areas appropriate for the development of single-family homes. The R1 zoning district is consistent with the Low-Density Residential land use designation of the General Plan.
<b>R4</b>	<b>Medium Density Detached Residential</b>	Intended for areas appropriate for the development of single-family homes. The R4 zoning district is consistent with the Medium Density Detached land use designation of the General Plan.
<b>R5</b>	<b>Medium Density Residential</b>	Intended for areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single- and two-family dwelling units, either attached or detached. The R5 zoning district is consistent with the Medium Density Residential land use designation of the General Plan.
<b><u>R10</u></b>	<b><u>Medium Density Multi-Family Residential</u></b>	<u>Intended for areas appropriate for a variety of medium density dwelling units, including multi-family, two-family, and single-family residences, either attached or detached. The R10 zoning district is consistent with the Medium Density Multiple Family Residential land use designation of the General Plan.</u>
<b>R20</b>	<b>High Density Multi-Family Residential</b>	Intended for areas appropriate for high density multi-family dwelling units. The R20 zoning district is consistent with the High Density Multiple-Family Residential land use designation of the General Plan.
<b>Commercial and Industrial Districts</b>		
<b>BPO</b>	<b>Business and Professional Office</b>	Applied to areas appropriate for a variety of office activities, including medical and professional offices and office campuses. The BPO zoning district is consistent with the Business and Professional Office land use designation of the General Plan.
<b>CN</b>	<b>Neighborhood Commercial</b>	Applied to neighborhood shopping areas to meet the retail and service needs of nearby residents. The CN zoning district is consistent with the Neighborhood Commercial land use designation of the General Plan.
<b>CG</b>	<b>General Commercial</b>	Applied to areas appropriate for a range of community serving commercial, regional retail, and service land uses. The CG zoning district is consistent with the General Commercial land use designation of the General Plan.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>CDR</b>	<b>Downtown Core Retail</b>	Applied to part of the downtown area and is intended to allow for a mix of commercial, office, and residential land uses with predominantly retail, entertainment, and personal services on the ground floor street frontage to encourage pedestrian activities. The CDR zoning district is consistent with the Downtown Core land use designation of the General Plan.
<b>CDB</b>	<b>Downtown Core Business</b>	Applied to part of the downtown area and is intended to allow for a broad range of commercial, office, and residential land uses. The CDB is consistent with the Downtown Core land use designation of the General Plan.
<b>CI</b>	<b>Commercial/Industrial</b>	Applied to areas suitable for intensive commercial land uses, including automobile repair shops, construction related businesses, and similar uses. The intent of the CI zoning district is to encourage the maintenance and improvement of existing businesses in this zoning district and is consistent with the Commercial/Industrial land use designation of the General Plan.
<b>LIO</b>	<b>Light Industrial/Office</b>	Applied to areas appropriate for light industrial and manufacturing uses including manufacturing, warehousing, offices and assembly uses, involving a limited generation of nuisances. Land uses in the LIO zoning district encompass uses that will not create objectionable noise, smoke, odor, dust, noxious gases, glare, heat, vibration, and industrial wastes. This designation is consistent with the Light Industrial/Office land use designation of the General Plan.
<b>Special Purpose Districts</b>		
<b>MU</b>	<b>Mixed Use</b>	Applied to areas surrounded by land currently developed with both commercial and residential land uses. Commercial and/or office land uses are permitted. Housing development may be permitted only in conjunction with either commercial and/or office uses. The MU zoning district is consistent with the Mixed-Use land use designation of the General Plan.
<b>CF</b>	<b>Community Facilities</b>	Applied to areas suitable for public land uses including government offices, meeting halls, schools and libraries, and other related municipal uses. The CF zoning district is consistent with the Community Facilities, Public Utilities, and Civic Uses land use designation of the General Plan.
<b>REI</b>	<b>Research/Education-Institutional</b>	The REI zoning district was created by Section III of the "1995 Citywide Initiative Measure to Enact Regulations that Will Allow Development of the Buck Center for Research in Aging Project". The REI zoning district is consistent with the Research/Education-Institutional land use designation of the General Plan and zoning that was enacted by that initiative. Allowable land uses, permit requirements, and development standards for the REI zoning district are determined by Section 19.14.050.
<b>Overlay Zoning Districts</b>		
<b>D</b>	<b>Downtown Novato Specific Plan Overlay District</b>	Applied to areas covered by the Downtown Novato Specific Plan, to provide standards for development and new land uses that recognize, protect, and enhance the desired character of the downtown area. The D overlay may be combined with any primary zoning district and in practice is combined with the CG, CDR, CDB, CI, MU, CF, and PD zoning districts.
<b>H</b>	<b>Historic Overlay District</b>	Intended to protect areas and structures identified by the community as historically significant elements that contribute to Novato's cultural, social, economic, political, aesthetic, architectural heritage, identity, and character. The H overlay may be combined with any primary zoning district and in practice is combined with the CDR, CDB, CF, and PD zoning districts.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>AHO</b>	<b>Affordable Housing Opportunity Overlay District</b>	Applied to the five housing opportunity sites identified in the 5 <sup>th</sup> Cycle Housing Element, with an affordable housing/multi-family residential overlay zoning designation (AHO) that may be activated at the time of property development/redevelopment. The AHO overlay may be combined with any primary zoning district and in practice is combined with the R1-7.5, R10, GC, and BPO zoning districts.

*Source: City of Novato General Plan 2035, Chapter 2 (Great Places)*

## Development Standards

Development standards can constrain new residential development if they make it economically infeasible or physically impractical to develop a particular lot, or when it is difficult to find suitable parcels to accommodate development meeting the criteria for building form, massing, height, and density in a particular zoning district.

Through its Zoning Ordinance, the City enforces minimum site development standards for new residential uses. Table C-3 summarizes the basic standards for the City's zoning districts that allow residential development.



**Table C-3: Development Standards in Zoning Districts that Allow Residential Development**

sf = square feet   ft = feet   FAR = floor area ratio   du = dwelling unit   ac = acre													
Base Zoning Districts	Sub-Zone	Max. Density		Min. Lot Size			Min. Setbacks (ft)				Max. Lot Coverage (%)	Max. Height (ft) <sup>3</sup>	Max. (FAR)
		du/sf	du/ac	Area (sf)	Width (ft)	Depth (ft)	Front	Side	Street side	Rear			
A		–	1/60 ac <sup>1</sup>	60 ac	150	150	30	25	–	30	–	30	–
C		–	1/10 ac <sup>1</sup>	10 ac - 60 ac <sup>2</sup>	10 ac - 60 ac <sup>2</sup>	10 ac - 60 ac <sup>2</sup>	30	25	–	30	–	30	–
RR		–	1	80,000	150	150	30	25	25	30	20	30	–
RVL	RVL-80	–	1	80,000	150	150	30	25	20	30	20	30	–
	RVL-40	–	1	40,000	150	150	30	20	20	30	20	30	–
R1	R1-40	–	1	40,000	150	150	30	20	20	30	40	30	0.5
	R1-20	–	1	20,000	100	100	30	15	15 <sup>4</sup>	30	40	30	0.5
	R1-10	–	1	10,000	75	100	25	10	10 <sup>4</sup>	25	40	30	0.5
	R1-7.5	–	1	7,500	60	100	25	6	10 <sup>4</sup>	20 <sup>5</sup>	40	30	0.5
R4		1/6,000	7.3	6,000	50	75	25	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	0.5
R5	R5-7.5	1/7,500	5.8	7,500	50	75	20	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	–
	R5-4.5	1/4,500	9.7	4,500	50	75	20	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	–
R10	R10-4.5	1/4,500 <sup>7</sup>	9.7	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-3.5	1/3,500 <sup>7</sup>	12.4	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-2.5	1/2,500 <sup>7</sup>	17.4	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-2.2	1/2,200 <sup>7</sup>	19.8	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
R20	R20-2.0	1/2,000 <sup>7</sup>	21.8	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R20-1.8	1/1,800 <sup>7</sup>	24.2	10,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R20-1.5	1/1,500 <sup>7</sup>	29	10,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
BPO		–	–	10,000	Determined through subdivision process		25	– <sup>10</sup>	–	– <sup>11</sup>	40	35	0.4
CN		–	–	–			–		–		40	35	0.4-0.6 <sup>12</sup>
CG		–	–	–			–		–		40	35	0.4
CDR		–	–	–			–		–		100	35 <sup>13</sup>	1.2/2.0 <sup>14</sup>
CDB		–	–	–			–		–		100	35 <sup>13</sup>	1.2/2.0 <sup>14</sup>
CI		–	–	–			–		–		40	35	1.0
LIO		–	–	–			–		–		60	35	0.4 <sup>15</sup>
MU		–	–	–	–	–	20	0-10 <sup>16</sup>	–	0-15 <sup>17</sup>	40	35 <sup>13</sup>	0.4-0.8 <sup>18</sup>
CF		–	–	–	–	–	–	0-10 <sup>16</sup>	–	0-10 <sup>16</sup>	–	35 <sup>13</sup>	0.8

**Table C-3: Development Standards in Zoning Districts that Allow Residential Development**

sf = square feet   ft = feet   FAR = floor area ratio   du = dwelling unit   ac = acre													
Base Zoning Districts	Sub-Zone	Max. Density		Min. Lot Size			Min. Setbacks (ft)				Max. Lot Coverage (%)	Max. Height (ft) <sup>3</sup>	Max. (FAR)
		du/sf	du/ac	Area (sf)	Width (ft)	Depth (ft)	Front	Side	Street side	Rear			
<b>REI</b>		–	130	1	150	150	30	20	–	30	–	30	–
<sup>1</sup> Maximum number of dwellings allowed per gross acre in a single-family subdivision. The actual number of units allowed is determined through the applicable subdivision or land use permit process, and there is no guarantee that the maximum density may be achieved. <sup>2</sup> The Zoning Map designations include a suffix denoting the minimum lot area in acres for the Conservation zone. For example, CON-20 requires a minimum lot area of 20 acres. The density suffix shall be applied to property as part of the rezoning process. <sup>3</sup> Maximum allowed height of structures. See also Section 19.20.070 (Height Limits and Exceptions), and Division 19.26 (Hillside and Ridgeline Protection). <sup>4</sup> 20 ft. minimum for a garage using the side street for access, or when the building exceeds 20 ft. in height. <sup>5</sup> 10 ft. setback allowed for an attached single story building element (e.g., room addition, patio cover) if it does not occupy more than 25% of the required rear setback. <sup>6</sup> 20 feet minimum for a garage using the side street for access. <sup>7</sup> Allowable density shall be reduced by 20% for lots less than 7,500 sq. ft. or width less than 60 ft. <sup>8</sup> 10 ft. minimum when building height exceeds 20 ft. <sup>9</sup> 20 ft. minimum when the rear property line abuts a single-family zone. <sup>10</sup> If adjacent to SFR zone, 6 ft. If building is over 20 ft. in height at setback line and adjacent to SFR zone, 10 ft. <sup>11</sup> If adjacent to SFR zone, 10 ft. If building is over 20 ft. in height at setback line and adjacent to SFR zone, 20 ft. <sup>12</sup> CN zoning district - FAR may be increased to 0.60 if additional floor area is used for housing, or for residential care facilities for the elderly (RCFE). <sup>13</sup> Within the Downtown Overlay zone, the height limit may be increased by 30% up to a maximum of 45 ft. for the habitable floor area (excluding roof) with Design Review approval in accordance with Section 19.20.070. <sup>14</sup> Higher value FAR applies if housing is incorporated in a mixed-use project. <sup>15</sup> Except for the Novato Industrial Park and Hamilton Hangar area, the maximum FAR shall be 0.6. <sup>16</sup> 6 ft. is required if setback is adjacent to a single-family residential zone; 10 ft. is required if structure is over 20 ft. in height and setback is adjacent to a single-family residential zone; no setback required otherwise. <sup>17</sup> 10 ft. is required if setback is adjacent to a single-family residential zone; 15 ft. is required if structure is over 20 ft. in height and setback is adjacent to a single-family residential zone; no setback required otherwise. <sup>18</sup> Higher value FAR may be allowed where additional floor area is used for housing.													

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Article 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards)

## Planned Development Zoning District

In addition to the Residential, Commercial, and Special Purpose districts above, the City also ~~has a Planned Development~~provides flexibility from conventional development standards through the use of a Planned (PD) zoning district. The PD district is intended to enable the long-term development of large parcels and requires the adoption of a Master Plan or Precise Development Plan by the City Council, following the requirements described in [Section 19.42.060](#) (Master Plans and Precise Development Plans). ~~Allowable land uses and~~

~~The Ordinance does not specify~~ development standards ~~in the for parcels zoned PD-district, and instead indicates that standards~~ shall be determined as part of ~~that the~~ approval process ~~provided the standards are found to be consistent with the~~based on General Plan density, proposed housing type, City and developer objectives, opportunities to increase density and affordability, neighborhood considerations, and environmental constraints. Where a Master Plan or Precise Development Plan is silent on a specific use or development standard, the standards from the most compatible zoning district apply.

Master Plan and Precise Development Plan procedures and decision-making criteria are discussed in greater detail below in Section C.2.4 (Permits and Procedures).

## Hillside Lot Regulations

Novato has areas of steep slopes which are valued as scenic resources and subject to additional regulations to reduce the potential for hazards and environmental degradation related to slope failure, increased erosion, etc. Standards for hillside development on parcels with an average slope of 10 percent or greater (including permit application requirements, development standards, and design criteria/findings) are provided in [Division 19.26](#) (Hillside and Ridgeline Protection).

Hillside development standards are provided in [Section 19.20.050](#) (Hillside Project Development Standards). Residential development is regulated in terms of density, lot configuration, structure placement, and building size/height. Basic development standards include the following:

1. Max. building size: 4,000 square feet
2. Min. building size: 2,000 square feet
3. Max. garage/ADU floor area: 500 square feet
  - Combined square footage of garage/ADU in excess of 500 square feet is allowed, but will be counted against the maximum allowed FAR listed in Table C-4

Residential density is subject to limitations based on a lot's average slope and General Plan land use designation; the maximum number of units allowed is determined by calculating the combined sum of the area of each slope category, which have been multiplied by the corresponding reduction factor as shown in Table C-4.

**Table C-4: Allowable Residential Density and Building Intensity FAR Based on Site Slope**

LU Designation	Avg. Slope Range	% Reduction in Allowable Units or FAR/sf	Reduction Factor
RVL	0-10%	—	—
	10-25%	—	—
	>25%	100%	0
R1, R4, R4, R10, R20	0-10%	—	—
	10-25%	60%	0.4
	>25%	100%	0
BPO, CN, CF, CI, LIO, MU	0-10%	—	—
	10-25%	20%	0.8
	>25%	100%	0

Source: City of Novato Municipal Code, Division 19.26 (Hillside Project Development)

Single-family residential building size is limited to ensure homes are compatible with hillside conditions and the scale of community development. Residential building sizes for new homes and additions are limited by FAR, utilizing a sliding scale based on the average slope of the lot and lot size. As the average slope of a lot increases by one percent, the allowable floor area ratio is decreased by one percent. New residential lots created after January 13, 2004 (Ordinance No. 1480) are not permitted in areas where the average slope exceeds 25 percent.

## Development Standards Analysis

### Single-Family Zoning Districts

Table C-3 shows development standards in single-family zoning districts (i.e., A, C, RR, RVL, R1, R4, and R5). The basic development standards in Novato allow a moderate amount of density and intensity for residential development. Large-lot, single-family districts (RR, RVL, R1) are found throughout the City, consisting of approximately 90 percent of all residential zoning. The R4 Zoning District is appropriate for small-lot single-family residential uses, while the R5 Zoning District is designed for both small-lot single-family homes and duplexes. Opportunities for denser housing are primarily located adjacent to the Downtown core and along the Highway 101 corridor.

The residential districts that allow single-family uses allow densities ranging from approximately one to 29 units per acre. The MU zoning district allows single-family dwelling, however there is no density range established. Of these zones, the R1 and MU zoning districts are the only zoning district which requires an FAR (0.5 and 0.4 – 0.8, respectively).

### Multi-Family Zoning Districts

Table C-3 shows development standards in multi-family zoning districts (i.e., R10, and R20). These zoning districts allow densities ranging from 10.1 to 30 units per acre depending on subzone (e.g., R10-4.5 or R20-1.8). Five of these subzones have a minimum lot size of 6,000 square feet, with the two higher-density subzones (R20-1.8 and R20-1.5) having minimum lot sizes of 10,000 square feet. The R10 and R20 zoning districts development standards do not have a maximum FAR for residential uses but do establish a maximum height of 35 feet and a maximum lot coverage of 40 percent. The 35-foot height limit accommodates three-story

construction and, given the maximum density of up to 29 units per acre in the R20-1.5 subzone, is appropriate and supported by other development standards. Projects eligible for density bonuses may request waivers to enable additional height if needed. Though the 40 percent lot coverage area is somewhat low, it has not been observed to limit project feasibility in the City.

For example, in 2020, the Springbrook Green Homes project was approved in the R10 Zoning District, achieving 35 percent of maximum density (7 units per acre) for the zone. Because the project site featured an average slope exceeding 10 percent, the City's Hillside Ordinance required the maximum residential density allowed under the General Plan land use designation (20 units per acre) to be reduced by 60 percent. The resulting project density was thus 98 percent of the maximum allowed density for the site (12 units per acre). As described below, the City will implement a program to revise the Hillside Ordinance to consider the difference between gross site area and a site's realistic development area, enabling higher maximum densities in future, similar projects. (Program 3.B).

Another example is the Novato Village development, which resulted in a 48-unit senior apartment community located on a 1.65-acre. The project included nine affordable units for very low- and low-income households as a result of the City's inclusionary housing ordinance. The project was consistent with the R20 Zoning District development standards but entitled as a PD in order to assist the project by accommodating an existing drainage easement on the site. The resulting development achieved a density of 29 units per acre, or 96 percent of maximum density (30 units per acre) allowed under the R20 land use designation, even with the site's unique physical constraints. Novato Village demonstrates that the development standards of the R20 Zoning District have not constrained the feasibility of multifamily projects nor the ability to achieve maximum densities.

During the public engagement process, feedback received from for-profit and nonprofit housing developers who work in Novato did not indicate that development standards in multi-family zoning districts were a constraint to residential development (see Appendix E, Section E.2.3).

#### *Commercial and Mixed-Use Zoning Districts*

The commercial (i.e., CN, CDR, and CDB) and mixed-use (i.e., MU and CF) zoning districts do not establish densities in the Zoning Ordinance but do implement General Plan land use designation which allow densities for residential units in mixed-use development ranging from 10 to 23 dwelling unit per acre. Maximum FARs are established by these zoning districts and are increased for projects which include residential uses (ranging from 0.6 to 2.0, see Table C-3 footnotes above). Recently completed or approved projects within these districts include 1301 Grant Avenue (21.4 units per acre) and 802 State Access Road (16 units per acre).

In 2021, the 1301 Grant Ave. Mixed Use project was approved in the CDR Zoning District, achieving a density of 21.4 units per acre. This was 93 percent of the maximum allowed density, taking advantage of the 2.0 FAR allowed for mixed-use projects in the CDR District and reduced parking requirements within the Downtown Novato Specific Plan (D) Overlay District.

Cumulatively, these regulations facilitate housing along commercial corridors and in the Downtown area.

There are also three SB 35 applications currently under review for projects in the CDR Zoning District (and within the D Overlay District) which would achieve densities 132 percent, 787 percent, and 1,013 percent of maximum density by utilizing State density bonus law and regulatory concessions. These projects, if developed as proposed, would result in a total of 492 units affordable to lower- and moderate-income households and indicate strong demand for continued residential development Downtown at densities sufficient to accommodate affordable housing.

#### *Planned (PD) Zoning District*

The City also provides flexibility from conventional development standards through the PD Zoning District and the preparation of a Master Plan and/or Precise Development Plan. The Zoning Ordinance does not specify any development standards for projects in the PD District, and instead indicates that standards be created on a case-by-case basis based on General Plan density, proposed housing type, and other considerations. The City has been able to approve developments with higher overall densities, exceptions to certain development standards, and include a greater number of affordable housing units through the PD District than would have been possible with conventional zoning, especially when combined with the Affordable Housing Overlay (AHO) District. An analysis of the PD Zoning District and related procedures is included in Section C.2.4 (Permits and Procedures).

While the PD Zoning District allows flexibility based on site-specific opportunities and constraints and has resulted in higher density housing development, it requires discretionary review in the form of a required Master Plan and/or Precise Development Plan; there may be cases where base zoning district land use and development standards would suffice in lieu of standard PD procedures. Program 3.I is proposed to revise Division 19.24 (Special Purpose Zoning Districts) to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed. In concert with the adoption of objective design standards (Program 3.C), projects proposed in the PD Zoning District will be able to pursue a process that serves strictly as a conformance review at the discretion of the applicant.

#### *Hillside Lot Regulations*

Hillside lot regulations were raised as a potential constraint to housing development by both market rate and affordable housing developers during community engagement for the Housing Element Update. Reports were received that the ordinance was deficient in ways that complicated the development of suitable portions of potential sites and made consistent interpretation difficult for City staff.

These observations were corroborated by [a City white paper written in January 2015](#) which analyzed [Division 19.26](#) (Hillside and Ridgeline Protection) as part of the Novato General Plan 2035 update. Though Planning staff report that “the density/intensity reduction portions of the

ordinance, when applied to new development, has achieved the goal of limiting development on steep hillsides and designing projects that fit much better with the topography of the site,” major difficulties persist when applying the Hillside Ordinance to existing and infill residential homes located on hillsides. Staff also note the need for greater clarity on standards related to lot configuration, siting and height limitations, and exceptions to the maximum size limit of new or expanded single-family dwellings.

Importantly, local developers noted that the application of the Hillside Ordinance to all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent, inhibits residential development and can make projects infeasible. For this reason, Program 3.B is proposed to revise Division 19.26 to reduce ambiguities in hillside regulations and streamline their application to relevant parcels, taking into account the difference between gross site area and a site’s realistic development area.

## Parking Requirements

Required parking rates for residential uses are shown in Table C-5.

**Table C-5: Residential Parking Rates**

Land Use Type	Required Number of Spaces	Downtown (D) Overlay
<b>Single-family dwellings</b>	2 <sup>1</sup>	2
<b>ADUs <sup>2</sup></b>	1	1
<b>Duplexes</b>	2	1
<b>Mobile home parks <sup>3</sup></b>		
Per mobile home unit	2	2
Per two units (for guest parking)	1	1
<b>Multi-family dwellings, condos, and other attached dwellings <sup>4, 5</sup></b>		
Studio	1.2/unit	1/unit
1-bed unit	1.5/unit	1/unit
2-bed unit	2/unit	1.5/unit
3-bed unit	2.2/unit	2/unit
Guest parking	1 per 3 units	1 per 4 units
<b>Senior housing projects</b>		
Per unit	1	1
Guest parking	1 per 10 units	1 per 10 units
<sup>1</sup> One space in a garage. Three enclosed spaces maximum unless approved through Design Review. For any unit which is located farther than 150 feet from a street designed to accommodate parking, 4 spaces per unit. <sup>2</sup> On-site parking is not required for an accessory dwelling unit in any of the follow instances: 1. Located with one-half mile of a public transit facility. 2. Located within an architecturally and historically significant district. 3. Part of the existing primary residence or an existing accessory structure meeting the development standards applicable to an ADU as stipulated in Section 19.30.040 (Number of Parking Spaces Required). 4. When on-street parking permits are required but not offered to the occupant of the ADU. 5. When there is a car share vehicle facility located within one block of the ADU.		



**Table C-5: Residential Parking Rates**

Land Use Type	Required Number of Spaces	Downtown (D) Overlay
<sup>3</sup> RV parking shall be provided at the rate of 1 space for every 5 units. <sup>4</sup> At least 1 space per unit shall be covered (i.e., within a garage or carport). <sup>5</sup> Parking for multi-family residential uses in the AHO Overlay shall be provided as follows: 1. Studio and 1-bed units: 1 onsite parking space/unit. 2. 2- and 3-bed units: 2 onsite parking spaces/unit. 3. 4-bed+ units: 2.5 parking spaces/unit.		

Source: City of Novato Municipal Code, Division 19.30 (Parking and Loading), [Section 19.30.040](#) (Number of Parking Spaces Required)

## Parking Requirements Analysis

The City typically requires two spaces per single residential dwelling unit, with reduced requirements for ADUs, multi-unit dwellings, and uses that serve residents with low vehicle ownership rates (e.g., senior housing). Reduced parking rates apply in the Downtown Overlay and AHO Overlay.

The City provides a limited number of alternatives to satisfying minimum parking requirements in [Section 19.30.050](#) (Adjustments for Parking Requirements), primarily focused on non-residential uses. For all uses (including residential), the review authority for land use or development permit applications may reduce the number of required parking spaces if the applicant can quantitatively prove the need for fewer spaces. Additionally, off-site parking within the Downtown Overlay is allowed in an off-site parking facility when approved by the review authority. In the AHO Overlay, flexibility is allowed in parking configuration; a development may provide onsite parking through tandem parking or uncovered parking, and covered parking is not required.

Covered parking is required for single-family dwellings (i.e., one-car garage), duplexes, and multi-family dwellings, condos, and other attached dwellings (i.e., one-car garage or carport). For residential uses, [Section 19.30.070.D.1](#) (Residential) requires parking spaces within carports and garages to have minimum dimensions of 20 feet in length and by 10 feet in width. [Section 19.30.090](#) (Bicycle Parking and Support Facilities) provides provisions for bicycle parking for multi-family projects. The Zoning Ordinance requires bicycle parking spaces for multi-family projects equal to a minimum of 10 percent of the required vehicle spaces unless separate secured garage space is provided for each unit.

The City's parking rates are appropriate, provide reasonable flexibility, and do not pose a constraint to the development of housing. However, to further ~~encourage~~facilitate the development of affordable multi-family housing, Program 3.G ~~will direct~~directs the City to align the required number of parking spaces for three-bed units citywide with those applied within the Downtown Overlay, reducing it from 2.2 spaces per unit to two spaces per unit and assess and reduce parking rates for studios and one-bed units.

## **Design Standards and Guidelines**

Design standards and guidelines are evaluated as they have the potential to increase development costs and extend the permitting process. Senate Bill 330 (Housing Accountability Act, Government Code [Section 65589.5](#)) precludes jurisdictions from denying or reducing the permitted density of a housing development project based on subjective development and design standards.

[Section 19.42.030.E](#) (Design Criteria) establishes the criteria the review authority should consider when reviewing an application for design review and establishing conditions for project approval. These criteria include a 16-point list which mentions the height and bulk of buildings, site layout, landscaping, orientation to natural amenities, articulation, the location of windows, and more. Nearly all of these criteria are described in general terms, with no specific dimensions for applicants to apply to projects.

For example, the review authority is directed to consider “articulation in building facades, exterior architectural design details, quality of materials, variation of textures, and harmony of colors,” to support “good quality architectural and site design.” Guidelines such as these are subjective, only providing vague direction on building design. The lack of specificity could lead to a protracted approval process and potentially a denial based on guideline interpretation. A program to adopt objective design standards is included as Program 3.C.

Outside the Zoning Ordinance, the City has one other design guideline manual related to housing development: the [Hamilton Central Design Concepts and Design Guidelines](#). The Hamilton Guidelines were adopted in 1994 for the New Hamilton Partnership (NHP) Master Plan area, part of the broader redevelopment of the Hamilton Army Airfield in the City’s southeast. The parcels identified as being subject to the Hamilton Guidelines are built-out, and the City’s standard design criteria would apply to future development.

## **Provisions for a Variety of Housing**

The City has adopted provisions in the Zoning Ordinance that facilitate a range of residential product types. Table C-6 provides a list of residential uses and the zoning districts in which they are allowed, require a conditional use permit, or are not allowed.

**Table C-6: Residential Uses Permitted by Zoning District**

P = Permitted   UP = Use Permit required   – = Use not allowed																						
Land Use					Zoning Districts																	
					A	C	RR	RVL/R1	R4/R5	R10	R20	BPO	CN	CG	CDR	CDB	CI	LIO	MU	CF	REI	PD
ADUs/JADUs					P	P	P	P	P	P	P	–	P	–	P	P	–	–	P	P <sup>1</sup>	–	–
Congregate care/group facilities					–	–	–	–	–	–	–	UP	–	UP	–	–	–	–	–	–	–	–
<del>Emergency Shelter</del>					<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>					
Farm labor housing					UP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Group homes, 6 or fewer persons					P	–	P	P	P	P	P	–	–	–	–	–	–	–	–	–	–	–
Group homes, 7 or more persons					UP	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Live/work projects					–	–	–	–	–	–	–	P	–	P	P	P	P	P	P	–	–	–
Mobile home parks					–	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Multi-family dwellings					–	–	–	–	–	P	P	–	–	–	–	–	–	–	–	–	–	–
Multi-family dwellings and duplexes, in a mixed-use project					–	–	–	–	–	–	–	–	UP	–	UP <sup>2</sup>	UP <sup>2</sup>	–	–	UP	UP	P	–
Residential care facilities for the elderly (RCFE)					–	–	–	–	–	UP	UP	–	UP	–	–	–	–	–	–	–	–	–
<del>Residential shelters</del>					<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>UP</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>	<del>–</del>			
Rooming and boarding houses					–	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Single-family dwellings					P	P	P	P	P	P	P	–	–	–	–	–	–	–	P	–	–	–
Supportive housing					P	P	P	P	P	P	P	P	P	–	P	P	–	–	P	P	P	–
Transitional housing					P	P	P	P	P	P	P	P	P	–	P	P	–	–	P	P	P	–
Two-family dwellings, two single-family dwellings					–	–	–	–	P	P	P	–	–	–	–	–	–	–	–	–	–	–
Emergency shelter					–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	P <sup>3</sup>
<sup>1</sup> Only ADUs are permitted in the CF zoning district; JADUs are prohibited.																						
<sup>2</sup> Use allowed only on upper floors or rear of site, with ground floor street frontage reserved for retail, entertainment, and personal services uses.																						
<sup>3</sup> Emergency shelters are only permitted by-right in the Novato Industrial Park as set forth in the Novato Industrial Park Precise Development and Master Plan (NIPPDM) and Zoning Ordinance Section 19.34.072 (Emergency Shelters). See below for analysis.																						

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Article 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards)

## Multi-Family

The City defines multi-family dwellings as housing three or more families living independently of each other in the same structure, including triplexes, fourplexes, apartments, townhouse developments, and senior citizen multi-family housing.

Multi-family dwellings are permitted by-right in the R10 and R20 zoning districts, as well as on any property to which the AHO Overlay applies, provided they meet the site development standards described in Table C-3. They are also permitted by-right (in conjunction with research, development, and laboratory facilities) in the REI special purpose zoning district.

In the CN, CDR, and CDB zoning districts, multi-family dwellings are permitted subject to a Use Permit. They are also permitted with a Use Permit in the MU and CF special purpose zoning districts. In the CDR and CDB districts, multi-family dwellings are required to be located on upper floors or at the rear of a site.

Multi-family developments are subject to the development standards summarized in Table C-3. The maximum height for all zoning districts which permit multi-family dwellings is 35 feet, except for the REI zoning district which establishes a maximum height of 30 feet. The R10, R20, MU, CF, and REI zoning district establish front, side, street side, and rear setback standards for multi-family dwellings. The CN, CDR, and CDB zoning districts are subject to setback standards only if the property is adjacent to single-family dwellings. The R10, R20, and REI zoning districts are not subject to FAR requirements. The CN, CDR, CDB, MU, and CF zoning districts range in allowed FAR from 0.4 to 2.0. Additionally, the CDR and CDB zoning districts permit projects to increase FAR if housing is incorporated into a mixed-use project. The R10, R20, CN, and MU zoning districts establish a maximum lot coverage of 40 percent and the CDR and CDB zoning districts have a maximum lot coverage of 100 percent. The CF and REI zoning districts do not provide maximum lot coverage. These development standards for all zoning districts which permit multi-family dwellings are reasonable and do not inhibit constraints on housing development in the City.

Additionally, [Section 19.34.124](#) of the Zoning Ordinance (Multi-Family Dwellings) establishes use-specific standards for multi-family dwellings, including:

1. Each dwelling unit within a multi-family project shall be designed to have at least two exterior walls that are not common to any other enclosed space. Each of the required exterior walls shall have no dimension less than eight feet; and,
2. Multi-family projects shall provide usable open space as follows:

Zoning Districts	Min. Open Space Area per Unit (sf)
R10-4.5	500
R10-3.5	400
R10-2.5 and 2.2	300
R20-2.0	200
R20-1.5 and 1.8	150

Half of the required minimum open space must be immediately available to and private for the occupants of each dwelling unit, while the remainder may be combined in common areas available to other residents of the project. The open space area may include a deck or balcony having no dimension less than six feet. ~~These required open space~~ Front yard setbacks are only permitted as common open space areas, except for allowed deck projections. Furthermore, Division 19.28 of the Zoning Ordinance (Landscaping) establishes limited landscape area requirements and standards for residential projects. Section 19.28.020 (Applicability) established new single-family subdivisions and multi-family residential projects shall provide landscaping in compliance with the Division. Section 19.28.030 (Landscape Area Requirements) provides reasonable requirements, such as requiring setback, outdoor use, and open space areas to be landscaped as required by the Zoning Ordinance and setting forth minimum dimensions and safety requirements for landscaped areas. These required open space and landscaping standards are reasonable and do not unnecessarily constrain housing development.

Outside the Zoning Ordinance, Municipal Code [Chapter 4](#) (Building and Housing) contains several sections focused on maintaining health, safety, and equity in multi-family housing. [Section 4-14](#) (Apartments and Hotels; Periodic Housing Inspection Program and Caretaker Requirements) establishes an annual inspection program for apartments (and hotels) to ensure proper maintenance and compliance with all applicable City ordinances related to housing. [Section 4-15](#) (Tenancing, Management and Safety for Multi-Family Housing) establishes a requirement that, prior to the issuance of a building permit and certificate of occupancy, all new or expanded multi-family housing developments of 16 units or more shall submit a management plan. Lastly, though not focused solely on multi-family housing, [Section 4-16](#) of the General Plan (Income-Based Rental Housing Discrimination) establishes local prohibitions on income-based financial discrimination in rental housing, with violators subject to both civil and criminal action.

### **Accessory Dwelling Units (ADUs)**

In Government Code [Section 65852.150](#), the California Legislature found and declared that, among other things, allowing ADUs in zones that allow single-family and multi-family uses provides additional rental housing, and are an essential component in addressing California's housing needs. In recent years, ADU law has been revised to improve its effectiveness at creating more housing units by streamlining approval processes and expanding capacity to accommodate the development of ADUs and JADUs.

In Novato, ADUs and JADUs are permitted by-right in the A, C, RR, RVL, R1, R4, R5, R10, and R20 zoning districts. [Section 19.34.030](#) (Accessory Dwelling Units) and [Section 19.34.031](#) (Junior Accessory Dwelling Units) provide supplemental development standards for ADUs and JADUs respectively. These standards were most recently updated in 2022 by [Ordinance No. 1676](#) to reflect current State law.

### **Emergency Shelters/Low Barrier Navigation Centers**

The Zoning Ordinance defines an emergency shelter as follows:

A residential facility, other than a community care facility, operated by a provider which provides temporary accommodations to persons or families with low income. The term "temporary accommodations" means that a person or family will be allowed to reside at the shelter for a time period not to exceed 180 days. For the purpose of this definition, a "provider" shall mean a government agency or private non-profit organization which provides or contracts with recognized community organizations to provide emergency or temporary shelter, and which may also provide meals, counseling and other services, as well as common areas for residents of the facility. Such a facility may have individual rooms but is not developed with individual dwelling units. (Zoning Ordinance [Section 19.60.020](#))

This definition concurs with the definition in Health and Safety Code [Section 50801](#), which defines an emergency shelter as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less. Additionally, Government Code [Section 65583\(a\)\(4\)](#) requires cities to identify a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones must also include sufficient capacity to accommodate the need for emergency shelters in the community.

The City allows "emergency shelters" as a permitted use without discretionary action exclusively in the Novato Industrial Park as set forth in the Novato Industrial Park Precise Development and Master Plan (NIPPDM) and Zoning Ordinance [Section 19.34.072 \(Emergency Shelters\)](#). However, the City allows a separate use, "residential shelters," as an allowed use in the CG zoning district, though does not provide a definition for the term in the Zoning Ordinance. Objective development and performance standards for "emergency shelters" are provided in the NIPPDM as follows:

1. On-site management and on-site security shall be provided during all hours when the emergency shelter is in operation at a ratio of one staff member for every 15 persons utilizing the shelter.
2. One office or cubicle intake area per 10 clients shall be maintained. An indoor onsite waiting area of no less than 275 square feet shall be provided.
3. External lighting shall be provided for security purposes as a minimum average of three foot candles at ground level. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of intensity compatible with the surrounding area.
4. Parking and outdoor facilities shall be designed to provide security for residents, visitors, employees and the surrounding area. On-site parking shall be provided at a ratio of one parking space for every four beds or persons.
5. A refuse storage area shall be provided that is completely enclosed with masonry walls not less than five feet high with a solid-gated opening and that is large enough to accommodate a standard-sized trash bin adequate for use on the parcel. The refuse enclosure shall be accessible to refuse collection vehicles.
6. The agency or organization operating the emergency shelter shall comply with the following requirements:

- Temporary shelter shall be available to residents for no more than 180 days in a calendar year. No individual or household may be denied emergency shelter because of an ability to pay.
  - Staff and services shall be provided to assist residents to obtain permanent shelter and income.
  - The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
7. No emergency shelter shall be located within 300 feet of another emergency shelter site.
  8. The maximum number of beds or clients permitted to be served (eating, showering and/or spending the night) shall not exceed 30 persons.

Within the NIPPDM, “emergency shelters” are otherwise subject to the same development standards (e.g., setbacks, lot coverage, etc.) as other commercial uses; residential uses are not permitted in the Park. The number of required parking spaces for an emergency shelter is lower compared to that required for multi-family uses elsewhere in the City; the NIPPDM does not otherwise specify parking requirements other than those in the Zoning Ordinance. However, parking spaces are not specifically set aside to accommodate staff working in an emergency shelter. Exterior changes to an existing building or buildings to establish an emergency shelter would be subject to design review.

~~According to the 2019 Point-in-Time (PIT) Count, there were an estimated 310 persons experiencing homelessness in Novato, 163 sheltered and 147 unsheltered. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. Preliminary numbers from the 2022 PIT Count do not provide a breakdown of the homeless population by jurisdiction. However, Though existing land use standards and development regulations could facilitate the creation of new emergency shelters in the NIPPDM, the industrial parks do not allow residential uses and would not qualify as a compliant zoning designation under AB 2339. AB 2339 (Emergency Shelters Act of 2023), effective January 1, 2023, adds additional specificity on how jurisdictions must plan for emergency shelters in the Housing Element, including allowing emergency shelters in zones that allow for residential use. AB 2339 also requires that emergency shelters must be located near amenities and services that serve people experiencing homelessness. Thus, an additional zoning designation must be identified which allows residential uses where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit and that is suitable for residential uses.~~

The General Commercial (CG) District satisfies the requirements of AB 2339 in the following ways:

1. As shown above in Table C-6, the CG District allows uses such as congregate care/group facilities and live/work projects;



2. The CG District contains 31 parcels, seven of which are vacant or nonvacant and can be redeveloped for use as a shelter in the current planning period (see Table C-7 below); and
3. As a commercial zoning designation, parcels zoned CG are centrally located on or near Novato's main thoroughfares and are near amenities and services that serve people experiencing homelessness. These are described in further detail in Table C-7.

**Table C-7: Potential Emergency Shelter Sites in the CG Zoning District**

APN	Address	Area			Capacity		Amenities in Proximity
		Existing Use	Acres	Square Feet	Developable Area (sf) <sup>1</sup>	Estimated Persons Served <sup>2</sup>	
<u>141-244-03</u>	<u>7455 Redwood Blvd.</u>	<u>Vacant</u>	<u>0.36</u>	<u>15,769</u>	<u>6,307</u>	<u>32</u>	<u>Marin Transit Bus Routes 49, 57, 71</u> <u>Novato SMART Station</u> <u>Within 0.5 mi. of the Novato Library, Novato DMV</u> <u>Within 0.5 mi. of urgent care center</u> <u>Within 0.5 mi. of retail and employment opportunities</u>
<u>141-244-12</u>	<u>1130 First St.</u>	<u>Car wash <sup>3</sup></u>	<u>0.26</u>	<u>11,500</u>	<u>4,600</u>	<u>23</u>	
<u>141-244-17</u>	<u>First St.</u>	<u>Vacant</u>	<u>0.24</u>	<u>10,280</u>	<u>4,112</u>	<u>21</u>	
<u>143-011-08</u>	<u>7506 Redwood Blvd.</u>	<u>Vacant</u>	<u>1.76</u>	<u>76,709</u>	<u>30,684</u>	<u>153</u>	
<u>153-011-40</u>	<u>7426 Redwood Blvd.</u>	<u>Partially vacant</u>	<u>0.44</u>	<u>19,254</u>	<u>7,701</u>	<u>39</u>	
<u>141-303-06</u>	<u>935 Front St.</u>	<u>Vacant</u>	<u>0.89</u>	<u>38,943</u>	<u>15,577</u>	<u>78</u>	
<u>155-020-48</u>	<u>Marin Valley Dr.</u>	<u>Vacant</u>	<u>0.25</u>	<u>11,021</u>	<u>4,408</u>	<u>22</u>	<u>Marin Transit Bus Routes 49, 57, 71</u> <u>Within 0.75 mi. of South Novato Library</u> <u>Within 1 mi. of social services (Homeward Bound of Marin)</u>
<b><u>TOTAL</u></b>			<b><u>4.21</u></b>	<b><u>183,475</u></b>	<b><u>73,390</u></b>	<b><u>367</u></b>	

<sup>1</sup> Building coverage in the CG Zoning Districts limited to a maximum of 40% of site area. Here, "developable area" is calculated as 40% of total site area in square feet.

<sup>2</sup> AB 2339 amended State Housing Element law to provide the following calculation methodology for determining the sufficiency of sites available to accommodate emergency shelters – the square footage of the site divided by a minimum of 200 square feet per person. Here, "estimated persons served" divides the "developable area" (not the total square footage) of each site by 200, resulting in a more conservative estimate. (Government Code Section 65583(a)(I)).

<sup>3</sup> No occupiable structures present.

Source: City of Novato

According to the 2022 PIT Count, there were an estimated 265 persons experiencing homelessness in Novato, 115 sheltered and 150 unsheltered. From 2019 to 2022, homelessness increased by 8.4 percent across Marin County, with a 10.7 percent decrease in the sheltered population and a 17.2 percent increase in the unsheltered population. Thus, it can be assumed that an equal or greater number of individuals are experiencing homelessness in Novato as of 2022. During this same period, homelessness in Novato decreased by 15.7 percent, with a 34.5 percent decrease in the sheltered population and a 2.0 percent increase in the unsheltered population.

Considering the 30-person limit, five emergency shelters would be needed to accommodate 147 unsheltered individuals. Conservatively assuming 600 gross square feet per bed (including space for offices, infrastructure, etc.), each emergency shelter would require approximately 18,000 square feet of floor area. The NIPPDM limits lot coverage to 60 percent of total lot area and refers

~~to an out-of-date section of the Zoning Ordinance for building height limits. The industrial parks contain approximately 557 acres and over 150 parcels and buildings.~~

As shown in Table C-7, the CG District contains five vacant and two underutilized/nonvacant parcels comprising approximately 4.21 acres. One nonvacant parcel (APN 141-244-12) is currently occupied by surface parking and a coin-operated car wash with no occupiable structures on site, providing opportunity for additional development, reuse, and/or redevelopment. The other nonvacant parcel (APN 153-011-40) is described as partially vacant due to the presence of a small restaurant and surface parking covering only approximately one-third of the site; the remainder of the site is wholly vacant.

Utilizing the calculation methodology established by Government Code Section 65583(a)(I), the above sites in the CG District are estimated to have capacity to accommodate emergency shelters serving 367 people. To provide a more conservative estimate, the maximum lot coverage allowed for parcels in the CG District (40 percent) is used. Other development standards in the CG District include a height limit of 35 feet and front/rear setbacks of six to 20 feet which only apply if adjacent to a single-family residential zone and/or a building is over 20 feet. These standards do not present a constraint to the development of emergency shelters

Under Program 4.A, the City would amend the Zoning Ordinance to ~~clarify~~accomplish the ~~difference between~~following:

1. Allow emergency shelters and residential shelters, that in the CG Zoning District as a permitted use without a conditional use or discretionary permit;
2. Subject emergency shelters are permitted without any discretionary actions or exceptions in the NIPPDM, and require only to the objective standards allowed by State law (Government Code Section 65583(a)(4)(B); and
- 4.3. Require emergency shelters allow for to provide sufficient parking for to accommodate staff. Additionally, the City will establish and maintain an inventory of available sites in the Novato Industrial Park and make it available to homeless service providers to encourage the establishment of future shelters. in compliance with AB 139 (Emergency and Transitional Housing Act of 2019).

Additionally, the Zoning Ordinance does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code [Section 65660](#)). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multi-family uses provided they satisfy the provisions establish by AB 101 (see Government Code [Section 65662](#)). This would allow LBNCs in the CN, CDR, MU, and CF districts.

Under Program 4.B, the City would amend the Zoning Ordinance to allow LBNCs in the appropriate zones consistent with AB 101.

## Transitional Housing and Supportive Housing

In addition to emergency shelters, transitional and supportive housing are used to further facilitate the movement of homeless individuals and families to permanent housing. They can serve those who are transitioning from rehabilitation or other types of temporary living situations (e.g., domestic violence shelters, group homes, etc.).

Transitional housing is defined in Government Code [Section 65582](#) as 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 some predetermined point in the future, which shall be no less than six months. Health and Safety Code [Section 50675.14](#) defines supportive housing as housing with no limit on length of stay, that is occupied by a target population, and that is linked to an on-site or off-site service that assists residents in retaining the housing, improving their health, and maximizing their ability to live and (where possible) work in the community.

Transitional and supportive housing must be allowed in all zones that allow residential uses and subject to the same development standards that apply to other residential uses of a similar type within these zones. Furthermore, [AB 2162](#) (Government Code Section 65650-65656) requires supportive housing to be allowed by-right in zones where multi-family and mixed-uses are permitted, including nonresidential zones that allow multi-family uses, if the proposed development meets certain criteria (e.g., deed restricted for 55 years to lower income households, serving “target population” of homeless individuals, minimum area dedicated for supportive services, etc.).

The City adopted [Ordinance No. 1592](#) in 2014, adding supportive and transitional housing to the definition of “Dwelling, Dwelling Unit, or Housing Unit” contained within [Section 19.60.020](#) (Definitions of Specialized Terms and Phrases). As shown in Table C-6 (Residential Uses Permitted by Zoning District), supportive and transitional housing are permitted by-right in the A, C, RR, RVL/R1, R4/R5, R10, R20, BPO, CN, CDR, CDB, MU, CF, and REI zoning districts. Therefore, transitional and supportive housing are allowed and treated as a residential use in compliance with Government Code Section 65651.

## Farmworker (Employee) Housing

State law provisions related to farmworker housing (also called employee housing) derive from Health and Safety Code [Section 17021.5](#) and [Section 17021.6](#). Section 17021.5 generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. Section 17021.6 generally requires that employee housing consisting of no more than 36 beds in group quarters designed for use by a single family or household to be treated as an agricultural use. No conditional use permits, zoning variances, or other zoning clearance are to be required.

The City defines “farm labor housing” as “temporary or permanent residential structures occupied by farm employees and their family members, who are employed on the commercial farm where

the farm labor housing is located.” This use type is allowed in the Agricultural zoning district subject to a Use Permit ([Section 19.42.050](#)). As shown in the Needs Assessment (Appendix A, Figure A-10), there are 212 City residents employed in the Agriculture & Natural Resources industry, approximately 0.83 percent of all job holders.

However, requiring a Use Permit for farm labor housing is not consistent with the provisions of State law. The 5<sup>th</sup> Cycle Housing Element Update included Program 12.B (Health and Safety Code §17021.5 Compliance) to amend the Ordinance to ensure compliance with provisions of Health and Safety Code [Section 17021.6](#). This program was not completed and will be carried forward as Program 4.C.

### **Single-Room Occupancy (SROs)**

A single-room occupancy (SRO) unit is considered a small, affordable housing unit that can serve as an entry point into more stable or long-term housing for people who previously experienced homelessness. They can also help jurisdictions meet their projected housing need for acutely and extremely low-income households.

The City does not explicitly permit SRO units in any zoning district, though it does define “rooming and boarding houses” as “the renting of individual rooms within a dwelling to two or more unrelated people, whether or not meals are provided.” Such dwellings are allowed with a Use Permit in the RR, RVL, R1, R4, R5, R10, and R20 zoning districts.

The 5<sup>th</sup> Cycle Housing Element included Program 7.C (Zone and Provide Appropriate Standards for SRO Units and Efficiency Apartments) to allow SRO units in the Mixed-Use, R10, and R20 zoning districts as a conditionally permitted use. The program did not result in the addition of standards related to SROs in the Zoning Ordinance, nor are SROs permitted with a Use Permit in the MU zoning district. This program will be modified and carried forward as Program 4.D, which directs the City to explicitly permit SRO projects by-right in the R10, R20, and MU zoning districts and provide appropriate parking, development, and management standards.

### **Manufactured and Mobile Homes**

Government Code [Section 65852.3](#) requires cities to allow and permit manufactured and mobile homes on a permanent foundation in the same manner and in the same zone as a conventional stick-built structure, subject to the same development standards that a conventional single-family home on the same lot would be subject to. As manufactured homes that meet certain requirements must be permitted in mobile home parks and are frequently regulated by jurisdictions together, they are discussed here jointly.

The City allows mobile home parks with a Use Permit in the RR, RVL, R1, R4, R5, R10, and R20 zoning districts. Development standards for mobile home parks are provided in [Section 19.34.120](#) (Mobile Home Parks and Mobile Home Subdivisions).

Requirements and development standards for mobile homes as single-family dwellings outside of mobile home parks are provided in [Section 19.34.110](#) (Mobile Homes). Additionally, the City’s definition of “single-family dwelling” in [Section 19.60.020](#) (Definitions of Specialized Terms and

Phrases) includes a provision that “includes factory-built, modular housing units, constructed in compliance with the Uniform Building Code (UBC), and mobile homes/manufactured housing on permanent foundations.” Taken together, these provisions subject manufactured homes to the same development standards as a conventional single-family residential dwelling and are compliant with the requirements of State law.

## **Housing for Persons with Disabilities**

California Welfare and Institutions Code [Section 5115](#) declares that it is the policy of the State that persons with mental health disorders or physical disabilities are entitled to live in normal residential surroundings and should not be excluded from them due to their disability. Persons with disabilities have unique housing needs that include physical accessibility; access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive services.

[Section 5116](#) defines these alternate living arrangement as including state-authorized, certified, or licensed family care homes, foster homes, or group homes serving six or fewer individuals. It also includes hospices; nursing homes; convalescent facilities; and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addictions. Any such facility which provides care on a 24-hour-a-day basis to six or fewer individuals shall be considered a residential use and must be permitted in all residential zones, including but not limited to zones intended for single-family dwellings.

Health and Safety Code [Section 1502](#) defines community care facilities as “any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult daycare, or foster family agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children.” This definition includes a wide variety of facilities, including foster family homes, small family homes, and group homes.

Health and Safety Code [Section 1569.2](#) defines residential care facilities for the elderly” as “a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility. Persons under 60 years of age with compatible needs may be allowed to be admitted or retained in a residential care facility for the elderly.”

State law requires local governments to treat both facility types with six or fewer residents as a residential use and subject to the same development standards as a single-family dwelling. Furthermore, no conditional use permit, zoning variance, or other zoning clearance shall be required of a community/residential facility that serves six or fewer persons that is not required of a family dwelling of the same type in the same zone. The residents and operators of a residential care facility shall be considered a family for the purposes of any law or zoning ordinance that

relates to the residential use of property. However, “six or fewer persons” does not include the operator, operator’s family, or persons employed as staff.

The City recognizes several land use types which could be considered community/residential care facilities as defined by the State, including “Group Homes,” “Congregate Care/Group Facilities,” and “Residential Care Facilities for the Elderly (RCFE).” However, only “Group Homes” are differentiated by number of residents (i.e., “six or fewer” and “seven or more”).

Group Homes qualify as community care facilities according to their definition in [Section 19.60.020](#). Group Homes that house six or fewer persons are permitted by-right in the A, RR, RVL, R1, R4, R5, R10, and R20 zoning districts and are subject to the same development standards as single-family dwellings. However, these smaller Group Homes are not allowed in the C and MU districts, where single-family dwellings are also permitted by-right. Group homes with seven or more persons are only allowed with a use permit.

The City’s definition of RCFEs in [Section 19.60.020](#) matches that of the State, but also encompasses two sub-types: Assisted Living Facilities and Life Care Facilities. The City’s treatment of RCFEs is not in compliance with State law, as these facilities are only allowed with a Use Permit in the CN zoning district, with no differentiation between small or large facilities.

The City also explicitly defines and regulates Congregate Care/Group Facilities, allowing them with a Use Permit in the BPO and CG zoning districts. However, [Section 19.60.020](#) defines Congregate Care/Group Facilities as equivalent to RCFEs without resolving the discrepancy in allowed zones.

Under Program 4.E, the City would amend the Zoning Ordinance to address the following with regard to Housing for Persons with Disabilities:

1. Permit Group Homes serving six or fewer persons by-right in the C and MU districts;
2. Resolve the discrepancy between Congregate Care/Group Facilities and RCFEs;
3. Permit RCFEs and Congregate Care/Group Facilities which serve six or fewer persons and seven or more persons by-right in the A, C, RR, RVL, R1, R4, R5, R10, R20, and MU district; and,
4. Require only the same development standards for community/residential care facilities as those required for single-family dwellings.

The City defines a “family” as “one or more persons occupying a premises and living as a single non-profit, domestic housekeeping unit.” This definition does not require relation by blood or by marriage, and therefore does not unnecessarily limit the operation of community/residential care facilities.

Lastly, the City ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations and the Americans with Disabilities Act (ADA)) and federal requirements for accessibility.

### **Reasonable Accommodation**



Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws 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 reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the Zoning Ordinance to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

[Section 19.42.080](#) (Reasonable Accommodations) establishes a formal procedure for individuals with disabilities seeking equal access to housing to request a reasonable accommodation and criteria to be used when considering such requests. The Ordinance allows a reasonable accommodation request to be made by any person with a disability or their representative when the rules, standards, and practices required for housing acts as a barrier to fair housing opportunities. The procedure is a ministerial process, subject to approval by the Director.

In recent years, the City has not received any reasonable accommodation requests.

## **Density Bonus**

Zoning Ordinance [Division 19.25](#) (Density Bonus) implements State Density Bonus law by cross-referencing to Government Code [Section 65915 et seq.](#), thus automatically complying with State law.

However, the preceding division, [Section 19.24.020.B](#) (Density Bonus) states that affordable dwelling units that qualify a housing development for a density bonus are in addition, and do not count toward satisfying the affordable housing requirements of [Division 19.24](#) (Affordable Housing Requirements). This provision is not in compliance with State law; Government Code [Section 65915\(o\)\(6\)](#) requires that the “total units” used for the calculation of a density bonus include units designated to satisfy a city’s inclusionary zoning requirements. Program 3.A would remove this provision from Division 19.24 to ensure both affordable housing and density bonus regulations are consistent and compliant with State law.

Additionally, the City grants a local Senior Density Bonus of 30 dwelling units per acre when an applicant for a Senior Citizen housing development seeks such a bonus for a project within the AHO Overlay District. [Section 19.25.050](#) (Local Senior Density Bonus) provides example calculations for total possible units when combining both local and State-mandated density bonuses.

## **Incentives for Affordable Housing**

The City adopted an AHO Overlay in November 2013, applied to properties designated as housing opportunity sites consistent with the 5<sup>th</sup> Cycle Housing Element. As a result, the AHO Overlay is currently assigned to five sites. The AHO Overlay permits multi-family uses on all or a portion of the site. To further incentivize the development of affordable housing, [Section 19.16.070](#)

(Affordable Housing Opportunity (AHO) Overlay District) establishes development standards which eliminate minimum lot size, allow higher density (23 dwelling units per acre) than adjacent parcels, and lower parking requirements than are typically required for multi-family developments. Additionally, the AHO Overlay allows a maximum building height of 35 feet to allow construction of three-story buildings, as well as a height limit increase by a maximum of 20 percent with design review approval.

Since the City established the AHO Overlay in 2013, three of the five sites assigned to the AHO Overlay have been in the review process by the City, are currently in development, or have recently been built. In the AHO Overlay, a project at 7711 Redwood Boulevard was built with 80 housing units, 16 of which dedicated for very low- and low-income households. The project was built to a density of 87 percent (20 dwelling units per acre) of the maximum allowed density of 23 acres per unit. The City recently approved a project at 101 Landing Court, which will provide 32 housing units for very low-, low-, and moderate-income households. The project was built to a density of 70 percent (16.16 dwelling units per acre) of the maximum allowed density for the AHO Overlay. The City currently has a project under review at 1787 Grant Avenue that would provide 35 units of affordable housing, which will provide housing for very low-, low-, and moderate-income level households. The project was built to a density of 72 percent (16.67 dwelling units per acre) of the maximum allowed density for the AHO Overlay.

## Inclusionary Housing

The City provides for the development of affordable housing for lower-income households in Zoning Ordinance Division 19.24 (Affordable Housing Requirements). This division uses inclusionary housing policies, requiring affordable units as follows:

Residential Project Size	Percentage of Affordable Housing Units Required
3 – 6 units	10% or provide in-lieu fee
7 – 10 units	10%
11 – 19 units	11% – 19% <sup>1</sup>
20+ units	20%

<sup>1</sup> Percent units required increases on a 1-to-1 basis with residential project size.

For rental projects, 50 percent of the required number of affordable units must be affordable to low-income households, with monthly rent not to exceed 1/12 of 30 percent of the maximum annual income for households earning 60 percent of AMI, less a monthly utility allowance. The other 50 percent of affordable units must be affordable to very low-income households, with monthly rent not to exceed 1/12 of 30 percent of the maximum annual income for households earning 50 percent of AMI, less a monthly utility allowance.

In for-sale projects, 50 percent of the required number of affordable units must be affordable to low-income households and 50 percent must be affordable to moderate-income households.

[Section 19.24.030.A.2.a](#) (Affordable Sales Price Calculation) describes how to qualify affordable for-sale units to fulfill this requirement.

Alternately, developments of three to six housing units may pay an in-lieu fee of \$8,100 to \$28,000 per market rate unit, depending upon the size of the development. The requirement applies to single family development as well as multi-family projects. Second units and projects of one or two residential units are exempt. In recent years, very few residential development projects have resulted in the payment of in-lieu fees; in nearly all cases, the size of development has required units to be produced on-site.

### **Inclusionary Housing Analysis**

The City has implemented inclusionary housing requirements since 1999. Since that time, Novato has continued to experience new housing development, with 2,634 units (11.4 percent of the City's housing stock) built since 2000. Between 2015 and 2019, 266 housing units were issued permits in the City. Of these, 156 (59 percent) were above moderate-income units, 46 (17 percent) were moderate-income units, 41 (15 percent) were low-income units, and 23 (8.6 percent) were very low-income units (see Appendix A, Housing Needs Assessment, Table A-18). This is an average of 53 residential units permitted per year.

As of 2021, the City has achieved all of its above moderate-income 5<sup>th</sup> Cycle RHNA of 167 units, but has not yet met the allocations in the very low-, low-, and moderate-income categories. The City's progress is 46 percent of very low-income, 38 percent of low-income, and 32 percent of moderate-income. Various programs are included in the Housing Plan (Section III) to facilitate production of housing for lower-income households.

Additionally, as part of the 6<sup>th</sup> Housing Element Cycle, the City is undergoing an analysis of Zoning Ordinance Division 19.24 (Affordable Housing Requirements) to amend the City's current inclusionary housing policies. The current analysis is reviewing the City's current policies, the relationship of inclusionary housing ordinances to other State housing laws, a financial feasibility analysis in of State-compliant inclusionary housing policies, and reviewing recommendations to update the City's Zoning Ordinance. Under Program 2.G, the City will amend and monitor the inclusionary housing requirements to determine how to apply inclusionary requirements, how to periodically reevaluate the feasibility of the requirements, and update the inclusionary requirement on rental residential and for-sale development projects.

### **Urban Growth Boundary**

The Urban Growth Boundary (UGB) is a line (generally following the City limits) adopted as a component of the General Plan that delineates the outer edge of land planned for future development at General Plan buildout. The UGB is included in Novato's General Plan and distinguishes areas generally suitable for urban development and the provision of urban facilities and services from areas considered more suitable for the long-term protection of natural and scenic resources (particularly ridgeline views) and open space uses such as large lot agriculture and grazing, and parks and recreation. The UGB also encourages efficient growth patterns that

foster and protect the rural character of Novato while promoting appropriate economic development in accordance with the City's unique local conditions. The Marin Local Agency Formation Commission (LAFCO) and the County of Marin refer potential development outside the UGB, but within the City's Sphere of Influence, to the City for review and comment.

Originally enacted by the voters in 1997, Novato residents voted in 2017 to continue the UGB through the year 2042. The City Council may amend the UGB and annex new territory into Novato to comply with State law regarding the provision of housing for all economic segments of the community, provided that no more than 10 acres of land may be brought within the UGB in any calendar year.

### Other Local Ordinances

Municipal Code [Section 8-12](#) (Short-Term Rental Licensing Program) establishes regulations to prevent undesirable impacts associated with short-term rentals. The Ordinance does not otherwise prohibit short-term rentals in any particular zoning district, but does prohibit the use of both ADUs and JADUs as short-term rentals in [Section 19.34.031.H](#) (Rental Period).

In February 2022, the City adopted objective standards applicable to urban lot splits ([Ordinance No. 1678](#)). These standards are consistent with SB 9 (Government Code Sections [65852.21](#) and [66411.7](#)).

### C.2.3 Building and Housing Codes and Enforcement

Novato has adopted by reference [Parts 2, 2.5, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 of the 20192022 California Building Standards Code](#) (Code of Regulations, Title 24) as the Construction Codes of the City of Novato. ~~In addition, the City has adopted the 2018 International Property Maintenance Code published by the International Code Council.~~ All codes mentioned here are referenced in [Chapter 4](#) (Building and Housing) of the Municipal Code. ~~The~~These standards ~~may add material~~are adopted at the State level and ~~labor costs but are necessary~~mandatory Statewide minimums ~~for enacted to~~ the safety of those occupying the structures.

~~In many cases, amendments to the State Code have been incorporated to reflect issues of local concern.~~As part of the ordinance adopting these technical codes, the City Council has made reasonable and necessary amendments to the California Building Standards Code because of local climatic, geographical, or topographical conditions. The majority of local amendments made are to respond to conditions in and around the City such as the Wildland Urban Interface, areas of localized flooding, and design standards for various climate factors such as wind speed, seismic activity, etc. These express findings are listed in [Section 4-1.32.E \(Construction Codes\)](#).

For example, the City amended the [20192022 California Green Buildings Standards Code](#) (Code of Regulations, Title 24, Part 11) to adopt mandatory energy efficiency standards for new construction (also called Tier 1 measures). These Tier 1 efficiencies have been adopted by the City since 2011 and are typical of most jurisdictions in the Region. Applying the higher efficiency standards to all new construction will help the City achieve greenhouse gas emission reduction

goals. These standards may increase initial construction costs, but over time will benefit the health, welfare, and resilience of current and future residents and have not been observed as presenting constraints to housing supply and affordability. Other local amendments are proposed by the Novato Fire Protection District to the State Fire Code and Appendix A of the 2021 International Wildland-Urban Interface Code. These are proposed by the District, then ratified by the City Council. These amendments include requiring more fire resistive Class “A” roofing materials in line with the majority of neighboring jurisdictions and ensuring that wildland-urban interface upgrades apply only to the areas of building affected and retaining the current thresholds for fire sprinklers.

The City’s [Code Enforcement Division](#) is responsible for monitoring Code compliance. Code enforcement practices occur on when a complaint is made, during proactive inspections of multi-family buildings of three or more units (see Municipal Code [Section 4-14](#)).

## C.2.4 Permits and Procedures

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### ~~Permits and Procedures~~

~~The time required to process a project varies from one entitlement to another and is directly related to the size and complexity of the proposal, as well as the number of actions or approvals needed to complete the process. Table C-7~~Residential Entitlement Processing

The time required to process a residential development project, regardless of whether the proposal involves single-family or multi-family dwellings, varies from one entitlement to another and is contingent on a variety of factors, including, but not limited to the scale, location, complexity, and possible environmental impacts of a project, the physical constraints at and cultural resources sensitivity of a site, and the number of actions or approvals needed to complete the entitlement process. In Novato, where a residential project requires multiple entitlements, all required entitlements are processed concurrently. Accordingly, a package of entitlements for a given project will follow the timeline of the entitlement with the longest lead time. Where a project is subject to CEQA and/or tribal consultation, the process is started at the earliest possible time, usually within the initial completeness period specified in Government Code Section 65943. In all instances, the City follows the various time frames applicable to a given project as specified in the Government Code (e.g., Government Code Section 65943 and Subdivision Map Act) and the Public Resources Code (CEQA).

Based on the City’s experience, project timelines are often impacted by the completeness and clarity of initial application submittals, the applicant’s diligence in responding to application deficiencies and code/policy inconsistencies, the duration of consultations with local Native American tribes as may be necessary, the availability and lead times of CEQA consultants, and statutory public notice and comment periods. Typically, the City’s actual “hands-on” processing time is a fraction of the total time elapsing between the submittal of residential development

application and a decision on the project as many of the factors noted above are outside the City's control.

Table C-8 identifies approvals and/or permits that could be required for residential planning entitlements and their corresponding approval body. It should be noted that every project would not have to obtain each permit/approval.

**Table C-78: Review Authorities**

Type of Decision	Role of Review Authority <sup>1</sup>				
	Director/Staff	Zoning Administrator	Design Review Commission	Planning Commission	City Council
<b>Land Use Permits and Other Development Approvals</b>					
Minor Design Review	Decision <sup>2</sup>	–	Appeal	Appeal	Appeal
Major Design Review	–	–	Decision	Appeal	Appeal
Use Permits	–	Decision <sup>3</sup>	–	Appeal	Appeal
Variances	–	Decision <sup>3</sup>	–	Appeal	Appeal
Zoning Clearances	Decision <sup>3</sup>	–	–	Appeal	Appeal
<u>Master Plan / Precise Development Plan</u>	=	=	=	=	<u>Decision</u>
<b>Subdivisions</b>					
Land Divisions (4 or fewer lots)	Decision	–	–	–	Appeal
Tentative Maps (5 or more lots)	–	–	–	Decision	Appeal
<sup>1</sup> <del>"Recommend" means that the Review Authority makes a recommendation to a higher decision-making body;</del> <sup>1</sup> "Decision" means that the Review Authority makes the final decision on the matter; "Appeal" means that the Review Authority may consider and decide upon appeals to the decision of an earlier decision-making body, in compliance with Division 19.54 (Appeals). <sup>2</sup> The Director may refer the matter to a Design Review Commission for the final decision. <sup>3</sup> The Director or Zoning Administrator may defer action on permit applications and refer the items to the Planning Commission for the final decision.					

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Division 19.40 (Permit Application Filing and Processing)

Table C-9 provides an estimate of the processing time for the types of development approvals and levels of environmental review typically required for single-family and multi-family residential development projects in Novato since these forms of housing have the same permitting requirements.

**Table C-89: Typical Approval Timelines**

Permit/Approval Type	Estimated Approval Timelines <sup>1</sup>	No. of Public Hearings
<b>ADUs/JADUs</b>	60 days or less	–
<b>Residential Developments</b>		
<u>Minor Design Review – CEQA Exempt</u>	<del>6–9 months</del> <u>60 days</u>	On request or appeal only
<u>Major Design Review – CEQA Exempt</u>	<u>90 days</u>	<u>1</u>
<u>Use Permit – CEQA Exempt</u>	<u>90 days</u>	<u>1</u>



**Table C-89: Typical Approval Timelines**

Permit/Approval Type	Estimated Approval Timelines <sup>1</sup>	No. of Public Hearings
<u>Variances – CEQA Exempt</u>	<u>90 days</u>	<u>1</u>
<u>Planned District Master Plan / Precise Development Plan</u> <u>CEQA, Mitigated Negative Declaration</u>	9 – 12 months	4
<u>Planned District Master Plan / Precise Development Plan</u> <u>CEQA, Environmental Impact Report</u>	12 – 18 months	5 <sup>2</sup>
<sup>1</sup> Typical approval timeline after a project is deemed complete; applicant work periods or delays would lengthen these timelines. <sup>1</sup> <u>Assumes site is designated for housing, one round of completeness review, and one resubmittal by the applicant.</u>		
<sup>2</sup> EIR procedure adds additional public hearing on Draft EIR prior to consideration and certification of Final EIR.		

Source: City of Novato

The time lapse between project approval and building permit application varies based on project complexity and depends on factors outside the City's control (e.g., developer preference, financing, consultant/designer turnaround times, etc.). Recent housing projects in Novato have experienced time lapses between less than a month to 13 months.

For example, a 75-unit townhome development at 802 State Access Road which received a CEQA Mitigated Negative Declaration took 28 days between planning entitlement approval and building permit application. The development required a General Plan amendment, Master Plan amendment, Precise Development Plan, vesting tentative map, and design review and involved five public hearings (from an introductory neighborhood meeting to City Council approval). The project is currently under construction and the applicant is pulling permits in batches; permits have been issued for 71 of the 75 units as of November 2022.

Another example includes a two-building, nine-unit attached townhome development at 1602 Vallejo Avenue which qualified for CEQA Infill Exemption and took over 13 months between planning entitlement and building permit application. The development required a tentative subdivision map and design review and involved four public hearings (from introduction neighborhood meeting to Planning Commission approval). The project is currently under construction and the applicant pulled permits by building, all nine of which have been issued.

### **Single-Family Residential Project Process**

A typical single-family residential project in Novato involves a request for a tentative map subdivision and Major Design Review assuming the proposal occurs on a site zoned for single-family residential use, involves four or more parcels, and is subject to the City's Hillside and Ridgeline Protection Ordinance. Both entitlement requests would be processed concurrently, with a focus on determining whether the subdivision and proposed residences comply with the provisions of the California Subdivision Map Act, the standards of Novato's local subdivision and zoning ordinances, and meets the findings necessary to approve the tentative subdivision map and Design Review requests. The project would be concurrently reviewed for completeness pursuant to Government Code 65943 and introduced to the community through a neighborhood



meeting hosted by the project sponsor. Additionally, staff would determine the appropriate level of CEQA review for the proposal and initiate environmental review or preparation of findings supporting an exemption.

Assuming the application is complete, the proposal would be presented to Novato's Design Review Commission for a public hearing to make a recommendation to the Planning Commission on the subdivision's conformance with applicable design standards and findings. Thereafter, the proposal would advance to the Planning Commission for a decision on the recommended CEQA determination, the tentative map, and the Major Design Review requests. The Planning Commission's decision would be final unless appealed to the City Council.

### **Multi-Family Residential Project Process**

Condominiums and townhomes are the most common form of multi-family residential development in Novato. Given this circumstance, a typical multi-family development follows an entitlement process matching that applicable to single-family residential developments, including a subdivision review. If a multi-family project does not involve a subdivision action, then a Major Design Review would be the only planning entitlement required for such a project assuming the proposal occurs on a site zoned for multi-family residential use. Under such a circumstance and assuming a complete application, the Design Review Commission would be the final decision maker unless the matter were appealed to Planning Commission.

### **Planned (PD) Development (Master Plans/Precise Development Plans) Process**

Novato's Planned Development (PD) Zoning District applies to a number of properties designated for single-family or multi-family residential development. The PD process, regardless of residential type, involves the review and approval of a Master Plan and Precise Development Plan. The Master Plan addresses the intensity of development of a project, whereas the Precise Development Plan covers the design and operational elements of the proposals. The PD process is coupled with Design Review and may involve a subdivision action assuming single-family dwellings or multi-family condominiums/townhomes are proposed. The PD process allows an applicant to propose a project that doesn't necessarily need to meet the uniform development standards that would otherwise be applied to a given project through a traditional zoning district. That is, an applicant can essentially propose a custom designed development.

All of the entitlements associated with a project proposed under PD zoning are processed concurrently just as is done for non-PD projects in Novato. The PD process begins with a neighborhood meeting hosted by the applicant to introduce the project to the community. Thereafter, the project is presented to the Design Review Commission for a Design Workshop at which the Commission will provide feedback regarding the project's site design, building height/massing, and conceptual architecture and landscaping. During this period, staff works to identify the appropriate level of CEQA review. The initial Design Workshop involves a review of conceptual plans, as the intent is to provide design feedback without having an applicant invest significant time and money in fully developed project plans.

The next step of the PD process involves a return to the Design Review Commission for a public hearing to make a formal recommendation to the Planning Commission and City Council regarding the project's site design, building height/massing, and concept-level architecture and landscaping. The project design recommended by the Design Review Commission serves to inform the project description developed for the CEQA analysis, typically an initial study leading to a mitigated negative declaration. From this point, staff and the applicant coordinate to deliver the balance of documentation required for a Master Plan and Precise Development Plan and, as necessary, a tentative subdivision map.

Once the CEQA analysis is complete, the project is scheduled for consideration by the Planning Commission, usually at the end of the statutorily required public comment period for a mitigated negative declaration (either 20 or 30 days). The Planning Commission then considers the Master Plan, Precise Development Plan, Design Review, tentative map, and recommended CEQA determination at a public hearing. The Planning Commission makes a recommendation to the City Council to approve or disapprove the project based on the findings required for the noted entitlements and CEQA determination. Thereafter, the City Council conducts a hearing and decides on these items.

The PD process culminates with a return to the Design Review Commission to obtain a decision on the final architectural and landscaping details of the project. This final review is conducted after the City Council's action on the Master Plan and Precise Development Plan, so an applicant has the confidence of holding entitlement improvements before spending time and money preparing finer detailed architectural and landscape plans.

### **Representative Project Timeline**

Table C-10 below is a summary of the eight most recent residential projects in the City which have completed entitlements and obtained building permits. The table includes both entitlement processing times and the time between entitlement approvals and developer filing for building permits.

The table illustrates that there is a wide variance in the lapse of time between approvals and filing for building permits. There is very little correlation between complexity of the project and the time that elapses between approvals and filing for permits. The first two projects are two of the most complicated and yet filed for permits concurrently with entitlements (which the City allows) or within one month of completing entitlements which indicates the development team began work on their construction documents well in advance of their approvals. Conversely, the Springbrook Green and Misty Court projects were two of the simpler projects and had some of the longer timelines. Both of these projects were sold between entitlements to the builders who ultimately applied for and obtained permits. The Novato Village apartment site is located on the former Hamilton Air Base and soil remediation was required prior to obtaining building permits.

The table also reflects very little correlation between time involved to process entitlements and the complexity of entitlements. The majority of these sites were not anticipated as 5<sup>th</sup> Cycle housing sites; they came in as owner-initiated general plan amendments and rezones. The 7711

Redwood site was identified as an Affordable Housing Overlay site, but the owner wanted to include additional area in his application and so needed to process a General Plan Amendment and Rezone in order to accomplish that. Even with those additional actions, entitlement processing took less time than several of the other sites. The large variance in processing times of similar entitlements is due to the completeness and accuracy of plans submitted and the turnaround times for developer design teams.

These recent experiences were valuable to the City in identifying the extended processing times when properties were zoned “Planned Development.” These are the projects identified in Table C-10 as needing Master Plans or Master Plan Amendments and Precise Development Plans. Identification of this constraint led to development of Program 3.I, to rezone remaining properties designated “PD” with the zoning designation which most closely matches the property’s general plan land use designation. This program will further reduce entitlement processing times.

**Table C-10: Representative Project Timelines**

GPA = General Plan Amendment   MND = Mitigated Negative Declaration   MP = Master Plan   MPA = Master Plan Amendment PDP = Precise Development Plan   RZ = Rezone   TSM = Tentative Subdivision Map   Var. = Variance								
Project			Planning App.		Entitlement Processing Time	Building Permit App. Filed	Time from Entitlement to BP Filing	Entitlement Issued
Name	Units	APN/Address	Filed	Approved				
<b>7711 Redwood</b>	80 townhomes	125-580-16	4/12/16	12/17/19	8 months	9/30/219	Concurrent	GPA, RZ, TSM
<b>City Ventures</b>	75 townhomes	157-970-03 802 State Access Rd.	10/10/19	7/14/20	9 months	8/11/20	1 month	GPA, MPA, PDP, TSM, MND
<b>Homeward Bound</b>	50 supportive housing	157-970-07 826 State Access Rd.	7/9/19	8/23/22	37 months	12/14/22	4 months	PDP
<b>Hamilton Cottages</b>	16 senior townhomes	157-860-03, -04	9/21/15	10/25/16	13 months	6/21/17	8 months	MPA, PDP, VTSM, DR, MND
<b>Oakmont Senior Living</b>	Assisted living facility	151-022-12 1461 S. Novato Blvd.	2/18/16	7/11/17	17 months	6/18/18	12 months	GPA, MP, PDP
<b>Springbrook Green</b>	9 townhomes	1602 Vallejo	5/30/19	1/27/20	8 months	3/22/21	14 months	Var., TSM, CEQA Exmptn.
<b>Misty Court</b>	9 single-family detached	143-272-07	11/3/15	3/27/18	26 months	9/17/19	18 months	MPA, PDP, TSM, MND
<b>Novato Village</b>	48 senior apartments	157-970-04 801 State Access Rd.	5/3/11	5/30/13	24 months	3/12/15	24 months	GPA, MPA, PDP, MND

## Approval Findings

The entitlements noted above in Table C-9 each have a specific set of findings that must be made by a review authority to grant a requested entitlement. Where a project requires multiple

entitlements, it is necessary for the review authority to make the findings applicable to each entitlement to approve the proposal. The following is list of findings for each entitlement listed in Table C-9.

### *Design Review*

The City's ~~design review~~Design Review process is outlined in [Section 19.42.030](#) (Design Review). ~~The design review~~This is an entitlement that simplifies the application process by allowing the applicant to consider the project's conformance with objective design standards. The Design Review process may begin with ~~aan optional~~ Design Review Workshop. At the applicant's discretion, the Director will arrange an introductory workshop with the Design Review Commission (DRC) to review the project against the City's applicable objective design standards and guidelines. The Director will also provide courtesy noticing of property owners within 600 feet of the site. The threshold for whether the application warrants Minor Design Review (administrative action) or Major Design Review (DRC public hearing) are as follows:

1. Minor Design Review is an administrative process described in [Subsection 19.42.030.D.4](#) (Minor Design Review). Minor Design Review is required for:
  - Single-family/duplex developments of two or more stories;
  - Single-family/duplex developments on hillside parcels with an average slope of 10 percent or more;
  - Additions to single-family/duplex developments over 500 square feet; and,
  - Additions to multi-family developments that are 40 percent or less of existing building square footage (or are visible from the street).
2. Major Design Review is a public review process described in [Subsection 19.42.030.D.5](#) (Major Design Review). After the Director has determined an application is complete, a public hearing is scheduled before the DRC to make recommendations on a project's site plan. After DRC review, the project moves on to Use Permit review (described below). After the approval of the project's Use Permit, a second public hearing is scheduled before the DRC to review the design of buildings, architecture, landscaping, color, and materials. Major Design Review is required for:
  - Single-family/duplex developments of three or more adjacent units;
  - New multi-family developments;
  - Additions to multi-family developments greater than 40 percent of existing building square footage; and,
  - Any Minor Design Review application referred by the Director.

~~Generally, all residential development is required to go through design review. However, new single-story structures, ADUs, and single-family/duplex expansions of not more than 500 square feet are exempt. Single-family/duplex developments on hillside parcels are also exempt if the parcel's average slope is less than 10 percent. For both Minor or Major Design Review, the review authority must consider the criteria described in [Section 19.42.030.E \(Design Criteria\)](#) prior to approval of a design review application. These criteria include a 16-point list which mentions the~~

~~height and bulk of buildings, site layout, landscaping, orientation to natural amenities, articulation, the location of windows, and more. Nearly all of these criteria are described in general terms, with no specific dimensions for applicants to apply to projects. The subjectivity of the design review process and its criteria could lead to a protracted approval process and potentially a denial based on interpretation. This conclusion is supported by input received from both for-profit and nonprofit housing developers that work in Novato, who note that DRG requirements seem to change over the course of the entitlement process and the two required public hearings add significant time and expense.~~

~~The following programs are included to reform the design review process:~~

In September 2023, the City adopted objective design standards for residential development of more than two units and residential projects will now be referred to one meeting before the Design Review Commission in order to determine compliance with those objective standards. Note that multi-family development in multi-family zones do not require Use Permits. Use Permits are only required for mixed use developments in commercial zones. The following programs are included to reform the Design Review process:

1. Program 3.C: Adopt ~~Marin County~~ objective design standards for multi-family housing.
2. Program 3.D: Design review and use permit process improvements.
3. Program 3.E: SB 35 processing and permit streamlining.

#### Use ~~Permit~~Permits

The City's Use Permit process is described in [Section 19.42.050](#) (Use Permits). The Zoning Administrator, a qualified City employee appointed by the City Manager (usually the Planning Manager or Community Development Director), determines whether the application warrants a public hearing by the Planning Commission rather than by the Administrator. Regardless of the final decision-making body, Use Permit approval is subject to the findings listed in Section 19.42.050.E. ~~These include typical findings, such as consistency with the General Plan and not detrimental to the public health, safety, and welfare. These are:~~

1. The proposed use is consistent with the General Plan and any applicable specific plan;
2. The proposed use is allowed with a Use Permit within the applicable zoning district and complies with all applicable provisions of this Zoning Ordinance and any relevant Master Plan and/or Precise Development Plan;
3. The establishment, maintenance or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;
4. The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City; and

5. The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

The discretion of the Zoning Administrator in determining whether they or the Planning Commission is the final decision-making body potentially lengthens processing times. Clear review thresholds, like those used in the design review process, are preferable to streamline project review. As an additional action under Program 3.D, the City would amend the Zoning Ordinance to establish clear thresholds for the review of Use Permit applications by the Zoning Administrator.

Variances

The City's variance process is described in Section 19.42.070 (Variances). Variance applications are reviewed and decided upon by the same review authority that is responsible for acting upon the primary land use permit required to authorize the use in question. Findings include:

1. Granting the Variance is consistent with the General Plan and any applicable specific plan;
2. Granting the Variance would not constitute a grant of special privileges inconsistent with the limitations on other properties in the vicinity and in the same zoning district;
3. There are special circumstances applicable to the property (e.g., location, shape, size, surroundings, topography, or other conditions), so that the strict application of this Zoning Ordinance denies the property owner privileges enjoyed by other property owners in the vicinity and under identical zoning districts or creates an unnecessary and non-self imposed, hardship or unreasonable regulation which make it obviously impractical to require compliance with the development standards;
4. Granting the Variance is necessary for the preservation and enjoyment of substantial property rights possessed by other property owners in the same vicinity and zoning district and denied to the property owner for which the Variance is sought; and
5. Granting the Variance would not be materially detrimental to the public interest, health, safety, convenience, or welfare of the City, or injurious to the property or improvements in the vicinity and zoning district in which the property is located.

Zoning Clearances

The City's Zoning Clearance process is described in Section 19.42.020 (Zoning Clearances). The Director shall issue the Zoning Clearance after determining that the request is consistent with the General Plan and any applicable specific plan and complies with all Zoning Ordinance provisions applicable to the proposed use (including applicable Master Plan and Precise Development Plans). No other findings are required.

Planned Development (PD) – Master Plans and Precise Development Plans



As described in Section 19.42.060 (Master Plans and Precise Development Plans), Master Plans and Precise Development Plans are a prerequisite to development on parcels in the PD zoning district. The PD process is used both for projects on sites that are designated and/or zoned for residential uses, and frequently for sites that are requesting either a zone change, General Plan amendment, or annexation into the City for the purposes of residential development.

The PD process requires the submission of a Master Plan, Precise Development Plan, or combined plan containing graphic documents and written statements which describe the development concepts for the project. Approval of a Master Plan, Precise Development Plan, or combined plan is subject to the following findings:

*For a Master Plan (Zoning Code Section 19.42.060.E.3):*

1. The proposed Master Plan development is in conformance with the applicable goals and policies of the General Plan and any applicable specific plan;
2. The proposed Master Plan development can be adequately, conveniently, and reasonably served by public conveniences, facilities, services, and utilities;
3. The proposed Master Plan development concepts are reasonably suited to the specific characteristics of the site and the surrounding neighborhood; and
4. The location, access, density/building intensity, size and type of uses proposed in the Master Plan are compatible with the existing and future land uses in the surrounding neighborhood.

*For a Precise Development Plan (Zoning Code Section 19.42.060.F.3):*

1. The proposed Precise Development Plan is consistent with the General Plan, any applicable specific plan, and the approved Master Plan;
2. The proposed Precise Development Plan would produce a comprehensive development of superior quality (e.g., appropriate variety of structure placement and orientation opportunities, appropriate mix of land uses and structure sizes, high quality architectural design, increased amounts of landscaping and open space, improved solutions to the design and placement of parking facilities, etc.) than might otherwise occur from more traditional development applications;
3. The design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle access and public services and utilities (e.g., drainage, fire protection, sewers, water, etc.), would ensure that the proposed development would not endanger, jeopardize, or otherwise be detrimental to the public health, safety, or general welfare, or injurious to the property or improvements in the vicinity and zoning district in which the property is located;
4. The proposed Precise Development Plan standards are reasonably suited to the specific characteristics of the site, and are compatible with the existing and future land uses in the surrounding neighborhood;



5. The subject site is:

- o Physically suitable for the type and density/intensity of development being proposed;
- o Adequate in shape and size to accommodate the use and all fences and walls, landscaping, loading, parking, yards, and other features required by the Zoning Ordinance; and
- o Served by streets and pedestrian facilities adequate in width and pavement type to carry the quantity and type of traffic expected to be generated by the proposed development.

The requirement that any development on a parcel zoned PD prepare a Master Plan and/or Precise Development Plan commits applicants to a discretionary process where existing land use and zoning regulations may suffice. Under Program 3.I, the City will amend Zoning Ordinance Division 19.14 (Special Purpose Zoning Districts) to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed.

**Approval Findings Analysis**

The findings above reflect the City's historic reliance on discretionary criteria for new single-family and multi-family housing developments. However, the City, consistent with current State housing law, has adapted its application of the noted entitlements and associated findings where a residential proposal is subject only to compliance with objective standards. For example, if a residential project requires a Design Review approval and may only be reviewed for compliance with objective standards, the review authority is advised of the limits of review applicable to the project, provided with references to the objective standards relevant to the project, and is asked to make the required findings where the review authority determines the project complies with the pertinent objective standards regardless of whether the findings contains subjective criteria. The City's review authorities have approved residential development projects under these circumstances without issue. As applied, the noted findings do not constrain the entitlement of new residential development.

The City recognizes that adapting the noted findings as described above is not ideal in the long-term from the perspective ensuring clarity in entitlement processes for residential development. As such, Housing Element Programs 3.C, 3.D, 3.E, and 3.I will, in part, necessarily involve developing new or modified findings specific to residential projects subject to objective standards only and/or streamlined review (e.g., SB 35).

Regarding variances, the City rarely processes requests for variances related to residential development projects. Generally, residential projects in Novato involve more than five dwelling units and include some level of affordability qualifying the development for a density bonus. As a

result, developers utilize the provisions of State density bonus law to obtain relief from development standards.

### **SB 35 Processing**

Senate Bill 35 (SB 35) (Government Code [Section 65913.4](#)) became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing goals for above-moderate and lower-income levels to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process. The City complies with the requirements of SB 35 as part of project review as projects are proposed. The City will adopt local procedures consistent with SB 35 (see Program 3.E) to ensure continued compliance and to facilitate the review process.

### **Permit Streamlining Act Compliance**

The Permit Streamlining Act was enacted in 1977 in order to expedite the processing of permits for development projects (Government Code Section 65921). The Permit Streamlining Act achieves this goal by (1) setting forth various time limits within which state and local government agencies must either approve or disapprove permits and (2) providing that these time limits may be extended once (and only once) by agreement between the parties. The Permit Streamlining Act does not apply to legislative land use decisions or to ministerial permits.

The City adheres to the time limitations by providing completeness responses to applicants within 30 days of receiving a development application. When an application is received, the City establishes internal review times to be completed prior to the 30-day limit to ensure there is sufficient time to adhere to requirements of the Permit Streamlining Act. The completeness response provided to applicants includes a detailed list of missing items, if any, that were identified. Projects that are exempt from California Environmental Quality Act (CEQA) must be processed within 60 days of deeming the application complete. However, projects that require additional environmental analysis and disclosures to the public are granted additional time to prepare an initial study and circulate the environmental findings for public comments. The City adheres to streamlining requirements under CEQA pursuant to State law.

### **Permit and Development Fees**

The City processes development applications on a cost recovery basis, requiring payment of deposits for entitlement processing at the time of application and payment of development impact fees, generally at the time of building permit issuance. City fees/deposits are based on the City's costs of providing services and are reviewed and adjusted periodically. The City's permit and development fees are ~~available on the City's website~~available on the City's website consistent with Government Code ~~Section~~Sections [65940.1\(a\)\(1\)\(A\)](#)– [and 65940.1\(a\)\(1\)\(B\)](#).

### **Planning Fees**

Tables C-[911](#) lists the City's planning deposits and fees.

**Table C-911: Planning and Development Fee Schedule**

Permit	Fee/Deposit
<b>Subdivision Actions</b>	
<i>Tentative Map (4 or Fewer Lots)/Amendment</i>	\$4,100
<i>Tentative Map (5 or More Lots)/Amendment</i>	\$6,150
<b>Use Permits</b>	
<i>Major (Planning Commission)</i>	\$4,100
<i>Minor (Zoning Administrator)</i>	\$2,460
<b>Variance</b>	\$1,640
<i>Major (Hearing Authority)</i>	\$4,100
<i>Minor (Director)</i>	\$2,460
<b>Design Review</b>	
<i>Major Residential (Hearing Authority)</i>	\$5,125
<i>Minor Residential (Director Review)</i>	\$2,460
<b>Environmental Review</b>	
<i>Categorical/Statutory Exemption</i>	Cost of exemption review recovered via permit deposit/fee
<i>Initial Study/Negative Declaration/Mitigated Negative Declaration</i>	Initial deposit amount TBD based on consultant estimate
<i>Environmental Impact Report</i>	Initial deposit amount TBD based on consultant estimate
<b>Zoning Clearance</b>	\$410
<b>Streamlined Residential Review</b>	
<i>SB 35/AB 2162 (Streamlined Residential Development Review)</i>	\$13,325 <sup>1</sup>
<i>AB 168 (Notice of Intent/Tribal Consultation)</i>	\$2,460
<b>Density Bonus Request</b>	\$8,200
<b>ADU (Planning Permit)</b>	\$820
<b>Pre-Application Assistance Request</b>	
<i>Pre-Application Meeting (up to 1/2 hour)</i>	No charge \$500 for each additional meeting (up to 1 hour)
<i>Pre-Application Request for Information</i>	No charge \$205 for each additional hour (1 hour min.)
<i>Pre-Application Design Consultation (per plan submittal/response)</i>	\$205
<i>Technical Advisory Committee Review</i>	\$1,230
<b>Downtown Core Parking Waiver</b>	\$410
<b>Reasonable Accommodation Request</b>	\$820

<sup>1</sup> Streamlined processing means most work is completed in the first 30 to 60 days, resulting in a higher initial deposit to anticipate these costs. The deposit also includes covers a review of technical studies (due to CEQA exemption) and objective design standards, in addition to required reviews and public meetings.

Source: City of Novato, 2022 Master Fee Schedule

The City requires processing deposits for SB 35/AB 2162, not a fee. A deposit is required to cover the City's costs to process applications for streamlined review under the noted bills, including staff time and legal counsel charges. The City's processing deposit is consistent with the Legislature's finding regarding reimbursement of local agencies pursuant to Section 6 of Article XIII B of the

California Constitution as referenced in Section 7 of Senate Bill 35 and Section 5 of AB 2162, which state:

“No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution **because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act [emphasis added]**, within the meaning of Section 17556 of the Government Code.”

Under the City’s cost recovery approach, an applicant for a development entitlement, regardless of land use type, is charged for the City’s direct costs related to processing their request based on staff and legal counsel billing rates and actual materials costs without mark-up. Charges are first applied to an applicant’s deposit. If the full deposit is not required to process the application, then any remaining balance is refunded to the applicant. If the deposit is exhausted, then an applicant receives an invoice requesting payment of the City’s direct costs. This approach is uniform across all entitlements requiring a processing deposit.

The minimum deposit level established for SB 35/AB2162 represents the City’s anticipated cost to process a typical SB 35 application. Reviewing and acting on an SB 35 application is not a checklist procedure, but involves significant staff time to: a) verify whether a proposal is eligible for treatment under SB 35, b) perform a detailed review of the proposal’s compliance with a wide range of objective standards, c) coordinate with the City’s legal counsel and other outside agencies, and prepare various writings (e.g., objective standards compliance letter, correspondence with the applicant, etc.). The City’s current deposit of \$13,325.00 represents approximately 20 hours of combined staff and legal counsel time.

The required SB 35 processing deposit appears higher in comparison to the City’s other deposit amounts (e.g., minor design review, major design review, use permit, etc.) because those deposits apply to many different project types (e.g., commercial, industrial, etc.), some of which do not require the level of review or legal assistance associated with an SB 35 proposal. Generally, the City sets its deposit amounts at the average expected processing cost, not the highest anticipated cost.

The City’s initial deposit does not violate Government Code 65913.4(h)(1) as this provision is intended to prevent agencies from applying requirements, such setting exorbitant fees, to discourage applications for streamlined permitting and does not preclude an agency from recovering its reasonable costs. The City’s initial deposit of \$13,325.00 is not considered to be exorbitant, recognizing SB 35 requests commonly involve developments with budgets in the tens of millions of dollars. Accordingly, it is unlikely developers of projects at this cost level would be dissuaded from submitting an SB 35 or AB 2162 application based on the City’s required deposit. Again, an SB 35 applicant will only be charged for the City’s actual direct costs to process their application consistent with the same procedure applied to all other entitlement applications.

## **Building Permit Fees**

Table C-~~40~~12 lists the City's building permit fees. Novato charges building permit fees according to a sliding scale, in addition to plan check fees equal to 80 percent of the prescribed building permit fee.

**Table C-~~40~~12 Building Permit Fees**

Valuation	Base Fee	Plus Incremental Fee
\$1 – \$2,000	\$164	–
\$2,001 – \$25,000	\$164 for the first \$2,000	\$19.61 for each additional \$1,000 up to and including \$1,000
\$25,001 – \$50,000	\$615 for the first \$25,000	\$18.04 for each additional \$1,000 to and including \$1,000
\$50,001 – \$100,000	\$1,066 for the first \$50,000	\$11.48 for each additional \$1,000 over \$100,000
\$100,001 – \$500,000	\$1,640 for the first \$100,000	\$9.02 for each additional \$1,000 over \$500,000
\$500,001 – \$1,000,000	\$5,248 for the first \$500,000	\$7.87 for each additional \$1,000 over \$1,000,000
\$1,000,001 and up	\$9,184 for the first \$1,000,000	\$4.72 for each additional \$1,000 over \$1,000,000

Source: City of Novato, 2022 Master Fee Schedule

## Development Fees

Development fees are applicable to newly constructed buildings and additions, or whenever a change of use within an existing building creates additional impacts. Fees cover the costs of City services and facilities. Novato is also served by a variety of special districts (including the Novato Sanitary District, the North Marin Water District, and the Novato Unified School District (NUSD). to provide essential services such as water, sewer, and fire protection. These districts charge fees for their services, which are set by the various elected Boards of Directors.

Table C-~~41~~13 lists the applicable development fees in Novato.

**Table C-~~41~~13: Development Fees**

Impact Type	Fee Amount
<b>Outside Agency Impact Fees</b>	
<b>Novato Unified School District</b>	\$4.08/square foot
<b>Novato Sanitary District</b>	\$12,999 per dwelling unit
<b>Novato Fire District</b>	\$.0662/square foot
<b>North Marin Water District</b>	<b>Fee Per Dwelling Unit</b>
<i>Single-family detached and duplexes</i>	\$28,600
<i>Townhouses and condominiums (3 units or more)</i>	\$17,200
<i>Mobile home</i>	\$10,000

**Table C-4113: Development Fees**

Impact Type	Fee Amount		
Apartment houses (5 units or more)	\$11,200		
ADU	\$10,000		
City Impact Fees			
Residential Development Tax	Fee Per Bedroom		
One	\$490		
Two	\$730		
Three	\$900		
Four	\$1,070		
Five	\$1,240		
Each additional	\$170		
Park Dedication and In-Lieu Fee <sup>1</sup>	Fee Per Unit		
Single-Family Detached	\$5,394		
Single-Family Attached	\$4,434		
Duplex	\$4,925		
Apartment (3-4 units)	\$4,681		
Apartment (5+ units)	\$4,422		
Public Facilities Fees	Single-Family Dwellings	Multi-Family Dwellings	ADUs
Recreation/Cultural Facilities	\$9,449.87	\$9,450.46	\$4,725.23
Civic Facilities	\$1,694.02	\$1,694.58	\$847.29
General Government Systems	\$735	\$735.07	\$367.54
Open Space	\$2,044.03	\$2,044.03	\$1,022.02
Drainage	\$4,023.30	\$1,161.35	\$580.68
Traffic Impact Fees	Single-Family Dwellings	Multi-Family Dwellings	ADUs
Streets & Intersections	\$11,290.20	\$5,202.66	\$2,601
Transit Facilities	\$387.74	\$179.69	\$89.84
Corporation Yard	\$243.18	\$179.69	\$56.07

<sup>1</sup> Applicable to subdivisions (i.e., tract or parcel maps).

<sup>1</sup> Applicable to subdivisions (i.e., tract or parcel maps).

Source: City of Novato, NUSD, NSD, NMWD

## Fees Analysis

Table C-4214 shows the total estimated planning and development fees for single-family and multi-family developments.

**Table C-4214: Estimated Fees for Single-Family and Multi-Family Developments**

	Single-Family <sup>1</sup>	Multi-Family <sup>2</sup> (50 townhome units, market rate)
<b>Planning and Building Permit City Fees</b>		
Design Review	\$2,460	\$5,125
Tentative Map (5 or more lots)	–	\$6,150
<b>Development Impact Fees</b>		
Public Facilities Fees		
Recreation/Cultural Facilities	\$9,450	\$472,500
Civic Facilities	\$1,694	\$84,750
General Government Systems	\$735	\$36,750
Open Space	\$2,044	\$102,200
Drainage	\$4,023	\$58,050
Traffic Impact Fees		
Streets & Intersections	\$11,290	\$260,150
Transit Facilities	\$388	\$8,985
Corporation Yard	\$243	\$8,985
<b>Taxes and In-Lieu Fees</b>		
Residential Development Tax	\$900	\$36,500
Park Dedication and In-Lieu Fees	\$0	\$221,100
<b>Estimated Fees of Other Districts</b>		
Novato Unified School District	\$10,200	\$255,000
Novato Sanitary District	\$12,999	\$649,950
North Marin Water District	\$166	\$4,138
Novato Fire District	\$28,600	\$560,000
<b>Total Fees</b>	<b>\$85,192</b>	<b>\$2,770,332</b>
<b>Total Fees per Unit</b>	<b>\$85,192</b>	<b>\$55,407</b>
Total Estimated Development Cost	\$1,927,671	\$34,776,676
Total Estimated Development Cost per Unit	\$1,927,671	\$695,534
<b>Estimated Fee Cost as a Portion of Total Development Cost</b>	<b>4%</b>	<b>8%</b>
<sup>1</sup> Assumes a 3-bedroom, 2,500 square foot house with a 2-car garage.		
<sup>2</sup> Assumes 2-bedroom, 1,250 square foot units.		

Source: City of Novato, LWC

Planning and development fees add to the cost of housing and can constrain housing development if the cost of development exceeds the threshold for financial feasibility. The Novato Sanitary District, Novato Fire District, and Recreation/Cultural Facilities fees are the most



substantial fees required for residential development in Novato. However, as reviewed by the Turner Center in a March 2018 report, development fees typically represent reasonable costs.<sup>1</sup>

On a per-unit basis, fees on development in Novato are higher for single-family development than multi-family. However, development fees make up a greater portion of market-rate multi-family development costs because single-family houses are much larger than multi-family units as per-unit fees incentivize larger unit sizes. Therefore, the City will evaluate refining fees to be applied on a per square foot basis rather than per unit to encourage the development of smaller housing units, and encourage the various special districts to do the same (Program 3.F).

## C.2.5 On and Off-site Improvements

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New development is required to provide public improvements to serve new residents. Many development sites in Novato are individual vacant or underutilized lots with full utilities, street frontages, access, and services and require few public site improvements other than construction of utility connections to existing infrastructure in the adjacent public right-of-way. The availability of these on-site and off-site improvements increase the viability for development in Novato. Required street right-of-way widths are based on street classification and range from 25 feet (limited residential street) to 100 feet (arterial) (Municipal Code [Section 5-45](#)). While these types of requirements result in additional development costs, these improvements provide the necessary facilities and services for a safe and quality living environment, and the City offers reductions in these standards when appropriate.

The Housing Element does identify larger sites that require subdivision and the additional need for new blocks, public or private streets, curb and gutter replacement, sidewalks, tree planting, and similar onsite amenities which ~~to contribute to public health and safety~~ contribute to public health and safety. As discussed below in Section C.4.2 (Infrastructure Constraints), Novato does not experience issues with environmental constraints public infrastructure demands (electricity, gas, and telephone services), water district supply, and sewage and drainage systems, as these services have been determined to be stable and adequate for the foreseeable future.

The City has adopted engineering and design standards to inform developers of how these ~~improvement~~ improvements should be constructed in [Chapter 5](#) (Development Standards) and [Chapter 9](#) (Land Subdivision). Therefore, the City's on and off-site improvement requirements are not considered regulatory barriers to affordable housing.

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<sup>1</sup> Turner Center for Housing Innovation, [It All Adds Up: The Cost of Housing Development Fees in Seven California Cities](#), March 2018.

## C.2.6 Summary

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Basic development standards and land use regulation in Novato allows for moderate density and intensity for residential development. However, hillside regulations need to be revised for ease of use and applicability- and the design review process allows a degree of subjectivity and repetitive review that lengthens the development timeline. Additionally, several residential uses (e.g., emergency shelters, farmworker/employee housing, etc.) are not regulated in compliance with State law. Furthermore, amendments to the City's density bonus and inclusionary housing ordinances are necessary to resolve inconsistency with State law. The City's planning and development fees are reasonable, as are its requirements for on- and off-site improvements.

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## Section C.3 Non-Governmental Constraints

Local governments have limited control over market factors that can influence the development of housing. These market-related constraints include land costs, construction costs, and the availability of financing. An assessment of these non-governmental constraints informs strategies for mitigating the impacts of market factors on housing production.

### C.3.1 Housing Supply/Conditions

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#### Market Overview: For-Sale Development

As shown in the Needs Assessment (Appendix A, Figure A-39), the Region's home values have increased significantly since 2012, when they had reached a low point following the Great Recession (2009-2012). From 2012 to 2020, the median home value in the Bay Area increased by 117 percent. Since 2012, the typical home value in Novato has increased 87 percent, from \$490,952 to \$916,143.

Following the recovery from the Great Recession and until 2020, interest rates remained at low levels of 3.5 to 4.5 percent. When interest rates are low, capital investment and housing production generally increase, and more buyers are likely to take out a mortgage than when interest rates are higher. In addition, consumers are able to borrow more money for the same monthly payment. During the COVID-19 pandemic, national 30-year mortgage rates dropped to even lower levels, declining to as low as 2.65 percent in January 2021. However, interest rates began to increase in early 2022, to 5.3 percent by May 2022, the highest rate since June 2009.<sup>2</sup> The increase in home borrowing rates may impact the performance of the home buying market, but the severity of these impacts is uncertain due to the unusual conditions during the pandemic-

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<sup>2</sup> Federal Home Loan Mortgage Corporation (Freddie Mac), [Primary Mortgage Market Survey®](#)

recovery, including a shortage of housing supply, increased savings, and significant changes to how many Americans work and live.

### **Market Overview: Rental**

As shown in the Needs Assessment (Appendix A, Figure A-40 and Figure A-41), Novato rents have risen alongside rents in Marin County and are higher than those across the Region. According to U.S. Census data, the median rent in Novato in 2019 was \$1,950 per month and had increased by 45.4 percent in the past 10 years. In the same time period, median rent increased by 25.1 percent in Marin County and 54 percent in the Region.

Per the Needs Assessment (Appendix A, Figure A-43), homeowners are less cost-burdened than renters, who bear the brunt of an overall rise in housing costs without the benefit of fixed-rate mortgages. When looking at cost burden across tenure in Novato, 26.2 percent of renters spend 30 to 50 percent of their income on housing compared to 19.7 percent of those that own. Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing and are considered severely cost-burdened, while 14.8 percent of homeowners are severely cost-burdened. In total, 34.5 percent of homeowners and 54.8 percent of renters experience some level of cost burden in Novato.

## **C.3.2 Development Costs**

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### **Land Costs**

Due to the lack of undeveloped property in the City, a residual land value analysis was used to estimate the price of land in Novato. The analysis used comparable sales within the past two years (2021–2022). Individual lots ranged from \$96 to \$222 per square foot, or about \$4,179,877 to \$6,688,335 per acre. Lot sizes ranged from approximately 3,572 to 43,125 square feet. Residential multi-family land in and near the City is estimated to cost an average of \$167 per square foot, or about \$7,293,907 per acre.

There were very few recent raw land sales in Novato. The lack of undeveloped land is considered a constraint to development, as housing production will most likely occur on more expensive opportunity sites for redevelopment. Additionally, a developer will need to finance existing on-site improvements, as well as demolish existing structures, further driving up development costs.

### **Construction Costs**

According to a March 2020 report published by the Turner Center for Housing Innovation, construction costs for multi-family housing in California have climbed 25 percent between 2009

and 2018.<sup>3</sup> This increase is in part due to the higher cost of building materials, such as lumber, concrete, and steel, as well as prevailing wage requirements. According to RSMeans, construction costs (including materials and labor but excluding soft costs such as fees) for a small apartment complex in the Novato area ranged between \$191 to \$220 per square foot in 2022. Construction costs can vary depending on the type of development, ranging from more expensive steel-frame Type I construction to more affordable wood-frame Type V. Due to the smaller scale, single-family homes tend to be more expensive to construct on a per square foot basis than larger, multi-family developments. This cost can fluctuate depending on the type and quality of amenities to the property, such as expensive exterior and interior finishes, outdoor spaces, fireplaces, swimming pools, etc.

Soft costs are the costs that are not directly incurred by the physical construction of the development. These costs include services for architectural, engineering, environmental assessments, landscape design and legal services, as well as permitting requirements and impact fees. They generally range from 15 to 30 percent of total development costs but fluctuate depending on local fees and exactions. Please refer to the Permit and Development Fees section for a discussion of the City's required permit and development fees.

### C.3.3 Availability of Financing

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The availability of financing has a large impact on rates of homeownership. The ability to secure financing can be influenced by, creditworthiness, debt-to-income ratio, and the restrictiveness (or leniency) of mortgage lending standards. Reviewing data collected through the Home Mortgage Disclosure Act (HMDA) reveals the influence of the lending market on local home sales. Home purchase loans in 2020 are summarized in Table C-~~14~~15 below.

In the City's zip codes, almost all traditional home loan applications (between government-backed and conventional) in 2020 were for conventional loans, for a total of 912 home loan applications across both types. This disparity could be driven by high home values in Novato, as government-backed loan programs typically have a maximum loan amount. The approval rate for conventional loans was 79 percent.

In competitive housing environments, where purchasing a new home may be out of reach for some, home renovations can be a desirable and more affordable way to add value to a property. There were 221 loan applications for home improvement in 2020. The approval rate for these types of applications was 58 percent.

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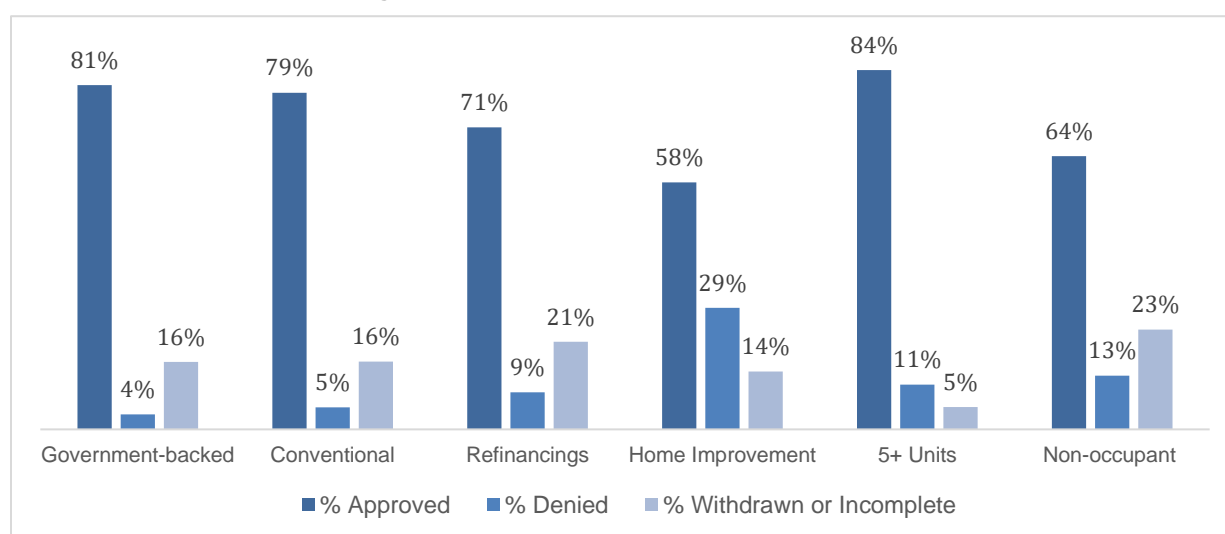
<sup>3</sup> Turner Center for Housing Innovation, [\*The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California\*](#), March 2020

**Table C-4415: Total Home Loan Applications**

Type	Total Applications
Government-backed	57
Conventional	855
Refinancing	4,962
Home Improvement	221
5+ Units	19
Non-occupant	278

Source: HMDA, 2020

**Figure C-1: Home Loan Application Disposition**



Source: HMDA, 2020

### **C.3.4 Achieved Housing Densities**

Table C-16 below reflects the City's 5<sup>th</sup> Cycle inventory of sites identified as Affordable Housing Overlay, Multi-family, and Mixed-Use properties. (The following analysis does not include sites identified for single family detached development.)

Development has gone forward on several of these sites, with one completed (site 13/14), one currently under construction and nearly complete (site 3), and several more with applications on-file. The projects currently in process are identified as Pipeline Projects in the City's Cycle 6 inventory. Only one of these identified sites was approved with fewer number of units than anticipated in our 5<sup>th</sup> Cycle inventory. The vast majority of sites yielded the exact number of units assumed, or greater. The loss of four units on site 13/14 was due largely to losses in developable area due to internal street widths (fire lanes). There are large numbers of improved unit yields due to the types of projects proposed by developers vs what was anticipated and new tools

available to developers as a result of changes in state laws related to housing and proximity to transit.

**Table C-16 Achieved Housing Densities**

Site ID	APN	Property Name/Address	5 <sup>th</sup> Cycle Capacity (# of units)	Developed or App. Filed Since 5 <sup>th</sup> Cycle? Y/N	New Proposed Unit Count	Notes
<b>Affordable Housing Overlay (AHO) Sites</b>						
<u>1</u>	<u>141-201-48</u> <u>141-201-12</u>	<u>1787 Grant</u>	<u>35</u>	<u>Y</u>	<u>35</u>	<u>In entitlement process</u>
<u>2</u>	<u>153-162-59</u>	<u>101 Landing Ct.</u>	<u>30</u>	<u>Y</u>	<u>32</u>	<u>Entitled</u>
<u>3</u>	<u>125-202-18</u> <u>125-580-16, -17</u>	<u>7711 Redwood</u>	<u>80</u>	<u>Y</u>	<u>80</u>	<u>New APNs assigned; under construction</u>
<u>4</u>	<u>143-011-08</u>	<u>ROIC</u>	<u>35</u>	<u>Y</u>	<u>178</u>	<u>In entitlement process; app. Incl. 143-011-05</u>
<u>5</u>	<u>140-011-66</u>	<u>Lifelong Med.</u>	<u>21</u>	<u>N</u>	<u>N/A</u>	
<b>Multi-Family Housing Sites</b>						
<u>6</u>	<u>141-062-36</u>	<u>1902 Novato</u>	<u>6</u>	<u>N</u>	<u>N/A</u>	
<u>7</u>	<u>141-142-16</u>	<u>1811 Virginia</u>	<u>8</u>	<u>N</u>	<u>N/A</u>	
<u>8</u>	<u>141-234-10</u>	<u>1110 Olive</u>	<u>3</u>	<u>N</u>	<u>N/A</u>	
<u>9</u>	<u>141-253-09</u>	<u>1017 4<sup>th</sup></u>	<u>1</u>	<u>N</u>	<u>N/A</u>	
<u>10</u>	<u>141-261-30</u>	<u>1053 3<sup>rd</sup></u>	<u>5</u>	<u>N</u>	<u>N/A</u>	
<b>Mixed-Use Sites</b>						
<u>11</u>	<u>141-261-29</u>	<u>4<sup>th</sup> &amp; Grant</u>	<u>24</u>	<u>Y</u>	<u>227</u>	<u>In entitlement process</u>
<u>12</u>	<u>141-263-30</u>	<u>1<sup>st</sup> &amp; Vallejo</u>	<u>6</u>	<u>N</u>	<u>N/A</u>	
<u>13</u>	<u>125-600-52</u>	<u>7533 &amp; 7535 Redwood</u>	<u>54</u>	<u>Y</u>	<u>50</u>	<u>Completed in 2022</u>
<u>14</u>	<u>125-600-51</u>			<u>Y</u>		
<u>15</u>	<u>141-264-22</u>	<u>4409 Redwood</u>	<u>10</u>	<u>N</u>	<u>N/A</u>	
<u>16</u>	<u>141-282-07, -04</u>	<u>1<sup>st</sup> &amp; Gran</u>	<u>17</u>	<u>Y</u>	<u>196</u>	
<u>17</u>	<u>153-041-01</u>	<u>Redwood &amp; Vallejo</u>	<u>13</u>	<u>N</u>	<u>N/A</u>	

### **C.3.4C.3.5 Summary**

Despite lower for-sale prices and comparable market rents to the County and Region, other economic conditions, particularly relatively lower land costs, are favorable for attracting new housing development in Novato. Most of the new construction, however, is expected to be for above-moderate income households while housing projects affordable to moderate and lower-income households are less common.

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## Section C.4 Environmental and Infrastructure Constraints

### C.4.1 Environmental Constraints

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#### Environmental Conditions

Novato is located in the greater North Bay region of the San Francisco Bay Area. The northernmost city in Marin County, Novato is suburban-scaled and framed by undeveloped hillsides and the San Pablo Bay. The Mediterranean climate and coastal influence produce moderate temperatures year-round, with rainfall concentrated in the winter months. The ~~region~~Region is subject to a range of natural hazards, including earthquakes, flooding, landslides, and wildfires.

Historic land use has altered much of the landscape in Novato and surrounding communities, but the remaining open space supports a diversity of plant and animal species. San Pablo Bay's open water transitions into large expanses of marshland habitat and diked baylands which support primarily grasslands that continue to be used for grazing. A mosaic of grassland and woodland preserves occupy much of the remaining undeveloped hillsides, adjacent to residential neighborhoods occupying the lower elevations.

The central portion of the City is along the Highway 101 corridor and is primarily developed for residential uses, bisected by the remaining natural riparian and marshland habitats along major drainages. Elevations in Novato range from sea level to approximately 1,558 feet above mean sea level at the highest point on Burdell Mountain. The Downtown area is at 18 feet above mean sea level and contains a number of lakes, streams, and creeks.

After the City was incorporated in 1960, residential development boomed in the 1960s and 1970s resulting in predominately residential uses in the valley areas west of Highway 101 and in neighborhoods east of the freeway. In 1997, Novato voters approved a ballot measure establishing an Urban Growth Boundary to restrict urban development from extending into rural and natural areas. In 2017, residents voted to continue the Urban Growth Boundary through the year 2042.



## Flooding

Flooding is given special attention when accommodating new development in Novato. The City encompasses over 5,000 acres designated as Special Flood Hazard Area, although nearly 3,800 (75 percent) of those acres are preserved as open space areas. Historical flooding has inundated many low-lying areas of the City, such as winter storms in 2016-2017 closing Highway 37 for 27 days and flooding neighborhood streets. Flood hazard areas are mainly located in the eastern portion of the City, though areas along major streams are susceptible flooding. Figure C-2 displays the City's floodplains as reported in the Novato General Plan 2035 Final Environmental Impact Report.

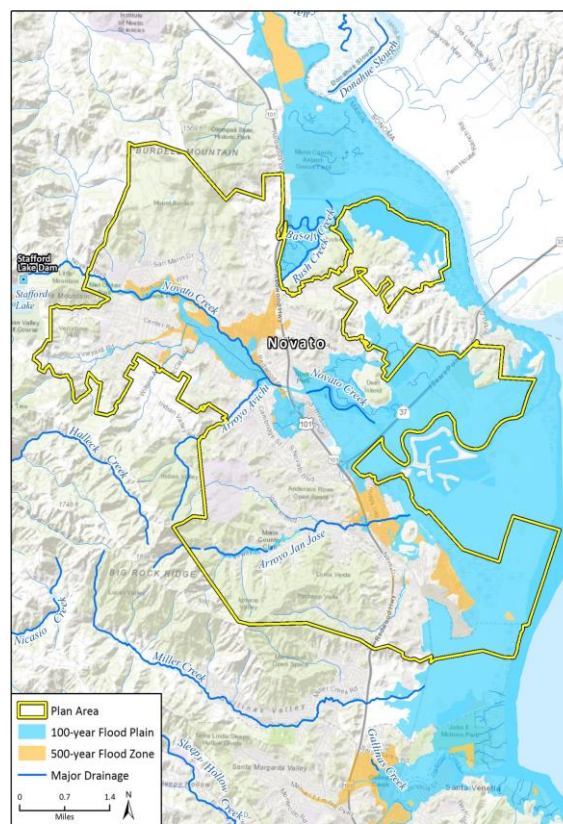
All new construction and substantial improvements in Special Flood Hazard Areas are required to comply with the City's Flood Damage Prevention Requirements (Municipal Code [Section 5-31](#)). Development standards are intended to meet, if not exceed, minimum National Flood Insurance Program (NFIP) criteria for requirements for floodplain management regulations, including raising residential buildings and using flood-resistant building materials.

As shown in Appendix B, one of the City's two rezone sites identified in the Site Inventory is located at 1682 Novato Blvd. (also referred to as "Site 2" or the "Baywood Center Offices"). This 1.41-acre parcel is located adjacent to Novato Creek and within the Creek's 100-year floodplain, but this location has not presented significant impediment to the parcel's existing use as an office complex. Additionally, while the City has established a Flood Hazard (F) Overlay District, the proposed redevelopment of this site into housing is subject to Municipal Code [Chapter 5-31](#) (Flood Damage Prevention Requirements). These and other regulations do not preclude development of this site at the density indicated in Appendix B.

## Other Environmental Constraints

The City has taken measures to prepare for and mitigate impacts from its other main environmental hazards – seismic activity, liquefaction, landslides, and wildfire. These measures include requiring geotechnical analyses for development proposals in hazardous areas, encouraging clustered development, and a city-wide available land inventory providing development capacity while factoring environmental constraints. Additionally, the City has identified its vulnerability to the

**Figure C-2: Floodplains in Novato, CA**



Source: City of Novato, Novato General Plan 2035 Final Environmental Impact Report (2020)

impacts of climate change as part of its 2009 Climate Action Plan and has committed to comprehensively incorporating these anticipated impacts into the General Plan, hazard mitigation plans, etc. None of these environmental hazards are considered a constraint that would significantly affect the production and maintenance of housing during the planning period.

#### **C.4.2      Infrastructure Constraints**

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Novato does not experience issues with public infrastructure demands (electricity, gas, and telephone services), water district supply, and sewage and drainage systems, as these services have been determined to be stable and adequate for the foreseeable future. An overview of the City's water, sewer, and dry utilities infrastructure is described below.

##### **Water**

The Novato Municipal Water District (NMWD) provides water service for the City of Novato as well as the surrounding unincorporated areas and portions of West Marin. Approximately 80 percent of the Novato water supply comes from the Russian River through the NMWD's wholesale water supplier, the Sonoma County Water Agency (SWCA). The remaining 20 percent comes from local runoff into Stafford Lake that is treated at the NMWD Stafford Water Treatment Plant, and a lesser amount of recycled water developed in cooperation with Novato Sanitary District and Las Gallinas Valley Sanitary District. The District has no local, developed groundwater supply source. The large 245,000 acre-feet water supply storage capacity in Lake Sonoma allows the City to weather drought years and will help to buffer the impacts of greater extremes in rainfall expected to result from climate change.

The NWMD's most recent Urban Water Management Plan was submitted in June 2021. The Plan addresses the District's water system and includes a description of the water supply sources, magnitudes of historical and projected water use, and a comparison of water supply to water demands during normal, single-dry, and multiple-dry years. The Plan is prepared in accordance with the Urban Water Management Act and is updated every five years.

Potable water use within the District's service area is predominantly associated with residential use, with 56 percent of the water use between 2016 and 2020 from single-family residence accounts and 14 percent from multi-family accounts. Total and per capita water use increased from 2011 through 2013, then declined from 2014 through 2017. These trends were likely influenced by the historic drought conditions, mandatory state-wide restrictions in urban water use imposed by the State Water Resources Control Board (SWRCB), and local drought response.

Total and per capita water use has remained lower than pre-drought conditions, with an increase in 2018, indicating a degree of rebound following the drought.<sup>4</sup>

Potable and raw water demand is projected to increase from 8,194 acre-feet in 2020 to 10,249 acre-feet by 2030, an approximately 25 percent increase.<sup>5</sup> The methodology used to calculate this projection incorporates estimated growth rates for population and employment, new housing per ABAG's RHNA calculations, and demand projections that reflection hotter, drier weather as a result of climate change. A significant increase in water demand is not anticipated during the planning period, and the NMWD projects that future supplies will be sufficient to meet forecasted demand under normal year, single-dry year, and multiple-dry year scenarios.

## **Sewer and Stormwater**

The Novato Sanitary District (NSD) provides wastewater collection, treatment, and disposal services for the City through a system of over 240 miles of sewer lines and 40 pump stations. Wastewater is transported to the Novato Treatment Plant (NTP) where most of the water undergoes primary and secondary treatment and is either discharged to San Pablo Bay or used for agricultural irrigation.

Surface water runoff in the City varies from concentrated, channelized flows in the surrounding hills to sheet flow that is then intercepted by stormwater conveyance systems in the flatter city center. To the east of the city, stormwater enters a tidal marshlands system through canals and ditches. All surface drainage eventually flows into San Pablo Bay by overland flow, tributary swales (shallow, vegetated ditches), or perennial streams, such as Novato Creek.

The NTP underwent significant upgrades and returned to service in 2010, combining the flows from two former treatment plants. The upgraded NTP is designed for an average dry weather flow of 7.05 MGD and peak wet weather flow of 30.7 MGD, volumes well above those seen during recent years. In 2012, NSD completed a new recycled water treatment facility with a treatment capacity of 1.7 MGD (peak). The plant can provide over 150 million gallons of water annually for large landscapes.

The NSD most recently updated its Wastewater Collection System Master Plan in 2019 for the after assessing the management, physical condition, and maintenance of its collection system. Results showed that over 70 percent of the inspected pipes had no recorded structural defects.<sup>6</sup> The Stormwater Master Plan was updated in 2019. Both Master Plans identified capital improvement priorities necessary to maintain capacity and reduce flooding/overflow risk in the sewer and stormwater systems.

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<sup>4</sup> North Marin Water District/EKI Environment & Water, Inc., *2020 Urban Water Management Plan*, June 2021, p.25

<sup>5</sup> Ibid. p. 32

<sup>6</sup> Novato Sanitary District, *Collection System Master Plan*, October 2019, p.9.

Overall, the City's sanitary sewer districts have adequate capacity to treat wastewater for the service area to accommodate anticipated future development.

### **Dry Utilities**

Electricity in Novato is provided jointly by Marin Clean Energy, a Clean Choice Energy (CCE) program, and PG&E. Natural gas is provided by PG&E, and Marin Clean Energy provides an alternative energy source. Additional dry utilities include cable TV/internet (AT&T and Comcast) and weekly garbage service (Novato Disposal Service, Inc. through a contract with the Novato Sanitary District). Solid waste from Novato is taken to the Redwood Landfill and Recycling Center located north of the Novato city limit. The estimated closure date of the landfill is 2036.

Overall, dry utility infrastructure is adequate to accommodate anticipated future development during the planning period.

# Appendix D: Evaluation of the 2015–2023 Housing Element

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## Section D.1 Existing Housing Programs Review

This Appendix documents the implementation status of the current Housing Element programs. The main purpose is to evaluate which programs were successful and should be continued, and which programs were ineffective and should be eliminated or modified.



~~During the last Housing Element cycle, the City permitted 503 total housing units, 75 of which were deed-restricted. In 2021, the City issued building permits for 27 accessory dwelling units.~~

~~Many of the 5<sup>th</sup> Cycle Housing Element programs represent ongoing City efforts or were successfully completed. These programs have facilitated affordable housing during the planning period, such as Homeward Bound of Marin's Workforce and Veteran Housing project (50 apartment units for both veteran and non-veteran homeless residents,) and Oma Village (14 apartment units for families transitioning out of homelessness. The City has also updated its Accessory Dwelling Unit (ADU) Ordinance, contracted with a new non-profit organization (Rise Housing) to administer its successful Below Market-Rate Homeownership and Rental programs, and been an active participant in regional efforts to fund and facilitate housing (i.e., maintaining the City's Affordable Housing Trust Fund, participating in the development of the Marin County Objective Design & Development Standards toolkit, etc.).~~

### **D.1.1 Efforts to Address Special Housing Needs**

~~California Government Code Section 65588(a)(4) requires that local governments review that effectiveness of goals, policies, and related actions to meet the special housing needs of the elderly, persons with disabilities, large families, farmworkers, female-headed households, and persons experiencing homelessness. The 5<sup>th</sup> Cycle Housing Element included several programs to meet these special housing needs and the 6<sup>th</sup> Cycle Housing Element will build upon these programs (and modify them to meet current needs) based on an evaluation of their cumulative effectiveness.~~

~~In the most recent planning period (2015-2023), the following actions and achievements addressed special housing needs in Novato:~~

- ~~• Contracted with Rise Housing Solutions to administer the City's Below Market-Rate (BMR) Homeownership and Rental programs.~~
- ~~• In partnership with long-time non-profit partner Homeward Bound of Marin, provided \$750,000 from the City's affordable housing fund (2020) and a \$3 million loan (2022) to begin construction of the Homeward Bound Workforce and Veteran Housing project. This 50-unit will provide target housing for special needs populations – 24 apartments for homeless veterans and 26 apartments for other homeless individuals entering the~~

workforce. The project will also include a commercial kitchen for job training and rentable event space.

- Hired two full-time staff in FY 22/23 to manage the City's new Homeless Services Division, which supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency.
- Established the new Housing and Homeless Committee (HHC) whose purpose is to provide information and make recommendations to the City Council regarding housing and homeless issues within the City. The HHC assists with reviewing the state of homelessness in the City by planning, advocating, supporting, and collaborating with those affected by homelessness.
- Maintained and operated the Temporary Encampment at Lee Gerner Park, providing temporary shelter for up to 17 individuals and offering case management, outreach services, security, showers, and bathrooms. In FY 22/23, the City also partnered with Community Action Marin's Community Alternative Response Engagement (CARE) Team to provide outreach services to individuals in the encampment.
- Partnered with the non-profit Downtown Streets Team (DST) to connect individuals with vital social services and stable employment opportunities through sidewalk and street cleaning. DST operations in Novato have also included the Marin Mobile Shower Program, which provides basic hygiene at encampments, churches, medical facilities, and other places in need.
- In FY 22/23, with the County of Marin Health and Human Services (HHS) as the lead applicant and support from the City, HHS was awarded \$1.1 million in State Encampment Resolution Funds to serve 45 people at the City's Hamilton Marsh encampment. Funds will support outreach & case management, client engagement & direct assistance, mobile showers, portable toilets & handwashing stations, and motel vouchers.
- Allocated \$240,000 in one-time federal American Rescue Plan stimulus funds to support the County of Marin in hiring additional case managers to help unhoused community members secure and maintain housing. This contribution will assist Marin County CoC in implementing its Housing First approach to homelessness, its Homeless Outreach Team, and other collaborative regional efforts.
- Provided annual support through CDBG funds to North Marin Community Services' rental support and food bank programs, as well as Legal Aid of Marin's landlord/tenant dispute resolution services.
- Requested developers of current and upcoming single-family detached subdivisions design-in Junior ADUs for at least 25 percent of their homes. All developers have agreed.
- Implementing 5<sup>th</sup> Cycle Program 12.A: Continued to closely monitor the relationship between transitional housing provider EAH Housing and Meadow Park homeowners, with City staff occupying a position on the Meadow Park HOA Board of Directors. The City has also maintained a close working relationship with Homeward Bound of Marin, which has



done an excellent job of managing the City's 80-bed emergency shelter, New Beginnings Center, throughout the planning period.

- Implementation of 5<sup>th</sup> Cycle Program 12.B (Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District) was not completed during the 2015-2023 planning period. During that time, communication with social service providers did not indicate farmworkers as a group with special housing needs locally, and Census data indicated few permanent or seasonal farmworkers reside in Novato. However, the 6<sup>th</sup> Cycle's Program 4.C (Allow Farmworker/Employee Housing Consistent with State Law) recommits the City to amending the Municipal Code with regard to the permitting of farmworker housing, its definition, and appropriate occupancy requirements.

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 1: Local Housing Leadership</b>							
1.A	Prepare Information and Conduct Community Outreach Activities on Housing Issues	<p>Coordinate with local businesses, housing advocacy groups, neighborhood groups, community organizations, developers, the Chamber of Commerce, and others in building public understanding of housing programs and needs.</p> <p><b>Topics</b></p> <ul style="list-style-type: none"> <li>a. Housing needs.</li> <li>b. Housing programs (second units, rental assistance, rental mediation, first time homebuyer education, energy assistance and rehabilitation loans, etc.).</li> <li>c. Fair Housing laws.</li> </ul> <p><b>Activities</b></p> <ul style="list-style-type: none"> <li>a. Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.</li> <li>b. Provide information to real estate professionals, property owners, and tenants on their rights, responsibilities, and the resources available to address fair housing issues.</li> <li>c. Work with local non-profit and service organizations to distribute information to the public.</li> <li>d. Provide public information through articles in the local newspaper and with cable TV public service announcements.</li> <li>e. Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to help support affordable and special needs housing developments.</li> <li>f. Fair Housing in-service training, press releases, direct contact with interest groups,</li> </ul>	Prepare materials and conduct outreach	Community Development Department	July 2015 and ongoing	<p>The City contracts Rise Housing, a nonprofit organization, to administer its Below Market Rate Homeownership Program city-wide, however before 2021 nonprofit Hello Housing administered the Below Market Rate Homeownership program. Since 2018, the City expanded its contract with Hello Housing, and now Rise, to perform affordable housing monitoring compliance for BMR rental units. No changes are reported since the 2018 contract.</p> <p><u>The City also provides annual support through CDBG service funds of North Marin Community Services' rental support and food bank programs and Legal Aid of Marin's landlord/tenant dispute resolution services.</u></p> <p>The City makes information available on their website about ADUs, JADUs, and residential projects in development review. Since 2019 the City has been participating in a countywide website to provide resources to encourage and support construction of ADUs and JADUs. Furthermore, the 2021 APR records that staff routinely make presentations of a variety of housing topics to community groups.</p> <p><u>Developers of all recent single family detached subdivisions have been asked to design in JADUs to at least 25% of their homes. All applicants have met this standard to date.</u></p>	Continue

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		and posting of fair housing laws, contacts, and phone numbers.					
<b>1.B</b>	Collaborate on Inter-Jurisdictional Strategic Plan for Housing	Coordinate with other jurisdictions on strategic planning for housing. Work toward implementing, whenever possible, agreed-upon “best practices,” shared responsibilities, and common regulations to respond to housing needs efficiently and effectively within a countywide framework.	Improved local control of housing solutions	Community Development Department	As major interjurisdictional issues and opportunities arise	CDD staff have participated in a working group since 2018 to coordinate on housing issues ranging from RHNA allocations, new housing legislation, and strategies to improve the delivery of new housing opportunities.	<b>Modify</b>
<b>1.C</b>	Undertake Coordinated Lobbying Efforts on State Legislation	Identify and lobby for possible changes to State law that help to implement local housing solutions and achieve housing goals most effectively. Examples of legislative issues of critical importance could include: more direct input from local jurisdictions on the development of Regional Housing Needs Allocation, funding allocations for affordable housing, and modifications to State law that would make it easier for jurisdictions to voluntarily share funding and credit for meeting proportionate allocations.	Facilitate development of infill, transit-oriented, and mixed-use development	Community Development Department; City Manager; City Council	Ongoing	The City Manager’s office and City Council have worked with the League of California Cities and State Assembly representation since at least 2016 to effect changes in State legislation that impacts local housing objectives. Staff has been attending ABAG/MTC meetings since 2019 for regional collaboration and participate regularly in webinars hosted by the organization to stay informed on initiatives, available resources, and pending legislative issues impacting housing regulation.	<b>Modify</b>
<b>Goal 2: Fair Housing</b>							
<b>2.A</b>	Require Non-Discrimination Clauses	Continue to provide nondiscrimination clauses in rental agreements and deed restrictions for housing, including Below Market Rate housing, constructed with City participation.	Implementation of fair housing laws	Community Development Department; City Attorney	Ongoing	Ongoing program. Non-discrimination clauses are a standard component of the City’s affordable housing agreements and is added to with each new development as inclusionary units come into the BMR program. City will continue contracting with Rise Housing and Fair Housing Marin on City programs.	<b>Continue</b>
<b>2.B</b>	Respond to Complaints	Facilitate fair and equal housing opportunity by designating the Community Development Director as the City’s Equal Opportunity Coordinator. Refer discrimination complaints to the appropriate legal service, county or state agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint. Undertake activities to broaden local knowledge of Fair Housing laws through actions identified in HO Program 1.A.	Implementation of fair housing laws	Community Development Department; City Attorney	Ongoing	City staff will continue responding to all complaints in a timely fashion and work with Fair Housing Marin and Legal Aid of Marin to prevent discrimination and monitor compliance with affordability covenants.	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 3: Housing Design</b>							
<b>3.A</b>	Prepare Multi-Family Housing Design Criteria	Continue to implement the Design Review process, evaluate existing design criteria for multifamily housing, and establish modification as needed that will establish effective, consistent development review factors for use by applicants, the community, staff and decision-makers in the expeditious review of multi-family housing proposals. The design criteria may include but not be limited to: a. Context with surroundings, site planning, building massing and layout, height transitions, public safety design features (e.g., security cameras and fencing with keyed gates), architecture and materials, well-planned layout of complex and individual units for maximum natural ventilation and lighting, landscape design, open space, outdoor lighting, and density compatibility provisions. b. Common facilities should be required for projects over 20 units; facilities may include common room, outdoor play areas, pools, study areas, etc. c. Consider transition criteria to encourage compatibility when structures are proposed near single family residential buildings on adjoining properties. For properties where the dimension(s) for a transition area(s) is specified, specific regulations for permitted and prohibited development within the transition area(s) shall be established. d. Limits on maximum site coverage and requirements for minimum setback provisions should be adopted. e. Floor area ratios in residential/mixed used areas should be consistent with the character of the surrounding area.	Develop design criteria for multi-family housing	Community Development Department	6/1/2015	Since 2019, the City joined 11 other Marin County jurisdictions to develop objective design standards for multi-family housing utilizing SB 2 grant funding. Drafts of the standards have been completed and the adoption process will be completed in calendar year 2022.	<b>Modify</b>
<b>3.B</b>	Update Parking Standards	Modify parking standards based on the most up-to-date empirical studies to facilitate infill, transit-oriented, mixed use and accessory dwelling unit development. Modifications to consider may include, but are not limited to,	Facilitate development of infill, transit-oriented, and	Community Development Department; City Council	6/1/2015	The City has not formally amended its parking standards for multi-family development. In 2017, the City adopted an ordinance and amended parking regulations to reflect new state	<b>Modify</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		the following: a. Reduction of multi-family parking requirements for three-or more bedroom units from 2.2 spaces to 2.0 spaces, to be consistent with single family home standards. b. Reduction of parking requirements for projects near transit. c. Provision of opportunities for shared parking for mixed use developments. d. Allowances for off-site parking. e. Allowances for the establishment of a landscape parking reserve that is designated for parking if needed in the future. f. Evaluation of opportunities for underground parking and auto sharing. g. Allowances, in certain instances, for parking standards to be adjusted on a case-by-case basis, depending upon the location and characteristics of the development and its intended occupants.	mixed-use development			legislation (SB 1069 & AB 2299) regarding required parking for ADUs and JADUs. The City should formally amend its parking standards for multi-family development projects to reduce the parking ratio from 2.2 stalls per unit to two stalls per unit for multi-family residences of three more bedrooms.	
<b>Goal 4: Conservation and Energy</b>							
<b>4.A</b>	Promote Solar Design	Promote design standards relating to solar orientation, including lot layout for subdivisions, location and orientation of new structures, and landscaping.	Opportunities for new solar installations	Community Development Department	Ongoing	The City has completed the adoption of the California Green Building Code (CALGreen). The City should continue promoting opportunities for solar installations.	<b>Delete</b>
<b>4.B</b>	Implement "Green" Building Standards and Processes	Consistently implement the City's adopted "Green Building Program" to encourage the use of green building materials and energy conservation.	Construction of energy-efficient buildings	Community Development Department	Ongoing	The City has adopted the California Green Building Code (CALGreen) plus Tier 1 Standards with an additional 15% energy reduction. The City will continue to adopt updated version of CALGreen as they become effective.	<b>Modify</b>
<b>Goal 5: Housing Preservation</b>							
<b>5.A</b>	Ensure Adequate Tenancing, Management, and Safety for Multi-Family Housing	Ensure adequate tenancing, management, and safety for multi-family housing by implementing the following: a. As legally permissible, initiate City provisions for review of the management of multi-family housing to implement best management practices. Zero tolerance for criminal activity is a goal. Programs should apply to projects of a defined size and/or type. Best management practices should include, but not be limited to, addressing the following performance measures:	Tenancing and management regulations and procedures	Police Department, Community Development Department	December 2014 - Ongoing	Novato continues to operate the Multi-Family Housing Inspection Program, including the annual physical inspection component, to assist property owners and managers of multifamily housing through education and resources in ensuring that their residents and their properties are safe and crime-free.	<b>Modify</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		1.Property management staffing 2.Tenant selection plan 3.Lease agreement 4.Security-minded design 5.Resident services 6.Community and activity space 7.Communication b. Investigate additional City and/or community-based programs to reduce crime in multi-family housing, including Crime Free Program and voluntary programs initiated by multi-family housing managers. Consider the benefits/permissibility of restricting access to sites for residents and invited guests only (monitored by onsite manager) and encouragement of social opportunities to engage the residents and build a sense of “ownership” and community.					
5.B	Link Code Enforcement with Public Information Programs	Continue to implement housing, building, and fire code enforcement to ensure compliance with basic health and safety building standards and continue to provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.	Maintain information about building and fire code enforcement to ensure compliance with basic health and safety building standards.	Community Development Department	Ongoing	The Building Division maintains information about building and fire code enforcement on the City’s website to ensure compliance with basic health and safety building standards. The City administers a resale inspection program for all for-sale housing, and an annual inspection program for code and safety standards for multi-family rental housing, including coordination with tenants and management to correct deficiencies.	Continue
5.C	Implement Rehabilitation and Energy Loan Programs	Community Development staff will continue to coordinate with government and businesses (e.g., Energy Upgrade California, the Marin Housing Authority, PG&E and participatory contractors) to procure funding (grants and/or loans), and qualifying energy upgrades for eligible owner and renter households. Program resources and contact information will be maintained and updated on the City’s website.	Coordinate and support financing for rehabilitation and energy efficiency.	Community Development Department; Marin Housing Authority; PG&E; and others	Ongoing	Novato’s Sustainability Division implements a Property Assessed Clean Energy (PACE) financing program enabling property owners to finance energy and water efficiency and renewable energy projects as an assessment on their property tax bills. In addition to private funding options, the City has routinely designated a portion of its CDBG funding for residential rehabilitation/upgrading of homes belonging to low-income individuals. It is unclear if Novato still works with Marin Housing Authority to	Continue

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
						make residential rehabilitation loan programs available, however this cooperation was in place from 2016-2018.	
5.D	Modify the City's Condominium Conversion Ordinance	Consider amendments to the City's Condominium Conversion Ordinance which may, as permitted by law, include: a. Prohibition of conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than 5% or there are special circumstances related to providing long-term, regulated affordable units; b. Exemptions for limited equity residential cooperatives which provide long term affordability for very low or low income households; c. Requirements for relocation assistance when units are converted; d. First right of refusal of purchase of units by occupants; e. Minimum of 20 percent of the units be affordable to low-income households; and f. Implementation of resale controls.	Amend Condominium Conversion Ordinance	Community Development Department; City Council	Consider Ordinance by June 2015; Other activities would be ongoing	The City will adopt the ordinance to modify condominium conversion rates. In 2018 the City implemented GP Housing Element Program 5.D in-lieu of a formal ordinance amendment. Program 5.D establishes a 5% vacancy rate to allow condominium conversion, an increase from a rate of 4.5%.	Continue
5.E	Inventory Affordable Housing	Maintain an up-to-date inventory of affordable housing in Novato and conduct periodic surveys of rental unit vacancy and affordable for-sale costs. As needed, work with the property (Novato Housing Element Update 2015-2023 Page 134) owners and/or other parties to, where feasible, conserve existing affordable units as part of Novato's affordable housing stock.	Maintain an inventory of affordable housing.	Community Development Department	Ongoing	The City continues to maintain an affordable housing database covering both for-sale and rental housing units.	Modify
5.F	Maintain Existing Affordable For-Sale and Rental Housing	Work with affordable housing owners and non-profit sponsors seeking to maintain and/or rehabilitate affordable housing units to in large part maintain ongoing affordability of the units. Actions may include, but not be limited to: a. Maintain and update contact information for mortgage assistance and nonprofit housing assistance for ownership and rental housing. b. Identification of possible support necessary to obtain funding commitments from governmental programs and non-	Preservation of affordable housing units.	Community Development Department	Ongoing	The City and Rise Housing continue to maintain existing affordable for-sale and rental housing. The City and Rise Housing receive regular compliance reports from affordable rental and for-sale developments and having Rise perform in-depth audits of a percentage of those reports each year and compile the results into a report to City management. Follow up actions are developed specific to any identified issues and Rise assures those actions are completed.	Modify



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		<p>governmental grants.</p> <p>c. Assistance in permit processing.</p> <p>d. Possible waiver of fees.</p> <p>e. Possible use of local funds if available.</p>					
5.G	Preserve At-Risk Units	<p>Annually monitor assisted housing development units at risk for conversion to market rate due to termination of federal rent subsidies. For at-risk units encourage and facilitate, to the extent possible, participation by property owners in federal, state and/or local housing assistance programs that maintain affordability of existing multi-family rental housing developments. City efforts to preserve at-risk units include, but are not limited to:</p> <ol style="list-style-type: none"> <li>1. Develop a website with information and available links to federal, state, and local resources, including: <ul style="list-style-type: none"> <li>-Community Development Block Grant (CDBG) programs.</li> <li>-HOME Program.</li> <li>-Section 8 Housing Choice Voucher Program.</li> <li>-Marin County Residential Rehabilitation Loan program.</li> <li>-Low Income Housing Credit Program.</li> <li>-Marin Housing's Housing Stability Program (formerly RMR).</li> <li>-Assistance from Local Philanthropies.</li> <li>-City of Novato Housing Opportunity Fund.</li> </ul> </li> <li>2. Maintain, on the City's website, a list of for-profit and nonprofit housing providers to assist with timely action (acquisition, etc.) regarding notification of units scheduled to convert to market-rate in the near term.</li> <li>3. Work with owners, tenants, for-profit and nonprofit organizations to assist in the acquisition of at-risk projects to ensure long-term affordability of the development. For at-risk units, annually contact property owners, assess need and interest in acquisition by for-profit or non-profit partners.</li> <li>4. The City will support applications by for-</li> </ol>	Annually monitor assisted units at risk of conversion to market rate	Community Development Department	Ongoing	No known at-risk units have been identified since the City first started keeping track in 2018. The City will monitor whether there may be units at-risk of conversion to market rate housing.	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		profit and nonprofit housing providers for funding, as available and appropriate, to preserve or purchase at-risk units to maintain their affordability.					
5.H	Provide Assistance to Homeowners of Below Market Rate Units	Provide owners of Below Market Rate (BMR) units with assistance in order to assist individuals with retention of below market rate units. Contact homeowners as soon as the City receives a notice of default or sale, and provide information available relating to foreclosure. Refer homeowners to the appropriate agency, such as the Marin Housing Authority, as appropriate. Provide links on the City's website and distribute informational materials, if available.	Preservation of BMR units	Community Development Department	Ongoing	The City contracts with Rise Housing to provide comprehensive resale and refinance assistance and coordinates mortgage assistance programs. Prior to contracting with Rise in 2021, the City contracted with the nonprofit Hello Housing.	<b>Modify</b>
5.I	Support Volunteer Efforts	Support community service clubs that provide volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support includes, but is not limited to providing a City website link to active not-for-profit service clubs, and City support (letter of recommendation, etc.) as appropriate for said clubs seeking grant funding for supplies and/or services.	Maintenance of existing housing	Community Development Department	Ongoing	The City and the County of Marin are party to a cooperative agreement to jointly undertake community development and housing assistance activities through CDBG, HOME, and PLHA funds. The City designates its portion of the annual funding allocation, as well as participates in decision making for County-wide monies for funding of various non-profit/volunteer organizations which provide services in support of lower income households.	<b>Continue</b>
5.J	Preserve Mobile Home Parks	Consider measures such as refinancing the Marin Valley Mobile Country Club to further save money and to permit the financing of future needed capital improvements to the park. Consider Novato Housing Element Update 2015-2023 Page 136 possible zoning amendments to preserve mobile home parks for mobile home park use.	Preserve mobile home parks	Community Development Department; City Council	Ongoing	The City annually reviews and approves the Marin Valley Mobile Country Club (MVMCC), a City-owned park, budget. The City's rent control ordinance restricts annual rent increases at MVMCC to 100% of CPI, thereby preserving the ongoing affordability of the units.	<b>Modify</b>
5.K	Regulate Displacement of Residential Units	Consistent with State Law regulate the removal or displacement of residential units.	Regulate removal or displacement of units	Community Development Department; City Council	Ongoing	The City administers applicable State laws to the removal or displacement of residential units on an as-needed basis. The City reports annually to the Department of Finance on the removal, if any, of existing residential units. No residences have been reported as being displaced since the City first started keeping track in 2018	<b>Modify</b>

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 6: Housing, Jobs, and Transit</b>							
6.A	Identify Existing Employee Housing Opportunities	Work with the Novato school district, public agencies, and existing businesses to seek opportunities for helping their employees find needed housing, such as mortgage buy-downs or subsidies, rent subsidies, etc. Additionally, to better inform local employees about local, affordable housing stock, staff will update the City's website to include direct links to property management for lower income apartments, and for sale housing within Novato.	Increase housing opportunities for local employees	Community Development Department	Ongoing	The Buck Institute, a local biomedical research facility, plans to construct a 130-unit housing development plan to be available to Institute employees. However, the development has been unable to secure funding since it was first developed in 2018. The City should modify the program to work with existing and new employers to identify funding opportunities for employee housing.	<b>Modify</b>
6.B	Promote Zoning for Live/Work Opportunities	Review implementation of live/work and home occupation provisions in the Zoning Ordinance to ensure effective standards for home occupations and live/work projects.	Increase housing opportunities for local employees	Community Development Department	Ongoing	In 2021/22, the City is considering entitlement applications for 34 live/work units. One of those, a six-unit live/work development, was approved in March 2022.	<b>Delete</b>
6.C	Transit-Oriented Development Incentives	Consider zoning ordinance amendments which provide incentives for transit-oriented development where specified criteria are met. Such criteria may include, but not be limited to: a. Distance to transit routes. b. Affordability of units. c. High-quality design. d. Integration of transit-oriented components. Incentives could include, but not be limited to: a. Parking reductions. b. Off-site parking alternatives. c. Transit impact fee reductions.	Provide incentives for transit-oriented development	Community Development Department	Ongoing	Pursuant to Program 6.C the City, upon request, will evaluate and consider incentives such as parking reductions and off-site parking for housing projects near transit. In 2017, the City adopted an ordinance and amended parking regulations to reflect new state legislation (SB 1069 & AB 2299) that included a parking reduction for ADU's if the location of the primary dwelling is within half-mile of a transit facility.	<b>Modify</b>
<b>Goal 7: Housing Choices</b>							
7.A	Encourage Co-Housing, Cooperatives, and Similar Collaborative Housing Development	Work with developers and non-profit housing sponsors to provide multi-family housing using a co-housing model or similar approaches that feature housing units clustered around a common area and shared kitchen, dining, laundry and day care facilities. To facilitate the production of co-housing, housing cooperatives or similar housing arrangements evaluate and incorporate zoning revisions as needed that will accommodate them. Zoning amendments may include, but are not limited to,	Development of co-housing opportunities	Community Development Department	Ongoing	Since 2019, an application for a co-housing development at 970 C Street has been in review. The project remains in process, pending site remediation activities.	<b>Delete</b>

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		allowances for a common gathering facility that may include a small meal preparation area shared kitchen and group dining space.					
7.B	Facilitate Homesharing and Tenant Matching Opportunities	Work with non-profit organizations including but not limited to Homeward Bound to develop a program to encourage homesharing by matching potential tenants with homeowners. The City in collaboration with non-profit organizations will consider and, if feasible, host a link within the City's website to homesharing and tenant matching contact information.	Create homesharing opportunities	Community Development Department, City Council	Ongoing	Since 2020, the City designates a portion of its CDBG funding to support COVIA Foundation which operates a home match program. City staff refers inquiries about homesharing to COVIA, as well as Episcopal Senior Communities and Homeward Bound of Marin which can be additional resources, depending upon specific needs of the client.	Delete
7.C	Zone and Provide Appropriate Standards for SRO Units	In order to provide housing for extremely low-income households, amend the municipal code to specifically allow single-room occupancy units in the Mixed Use, R10, and R20 districts as a conditional use. Provide appropriate parking, development and management standards. Consider reducing per unit fees and other standards in recognition of the small size and low impacts of SRO units.	Amend municipal code; development of housing for extremely low-income households	Community Development Department; Planning Commission; City Council	12/1/2015	No formal amendment has been completed; however, beginning in 2020 the City has designated \$750,000 to Homeward Bound of Marin, in support of a new development providing transitional housing to extremely low-income individuals.	Modify
7.D	Housing Opportunities on School District Properties	Work with school districts and neighborhood groups to develop surplus or underdeveloped school district property or portions of active schools for affordable housing for teachers and other school personnel. Establish an equitable selection process for school district employees if the district puts up the land and therefore has an equity interest in the housing development.	Development of affordable housing	Community Development Department; City Manager; City Council	As surplus properties become available	The City of Novato and Novato Unified School District executed an MOU in June 2018 to formally investigate development of affordable teacher housing on surplus school property. The school district's progress on development of the property slowed down in 2020 and 2021 due to COVID-19 limitations. <u>The parcel is now identified as part of the City's 6<sup>th</sup> Cycle sites inventory. In mid-2023, Novato Unified School District hired a Director of Staff Housing Development, the first in Marin County. The position will focus solely on utilization of surplus school properties for the development of long term housing for the District's teachers and staff.</u>	Delete
7.E	Implement Transfer of Development Rights (TDR)	Consider the Transfer of Development Rights (TDR) if it will result in improved housing opportunities including workforce, senior or special needs affordable housing in appropriate locations.	Facilitate affordable housing development	Community Development Department	Ongoing	As proposed, the Community Development Department will evaluate projects including a transfer of development rights on a case-by-case basis for action by the appropriate	Continue

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
						decision-making bodies. These would typically be the City Council following a recommendation by Planning Commission.	
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households	<p>Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households by undertaking the following:</p> <p>1) Develop a website with information and available links to federal, state and local resources, including:</p> <ul style="list-style-type: none"> <li>-Community Development Block Grant (CDBG) programs.</li> <li>-HOME Program.</li> <li>-Marin County Residential Rehabilitation Loan program.</li> <li>-Low Income Housing Credit Program.</li> <li>-Marin Housing's Housing Stability Program (formerly RMR).</li> <li>-Assistance from Local Philanthropies.</li> <li>-City of Novato Affordable Housing Trust Fund.</li> </ul> <p>2) To the extent funding is available in the City's Affordable Housing Trust Fund, priority shall be given to its application towards the rehabilitation and/or production of units for ELI households.</p> <p>3) The Community Development Department shall, as a matter of policy and to the extent feasible, expedite entitlement and permit processing for housing developments that include 10 percent or more of the proposed units for ELI households.</p> <p>4) Study and if deemed feasible apply, on a "sliding scale", reduced application processing fees for residential developments that include 20 percent or more of the proposed units for lower income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.</p>	Facilitate and incentivize ELI housing rehabilitation and production	Community Development Department	Ongoing	<p>The program should modify the program report on the status of the City's Affordable Housing Trust Fund and execute the study on implementing a "sliding scale" for reducing application processing fees for residential developments that include 20% or more of the proposed units for lower income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.</p> <p>In 2017, the City issued 14 Certificate of Occupancy's for ELI households at Oma Village. In 2019 the City executed a 55-year lease with Homeward Bound of Marin (HB) to build affordable units on City-owned property. The project is in process for a 50-unit, 100% affordable housing project servicing extremely low and very low-income occupants. The project has received its design review approval and HB continues to secure all needed funding for the project. The City leased the property for \$1/year and provided an additional \$750,000 in funding.</p>	Modify
<b>Goal 8: Mixed-Use Housing</b>							
8.A	Apply Mixed-Use Development	Apply existing development code standards to make affordable housing development more feasible in mixed-use projects.	Development of mixed-use housing	Community Development Department	Ongoing	The Community Development Department evaluates and applies/recommends, as appropriate	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
	Standards and Incentives	Incentives in the Zoning Code to consider include: a. Height limit bonuses, especially in Downtown. b. Exceptions in applying development standards (FAR, height limits, setbacks, lot coverage) based on the location, type, and size of the units, and the design of the development. c. Allowance for the residential component of a mixed use development to be 'additive' within the established FAR for that zone. d. Allowance for reduced and shared parking based on the use mix. e. Allowances for off-site parking.				pursuant to existing zoning, exceptions to development standards, e.g., increased floor area ratio (FAR) from 1.2 to 2.0 for mixed use developments that include housing within the Downtown Core Retail and/or Business Districts, and up to a 30% increase in the maximum building height pursuant to 19.20.070 (C) for mixed use developments that incorporate housing. Additionally, City code allows a parking waiver for commercial uses in order to increase the availability of residential parking spaces in an effort to support housing opportunities.	
8.B	Potential Mixed-Use Sites	a. Consider amending Downtown Core Retail and Downtown Core Business Districts to allow multi-family dwellings in a mixed-use project as a permitted use on upper floors or at the rear of the site. b. Consider amending Neighborhood Commercial and Mixed-Use Districts to allow multi-family dwellings in a mixed-use project as a permitted use in appropriate areas of the site.	Amend Municipal Code to make residential a permitted use	Community Development Department	6/1/2015	Novato General Plan 2035 was adopted in 2020 and includes modifications to add residential density ranges to all districts allowing mixed-use development (commercial/residential). Adding residential densities supports mixed-use development by setting clear expectations regarding residential development intensity and providing a clear basis on which density bonuses can be calculated. The City has begun implementing General Plan 2035, a component of which includes reviewing permitting procedures for mixed-use development proposals. This on-going process is anticipated to result in modifications to zoning requirements, including changes to the permitting procedures and development standards for mixed-use proposals.	Delete
<b>Goal 9: Affordable Housing Sites and Incentives</b>							
9.A	Facilitate Development at Housing Opportunity Sites, Including Vacant and Underutilized Properties in	Undertake appropriate General Plan amendments, rezoning, and expedited environmental review, and work with private property owners and/or developers to facilitate consolidation of properties within the Downtown, and other implementing actions to facilitate the construction of market rate and affordable housing.	Facilitate affordable housing development	Community Development Department	Ongoing and as opportunities arise	The City continues to provide updates on ongoing construction and development of sites mentioned in Program 9.B. The projects at AHO 1, 2, and 3 are all subject to reserving 20% of the residences therein at affordable levels.	Delete



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
	the Downtown Area						
9.B	Implement Actions and Incentives to Address Remaining Lower-Income Housing Need	<p>Undertake the following steps to address the City's low and very low income housing needs as applicable to Site #1, APN 141-201-12 and 48, and Site #2, APN 153-162-59, which are two of five sites currently designated with the Affordable Housing Opportunity Overlay District (AHO) as listed in Table 65:</p> <p>a. Waive fees for processing a merger of parcels identified as Site #1 in Table 65 if both parcels are developed concurrently for housing.</p> <p>b. Net Acreage for Affordable Housing Opportunity Site 1 (1787 Grant Ave.): A minimum 20 ft. setback measured landward from top-of-bank of Novato Creek shall be reserved from development to respect existing flood control and access easements held by the Marin County Flood Control and Water Conservation District and to serve as a buffer between new development and the riparian habitat along Novato Creek. Accordingly, the density calculation for Affordable Housing Opportunity Site 1 shall be based on a net acreage of 1.75 acres, reflecting a reduction in the gross developable area of approximately 0.39 acres as noted in Table 65. This reduction will permit development at the realistic unit capacity as noted in Table 65, while respecting existing riparian habitat and the easements held by the Marin County Flood Control and Conservation District.</p> <p>c. Net Acreage for Affordable Housing Opportunity Site 2 (Landing Ct.): The density calculation for Affordable Housing Opportunity Site 2 shall be based on a net acreage of 1.50 acres, reflecting a reduction in the gross developable area of approximately 0.50 acres as noted in Table 65. This reduction will permit development at the realistic unit capacity as noted in Table</p>	Facilitate development of AHO Sites 1 & 2	Community Development Department; City Council	Ongoing	<p>Program 9.A indicates AHO Site 1 has been approved as a 32-unit multi-family housing development in December 2020. It also indicates as of 2021 the AHO Site 2 is in the project design phase with the applicant for a 35-unit multi-family housing development. Based on the program description and objectives, Program 9.B should be modified to be combined with Program 9.A or should be rewritten to identify additional sites to address the remaining lower-income housing need.</p>	Delete



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		65, while ensuring the residential setback as established in the AHO, to assure that future multi-family residential development which may abut the existing development is of a mass and scale that is complimentary to and compatible with the noted single-family residences.					
9.C	Seek Increased Multi-Family Housing Opportunities	<p>When undertaking City-wide and/or neighborhood General Plan amendments, specific plans, rezonings, or a similar community visioning process, the City will identify sites for multi-family affordable workforce and special needs housing where opportunities are available. Such sites and opportunities may include or consider the following:</p> <ul style="list-style-type: none"> <li>a. Land owned by the City or other governmental agencies (such as school districts).</li> <li>b. Re-use of underutilized or non-viable commercial and/or industrial sites.</li> <li>c. Parking lots.</li> <li>d. Residential, Commercial and Mixed Use sites where higher density residential is feasible.</li> <li>e. Appropriate sites in single family neighborhoods where duplexes or small multi-family uses would be appropriate.</li> <li>f. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and mitigation.</li> <li>g. Use environmental assessments to expedite processing for infill and affordable housing, such as linking plans to CEQA exemptions and expedited review, consistent with CEQA Section 15332.</li> <li>h. Establish objectives and commitments in the plans so that project specific review can focus on site-specific issues such as design.</li> <li>i. Provide clear guidelines and incentives for the development of housing in conformance with current local and State laws to streamline processing for subsequent development proposals.</li> </ul>	Facilitate affordable housing development	Community Development Department; City Council	Ongoing	<p>In 2020 the City granted entitlements, including a general plan land use amendment, to support a 75-unit townhome project, which is deed restricted to reserve 20% of the units therein at affordable levels. This project is currently under construction. The City continues to work on expanding objective design standards for residential developments of varying types, including multi-family units and mixed-use projects. General Plan 2035 was adopted in 2020 with policies and programs directed at creating specific zoning standards for the Northwest Quadrant neighborhood. The draft standards are complete and will be presented for adoption in 2022. These objective standards support the development of a variety of “missing middle” housing types. City staff continues to offer assistance to prospective applicants seeking guidance on land use amendments and permitting procedures to develop housing. The City should continue addressing the sites and opportunities listed in the program text.</p>	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
9.D	Apply CEQA Exemptions and Expedited Review	Consistent with CEQA Section 15332 ("Infill Development Projects"), the City will facilitate infill development within urbanized areas consistent with local general plan and zoning requirements that may be categorically exempt from CEQA review. In addition, the City will consider area-wide assessments or Program EIR assessing area-wide infrastructure and other potential "off-site" impacts to expedite the processing of subsequent affordable housing development proposals.	Facilitate affordable housing development	Community Development Department	As opportunities arise	Planning Division staff routinely reviews new development proposals against the housing exemptions offered in CEQA.	<b>Delete</b>
9.E	Facilitate Affordable Housing Development Review	Affordable housing developments shall receive priority and efforts will be made by staff and decision-makers to: a. Provide technical assistance to potential affordable housing developers in processing requirements, including community involvement. b. Consider project funding and timing needs in the processing and review of the application. c. Provide the fastest turnaround time possible in determining application completeness.	Facilitate affordable housing development	Community Development Department	Ongoing	Planning Division staff routinely provides entitlement assistance to residential development projects, including those providing inclusionary affordable units. Since 2020, the City has designated \$750,000 in support of the Homeward Bound project providing housing to extremely low- and very low-income households.	<b>Modify</b>
9.F	Reduced Planning Processing Fees	Evaluate and consider waiver or reduction of planning processing fees as deemed feasible on a sliding scale related to the levels of affordability, such as a rebate of planning fees for affordable units based on the proportion of such units in the project.	Facilitate affordable housing development	Community Development Department	Evaluate changes by June 2015	The City considers fee waivers on a request driven basis.	<b>Modify</b>
9.G	Special District Fees	Work with the water and sanitary districts to identify possible reductions or waiver of some fees for water and sewer hook-ups for affordable housing for lower income households.	Facilitate affordable housing development	Community Development Department	Evaluate changes by June 2015	The City's two utility districts and the fire district were amended in 2019 to follow requirements of State law.	<b>Delete</b>
9.H	Long-Term Housing Affordability Controls	The City will apply resale controls and income restrictions to ensure that affordable housing provided through incentives, density bonus, General Plan amendments, re-zonings and conditional approvals as appropriate remain affordable over time to the income group for which it is intended.	Preservation of affordable housing units	Community Development Department	Ongoing	The City requires affordable housing agreements to secure long-term affordability of inclusionary units. An affordable housing agreement was recorded in 2016 for 14 ELI units at Oma Village apartments off Marin Valley Drive and 801 State Access Senior Apartments.	<b>Modify</b>

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 10: Inclusionary Housing</b>							
10.A	Work with an Affordable Housing Management Entity	Continue to fund administration of existing and future affordable housing developments/programs including, as appropriate, through the services of an outside consultant for management of all or some of the affordable housing contracts in Novato in order to ensure on-going affordability, and implement resale and rental regulations for affordable housing units and assure that these units remain at an affordable price level for the longest term possible.	Construction and preservation of affordable housing	Community Development Department; Marin Housing Authority	Ongoing	The City contracts with Rise Housing, a nonprofit organization, to administer its Below Market Rate Homeownership Program city-wide. In 2018, the City expanded its contract with its former BMR management contractor, Hello Housing, to perform affordable housing monitoring compliance for BMR rental units. No changes have been reported since 2018.	Modify
<b>Goal 11: Accessory Dwelling Units</b>							
11.A	Modify Accessory Dwelling Unit Development Standards and Fees	Modify Accessory Dwelling Unit Development Standards and Fees. Continue to allow accessory dwelling units, and review and modify the following accessory dwelling unit development requirements as deemed feasible: a. Continue to apply design criteria for second units that meet performance standards and design guidelines, and continue to allow processing of the application at the staff level. Continue to provide courtesy noticing. b. Work with special districts, e.g., water and sanitary, to reduce or waive connection and/or service fees.	Development of at least 24 additional accessory dwelling units by October 2022	Community Development Department; City Council	Within one year of adoption of the housing element	The City accomplished this goal by approving 32 ADUs by October 2022. The City should modify the program to determine a new objective while continue addressing the program text.	Delete
11.B	Adopt Standards and Fees for Junior Second Units (JSU)	Review and adopt zoning standards and fees that serve to incentivize the creation of Junior Second Units. Standards and fee considerations should include, but not be limited to, the following: <u>Zoning Standards to consider:</u> -Conversion of existing bedroom required – no building expansion; -Maximum 500 square-foot size; -Wet-bar type kitchen only with limitations on size of sink, waste line and counter area; -Cooking facility limited by electrical service (110v maximum) and prohibition of gas appliances; -Separate bathroom permitted, but not required;	Development of at least 24 additional accessory dwelling units, including Junior Second Units, by October 2022	Community Development Department; City Council	Within one year of adoption of the housing element	Standards and fees were updated pursuant to State law in 2017 and 2021. The City modified second unit language to “junior accessory dwelling units.”	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		-Require external access and internal access to the remainder of the home; -No additional parking required if dwelling complies with current parking standards; -Owner occupancy required and established by recorded deed restriction; and -Ministerial approval process. <u>Fees considerations:</u> -Establish a minimal “flat fee” for a planning entitlement; -No City Residential Development Impact Fee charged; and -Work with special districts, e.g., water and sanitary, to reduce or waive fees.					
<b>Goal 12: Special Housing Needs</b>							
<b>12.A</b>	Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities	Continue to encourage Novato Housing Element Update 2015-2023 Page 149 positive relations between neighborhoods and providers of emergency shelters and residential care facilities. As exists with the providers or sponsors of the approved transitional housing programs at Hamilton Field and community care facilities like Novato Human Needs Center, providers (existing and new) will be encouraged to continue outreach programs with their neighborhoods. The following could be considered: a. It is recommended that a staff person from the provider agency be designated as a contact person with the community to respond to questions or comments from the neighborhood. b. Outreach programs could designate a member of the local neighborhood to the Board of Directors of the service provider. c. Neighbors of emergency shelters, transitional housing programs, and community care facilities should be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.	Facilitate good neighborhood relations and encourage public outreach	Community Development Department	Ongoing	The City continues to closely monitor the relationships between EAH and Meadow Park homeowners and City staff occupy a position on the Meadow Park HOA Board of Directors. The City states the service provider of the City's homeless shelters, Homeward Bound of Marin, has done an excellent job in the management of its facilities.	<b>Modify</b>
<b>12.B</b>	Amend the Municipal Code	In order to provide housing for farmworkers, amend the municipal code to allow	Amend Municipal Code	Community Development	Within one year of adoption of	The City has not taken any action since when the program was first	<b>Continue</b>

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
	to Allow Farmworker Housing as a Permitted Use in the Agriculture District	farmworker housing in the Agricultural district as a permitted use, consistent with the provisions of California Health and Safety Code Section 17021.6. Include a definition for farmworker housing and occupancy requirements consistent with Health and Safety Code Section 17021.6.		Department; City Council	the housing element	reviewed in 2016. The City will update the Municipal Code to be in compliance with State law (Government Code 65583(c)(1)(C) which will require farmworker housing to be allowed by-right.	
<b>Goal 13: Special Needs Support Programs</b>							
13.A	Promote and support rental assistance programs	Develop and implement measures to make full use of available rental assistance programs. Actions include: a. Maintain descriptions of current programs and contacts to hand out to interested persons. b. Provide funding support, as available and appropriate (e.g., the City has previously provided financial assistance to the Novato Human Needs Center). c. Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.	Promote and support rental assistance programs	Community Development Department; Marin Housing Authority	Ongoing	Ongoing - See Program 5.F. The City continues to provide annual updates and financial assistance to the organizations listed in the program. in FY 2021/22, the City will provide \$20,000 of financial assistance to North Marin Community Services (NMCS), formerly Novato Human Needs Center and Novato Youth Center, which assists lower income people (over 4,000 people annually) and households move towards self-sufficiency through a multitude of programs. This figure is lower than previous years which ranged from \$120,302 in 2016 to \$133,630 in 2020.	Continue
13.B	Support programs to address homelessness	Continue to support the 80 bed New Beginnings Center with training and educational services, the Next Key vocational training facility with 32 SROs, the Continuum of Care's 60 units of transitional housing within Meadow Park and housing placement services offered by the Novato Human Needs Center to the extent resources are available and allocated.	Support programs to address homelessness	Community Development Department; City Council	Ongoing	The City continues to implement this program on an on-going basis by supporting the 80-bed New Beginnings Center and Next Key vocational training center with 32 SROs. The City has consistently granted funds, annually, to North Marin Community Services, formerly Novato Human Needs Center and Novato Youth Center, in support of their services. In FY 20/21, the City's Successor Agency to the former Redevelopment Agency is expected to provide \$133,630 of financial assistance to North Marin Community Services, formerly the Novato Human Needs Center and Novato Youth Center. City support for the Marin Mobile Shower Program continued through 2020 to address homeless needs.	Modify/Continue

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
13.C	Support programs to address needs of the developmentally disabled	Work with the Golden Gate Regional Center and the Marin Housing Authority to implement an outreach program that informs families within Novato on housing and services available for persons with developmental disabilities. Provide information on services on the City's website, and distribute brochures provided by the service providers.	Support programs to address needs of the developmentally disabled	Community Development Department; City Council	By December 2015 and ongoing	The City assists on an as-needed basis.	Continue
<b>Goal 14: Funding for Affordable Housing</b>							
14.A	Maintain and Develop Local Sources of Funding for Affordable Housing	Continue to work toward the maintenance and development Novato Housing Element Update 2015-2023 Page 152 of local sources of funding to support affordable housing, including consideration of: a. Continue accepting in-lieu fee payments as prescribed under inclusionary requirements for residential development. b. Voluntary donations, grants and matching funds. c. Land acquisition or donation and land banking. d. Work with special districts that serve Novato to provide a reduction(s) in connection fees for deed restricted affordable very low income units.	Development of affordable housing	Community Development Department; City Manager; City Council	Ongoing	The City maintains an Affordable Housing Programs fund that manages funds for affordable housing, a loan program for low and moderate household first-time homebuyers, and senior affordable housing. Housing in-lieu fees, when required, are updated annually and allocated to highest priority projects. The in-lieu fees vary based on project size e.g., in 2021 for ownership housing. For FY 2021/22 approximately \$291,500 of CDBG funds were allocated to the City as part of the Marin County county-wide CDBG allocation. The City of Novato has a cooperation agreement with the County for the administration of CDBG funds. Although the funds are allocated through the County, the City Council recommends which organizations and programs to fund.	Continue
14.B	Seek Funding Resources	Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, first time homebuyer, etc.). Potential sources of funding include, but are not limited to: a. CDBG/HOME. b. Marin Community Foundation. c. Applications for mortgage revenue bonds and/or mortgage credit certificates. d. Housing Trust Fund. e. Tax Credit Allocation.	Development of affordable housing	Community Development Department; City Manager; City Council	Ongoing	The City has not received any requests for assistance since 2018. On an as needed basis City staff explores different Federal and State resources to help fund potential affordable housing opportunities.	Modify



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
14.C	Coordinate Funding Among Development Proposals	The City of Novato will pursue and/or participate in efforts including but not limited to available City housing funds, annual allocation of CDBG funds, and Home funds to ensure adequate coordination between City and local jurisdictions and development proposals on their various housing activities and funding proposals, ensuring that local projects are competitive for outside funding sources and resources are used in the most effective manner possible.	Development of affordable housing	Community Development Department; City Manager	Annually and ongoing	As affordable housing development becomes more complex, the City continues to coordinate with other lenders to accommodate all their respective requirements. Since 2019 the City conducted a variety of activities related to supporting Homeward Bound's application for funding from the Veterans Housing and Homelessness Prevention Program (VHHP). The City expects to further support this project and an 80-unit Habitat for Humanity project through CDBG and PLHA grant funding in 2022.	<b>Modify</b>
<b>Goal 15: Effective Implementation and Monitoring</b>							
15.A	Conduct an Annual Housing Element Review	Assess Housing Element implementation through annual review by the Novato Community Development Department, pursuant to Government Code Section 65400.	Annual review of the housing element	Community Development Department; City Council	Annually by April 1 of each year	The Housing Element Annual Report is annually reviewed and recommended for submission by the Planning Commission to the City Council, which, in turn, submits to the State Department of Housing and Community Development and the Governor's Office of Planning and Research.	<b>Continue</b>
15.B	Update the Housing Element Regularly	Undertake housing element updates in accordance with State law requirements.	Timely update of the housing element	Community Development Department; Planning Commission; City Council	Ongoing	The next Housing Element will be updated and adopted by January 31, 2023.	<b>Delete</b>



## Section D.2 Housing Element Program Comparative Review

As shown in Table D-1, the 5<sup>th</sup> Cycle Housing Element contained many successful programs which have been renewed or modified to continue implementing impactful policies. Table D-2 provides a comparative review of 5<sup>th</sup> and 6<sup>th</sup> Cycle programs, organized by 6<sup>th</sup> Cycle goals described in Housing Element Section III (Housing Plan).

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
6 <sup>th</sup> Cycle Goal 1: New Housing Construction			
	NEW	1.A	Rezone for RHNA shortfall.
	NEW	1.B	<del>Encourage and streamline</del> Streamline the construction of Accessory Dwelling Units (ADUs).
15.A	Conduct an Annual Housing Element Review	1.C	Produce annual housing status reports.
1.B	Collaborate on Inter-Jurisdictional Strategic Plan for Housing	1.D	Participate in State and regional housing planning efforts.
1.C	Undertake Coordinated Lobbying Efforts on State Legislation		
	NEW	1.E	<del>Facilitate and monitor pipeline housing projects.</del>
6 <sup>th</sup> Cycle Goal 2: Affordable Housing Opportunities			
7.E	Implement Transfer of Development Rights (TDR)	2.A	Develop and adopt a Transfer of Development Rights (TDR) Ordinance.
5.F	Maintain Existing Affordable For-Sale and Rental Housing	2.B	Maintain long-term housing affordability controls.
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households		
9.E	Facilitate Affordable Housing Development Review		
9.F	Reduced Planning Processing Fees		
9.H	Long-Term Housing Affordability Controls		
10.A	Work with an Affordable Housing Management Entity		
14.A	Maintain and Develop Local Sources of Funding for Affordable Housing	2.C	Maintain and develop local sources of funding for affordable housing.
14.B	Seek Funding Resources	2.D	Seek outside funding for affordable housing that leverages local resources.
14.C	Coordinate Funding Among Development Proposals		
	NEW	2.E	Coordinate with water and sewer service providers.
	NEW	2.F	<del>Develop and adopt a program addressing vacant residential properties.</del>
	NEW	2.G	<del>Amend and monitor Inclusionary Housing Ordinance.</del>

Table D-2: Housing Element Program Comparative Review

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
6 <sup>th</sup> Cycle Goal 3: Elimination of Housing Constraints			
	NEW	3.A	Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.
	NEW	3.B	Revise Hillside <del>Lot and Ridgeline Protection</del> Regulations.
3.A	Prepare Multi-Family Housing Design Criteria	3.C	Adopt <del>Marin County</del> -objective design standards for multi-family housing.
	NEW	3.D	Design review and use permit process improvements.
	NEW	3.E	SB 35 processing and permit streamlining.
	NEW	3.F	Evaluate and adjust impact fees.
3.B	Update Parking Standards	3.G	Modify multi-family residential parking standards.
6.C	Transit-Oriented Development Incentives	3.H	Adopt a parking reduction incentive program to facilitate transit-oriented development.
	NEW	3.I	<u>Allow comparable zoning district standards to apply in the Planned (PD) Zoning District.</u>
6 <sup>th</sup> Cycle Goal 4: Special Needs Populations			
12.A	Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities	4.A	Allow emergency shelters consistent with State law.
	NEW	4.B	Allow Low Barrier Navigation Centers consistent with State law.
12.B	Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District	4.C	Allow farmworker/employee housing consistent with State law.
7.C	Zone and Provide Appropriate Standards for SRO Units	4.D	Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.
	NEW	4.E	Allow community/residential care facilities consistent with State law.
13. <del>BC</del>	Support Programs to Address <del>Homelessness</del> <u>Needs of the Developmentally Disabled</u>	4.F	Support programs to address the needs of the developmentally disabled.
<u>13.B</u>	<u>Support Programs to Address Homelessness.</u>	<u>4.G</u>	<u>Support programs to address homelessness.</u>
6 <sup>th</sup> Cycle Goal 5: Housing Conservation and Tenant Protections			
5.A	Ensure Adequate Tenancing, Management, and Safety for Multi-Family Housing	5.A	Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
5.B	Link Code Enforcement with Public Information Programs	5.B	Link code enforcement with public information campaigns.
5.D	Modify the City's Condominium Conversion Ordinance	5.C	Amend the City's condominium conversion ordinance.
5.E	Inventory Affordable Housing	5.D	Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
5.H	Provide Assistance to Homeowners of Below Market Rate Units		
5.I	Support Volunteer Efforts	5.E	Support volunteer efforts.
5.J	Preserve Mobile Home Parks	5.F	Preserve mobile home parks.

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
5.K	Regulate Displacement of Residential Units	5.G	Regulate the displacement of residential units.
13.A	Promote and Support Rental Assistance Programs	5.H	Promote and support rental assistance programs.
	<b>NEW</b>	5.I	Expand “just cause” eviction protections to all tenants.
	<b>NEW</b>	5.J	Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households	5.K	Continue to assist in the rehabilitation and production of housing for lower-income households.
	<b>NEW</b>	5.L	Assistance for renters with animal companions or pets.
<b>6<sup>th</sup> Cycle Goal 6: Equal Access to Housing and Opportunities</b>			
1.A	Prepare Information and Conduct Community Outreach Activities on Housing Issues	6.A	Prepare information and conduct community outreach activities on fair housing issues.
2.A	Require Non-Discrimination Clauses	6.B	Require non-discrimination clauses in affordable housing agreements.
2.B	Respond to Complaints	6.C	Respond to fair housing complaints.
	<b>NEW</b>	6.D	Implement General Plan policies related to the Northwest Quadrant neighborhood.
	<b>NEW</b>	<u>6.E</u>	<u>Housing Mobility.</u>
<b>6<sup>th</sup> Cycle Goal 7: Sustainability and Energy</b>			
5.C	Implement Rehabilitation and Energy Loan Programs	7.A	Implement energy/water efficiency and rehabilitation loan programs.
4.B	Implement "Green" Building Standards and Processes	7.B	Continue to implement the California Green Building Code.



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## Section E.1 Introduction

The City conducted a diligent public outreach and engagement effort for development of the 2023-2031 Housing Element. The aim of this outreach was to better understand the perspective of all segments of the community and produce more effective and context-sensitive policies and programs to support housing development and address special needs populations. Public outreach also allowed the City to identify concerns of citizens and housing service providers and integrate local knowledge into the Housing Element that was not available in reports, online, or in City documents and may not have been initially apparent.



This Appendix summarizes the outreach efforts and input received in two sections:

- **Summary of Outreach Meetings:** An overview of the participants and public comments received.
- **Documentation:** Copies of the City's noticing materials, presentations, and other documents produced to support the outreach efforts.

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## Section E.2      Summary of Outreach Meetings

### E.2.1      Community Workshop #1

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*Monday, May 16, 2022 at 6:30 pm*

*Zoom Webinar*

#### **Overview**

On May 16, 2022, the City of Novato held a Community Workshop via Zoom to kick off the 6<sup>th</sup> Cycle Housing Element Update (HEU) process. This Workshop was held independently, separate from a Planning Commission or City Council meeting. The Workshop was hosted by City staff members Vicki Parker, the City's Community & Economic Development Director, and Steve Marshall, the City's Planning and Environmental Services Manager. City staff welcomed attendees and gave an introduction of the HEU process. The Consultant Team of Lisa Wise Consulting, Inc. (LWC) also attended and presented on the following topics:

- HEU Overview
- Preliminary Housing Data
- Affirmatively Furthering Fair Housing
- Community Engagement

The presentation included the purpose of the Housing Element, components of a Housing Element, additional State requirements during the 6<sup>th</sup> Cycle, and the project timeline. The presentation also provided an overview of socio-economic data that will provide context for future housing goals and programs.

Following the presentation, the City provided an opportunity for public comment. The meeting was attended by one City Councilmember, two Planning Commissioners, and 24 members of the public.

Notifications of the Outreach Workshop were distributed electronically via the City's email notification system to over 6,000 email addresses including those who signed up for notifications on latest news or initiatives and programs from the City.

The Community Workshop was also promoted through the City's social media accounts on Facebook, Instagram, Twitter, and Nextdoor. The City recorded and posted a video of the meeting on the City's YouTube channel and the [City's HEU webpage](#) for viewing or download at any time. The HEU webpage address and contact information of Vicki Parker, the City's Project Manager, was included in all Workshop material. The workshop was advertised in English and Spanish.

#### **Summary of Comments**

The following is a summary of questions and comments received from members of the public during the Community Workshop.



- When will the public be able to submit site recommendations they feel are appropriate for housing?
- How will members of the public familiar with housing be included in the outreach process?
- The Point-In-Time Count numbers recently released show an eight percent or greater increase in homelessness in Marin County. How will the project team include this information into the HEU?
- Provide clarification on the difference between the City and County site inventory process and analysis.
- Request for the City to examine the Affordable Housing Overlay from the previous HEU to identify available sites.
- Does a particular site apply towards the City's RHNA requirements.
- How will the project team will separate AFFH outreach work from the more technical aspects of the HEU.
- Expression of concern over the expansion of City boundaries and increased RHNA numbers over time. The participant also expressed concern on housing impacting open space and the City's Urban Growth Boundary. City staff clarified how the Urban Growth Boundary limits densifying growth to the existing City limits.

Screenshots from Community Workshop #1 are included below in Section E.3.3.

## **E.2.2 Focus Group Meeting #1 – Non-profit Social Service Providers**

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*Wednesday, June 8, 2022 at 10:00 am*

*Zoom*

### **Overview**

On June 8, 2022, as part of the public engagement process for the 6<sup>th</sup> Cycle HEU, LWC conducted a virtual hour-long Focus Group interview with non-profit social service providers that work in Novato. The City invited social service providers via email and followed up with the relevant Zoom link for those who agreed to participate. The Focus Group was attended by eight case managers from North Marin Community Services and a staff attorney from Legal Aid of Marin. The purpose of the meeting was:

- Discuss housing opportunities and constraints
- Gain deeper understanding of available resources as they relate to housing in Novato
- Gather policy and program recommendations

Working closely with the City, LWC developed a survey instrument and used open-ended questions where the respondents drive the interview process in a conversational style. Participants were encouraged to voice their responses, as well as to use the chat function to provide written input. A representative from City Staff was present. Participants were assured that their participation was voluntary and that all written summaries, reports, and communications

in the project were reported in aggregate format, where no comments could be tied to any one individual.

The questions asked of the participants are as follows:

- Are you a resident of Novato?
- What is your relationship with Novato? Choose one: property owner, renter, employed in, business owner in, local/regional advocate, faith-based group, realtor, developer, property manager.
- In your opinion, what groups or types of individuals/households are most in need of adequate and/or affordable housing in Novato?
- In your opinion, what type(s) of housing is most needed/in short supply in Novato?
- Do you see any disparities or concerns in housing patterns or trends in Novato among different groups/populations?
- Are you concerned about concentration or segregation in housing and access and opportunity in Novato?
- What are the most critical gaps in housing services/options in Novato?
- Have you partnered with developers (e.g., non-profit/mixed income) to pursue affordable or special needs housing in Novato?
- What would be your top policy or program recommendations to the City to help address the needs of the groups and populations you serve?
- Do you have anything else to add?

### **Summary of Comments**

The following is a summary of input received from the interview participants. Comments are not necessarily listed in order of priority, and no comments indicate group consensus.

The mood of the meeting was positive, respondents seemed pleased to be included in the process, were well-prepared, and articulate.

- Participants work closely with the following communities in Novato, providing healthy food, emergency rental assistance, affordable childcare, health education/resources, and more:
  - Low-income residents
  - Families with children
  - Individuals or families facing homelessness
  - Single-parent, especially female-headed households
  - Spanish-speaking residents
- **Rent Increases and Tenant Protections**
  - Rent increases are unsustainable for families already experiencing a housing cost-burden because they cannot be addressed like other needs (e.g., hunger and CalFresh)
  - This is especially true for seniors, whose fixed-income cannot respond to \$200-\$300 rent increases and need permanent, monthly assistance

- During the COVID-19 pandemic, the percent of program applicants who qualified as housing cost-burdened increased significantly
- Though AB 1428 (California Tenant Protection Act of 2019) established many important protections, they extend only to multi-family residences; many vulnerable residents in Novato rent single-family dwellings that AB 1428 protections does not cover
- The City does not have just-cause protections for tenants in these housing types and is not filling the gap between State protections and the most vulnerable renters
- **Accessibility and Reasonable Accommodations**
  - A participant recounted a story about a wheelchair user who was displaced by a fire and struggled to find a wheelchair-accessible unit without an already-long waitlist
  - Though City has received few reasonable accommodation requests, participants offered that many residents are not aware of these procedures or how to utilize them, indicating an education gap
- **Overcrowding**
  - Due to the long waitlists for the most in-demand housing types (accessible, income-limited, etc.), many families double up in units to afford living in Novato
  - Participants mentioned clients who asking their case managers if they know of other clients renting out space who they could cohabitate with
- **Displacement**
  - Many families wish to stay in Novato to stay close to other family members, avoid pulling their children out of school, etc.
  - Some families want to move out of Novato, but even formerly-affordable communities (e.g., Petaluma, Santa Rosa) are no longer options, between rising housing costs there and higher gas prices
- **Concentration and Segregation**
  - One participant noted Novato has one of the County's Census tracts with the most vulnerable renters (highest proportion of BIPOC individuals, greatest number of habitability/overcrowding issues, highest rent increases) *[Further research identified this as Census Tract 1022.03, containing Downtown Novato]*
- **People Experiencing Homelessness**
  - Major unmet need in available services for houseless population in the City, specifically shelter beds equivalent to the number of unsheltered homeless individuals estimated to reside in Novato
  - For example, one local resource is Gilead House, which provides a stable living situation for homeless single mothers and their children, but the process to get into the program can be prohibitive for some
- **Top Policy Recommendations**
  - Outreach to educate the community about reasonable accommodation requests

- Assistance for new arrivals to the community, especially refugees, unaccompanied youth, and undocumented persons
- An emergency shelter as close as possible to the families and individuals in Novato that needs one
- Stronger tenant protections, especially as evictions have spiked and Novato has lost its status of one of the County's remaining relatively affordable communities
  1. Ex: longer noticing periods when a multifamily development changes ownerships, which puts tenants severely at-risk; similar policies are being examined in other local jurisdictions

Screenshots from Focus Group #1 are included below in Section E.3.3.

### **E.2.3 Focus Group Meeting #2 – Housing Developers**

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*Monday, June 13, 2022 at 3:30 pm*

*Zoom*

#### **Overview**

On June 13, 2022, as part of the public engagement process for the 6th Cycle HEU, LWC conducted a virtual hour-long Focus Group interview with for-profit and nonprofit housing developers who work in Novato. The purpose of the meeting was:

- Discuss housing opportunities and constraints in Novato
- Gain deeper understanding of available resources as they relate to the production of housing
- Gather policy and program recommendations

Working closely with the City, LWC developed a survey instrument and employed a respondent-driven process, using open-ended questions where the respondents drive the interview process in a conversational style. The meeting was held without City staff present to better enable an open dialogue and frank responses. Attendees were assured that their participation was voluntary and confidential, with all reports, memos, and communications being in aggregate format, where no comments could be tied to any one individual. Participants were encouraged to voice their responses, as well as to use the chat function and provide written feedback. A total of eight individuals participated in the scheduled meeting.

The questions asked of the participants were as follows:

- Are you a resident of Novato?
- What is your relationship with Novato? Choose one: property owner, renter, employed in, business owner in, local/regional advocate, faith-based group, realtor, developer, property manager.
- In your opinion, what are the unique challenges with building housing in Novato?

- In your opinion, what are the unique challenges with building affordable housing in Novato?
- In your opinion, what are the most in demand types of housing products in Novato?
- In your opinion, what can the City do to facilitate development of the highest demand housing types?
- In your opinion, where (geographically) do you see opportunities for housing in Novato?
- Tell us about your most successful housing project in Novato or nearby communities.

### **Summary of Comments**

The following is a summary of input received from the interview participants of Focus Group #2. Comments are not necessarily listed in order of priority, and no comments indicate group consensus.

The mood of the meeting was positive, respondents seemed pleased to be included in the process, were well-prepared, and articulate. The following is a summary of comments on topics deemed the most important by the group:

- Design Review Commission (DRC)
  - The DRC frequently influences design and non-design portions of projects with little to no oversight from the City Attorney on the legality of their influence. Developers feel the power and subjectivity of the DRC adds significant time and expense to the development process.
  - The DRC may hold several meetings to review a project and oftentimes requires significant changes. Participants said this was particularly troublesome when, after a project has been altered based on Planning Commission and City Council feedback, the DRC will effectively restart the review process by claiming the project has changed too drastically and will need to be reviewed again.
- Hillside and Ridgeline Protection standards
  - Division 19.26 (Hillside and Ridgeline Protection Standards) was named as being particularly difficult for both market rate and non-profit developers, acting as a constraints for any development.
  - Ordinance seems to have been based on one from a different community and was not tailored to local conditions, making it difficult for City staff to interpret and consistently enforce its provisions.
  - Additionally, these standards apply on all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent.
- Several participants mentioned the City is not complying with the requirements of the Permit Streamlining Act.
- Attached townhomes are one of the most in-demand housing typologies. However, several participants insisted people still come to Novato (and Marin County in general) for a suburban lifestyle, keeping the historic market for detached single-family homes strong.

- The housing market in north Novato is different from south Novato; towards the north there is greater competition from single-family homes being built on greenfield sites in Petaluma and beyond, while in the south, townhomes are more viable.
- Many sites identified in the 5<sup>th</sup> Cycle HEU were infill sites.<sup>1</sup>
- Proposed reforms and solutions
  - A permanent City staffer to coordinate the work of the City's third party permitting/engineering service providers.
  - Staff need to educate reviewing committees and other City officials on the fundamental legality of different portions of projects; some participants said that responsibility can often fall on them.
- Despite issues raised above, Novato was called one of the best places to build in Marin County.<sup>2</sup>
  - Second only to San Rafael, which some participants said has more experience with processing housing applications and a more efficient development process.
- Discretionary review prolongs the entitlement process, sometimes causing developers to risk missing funding deadlines (e.g., TCAC Low-Income Housing Tax Credits, etc.).
- Staff and the City Council work efficiently given limitations. Current staff provide an open line of communication with developers.

Screenshots from Focus Group #2 are included below in Section E.3.3.

## **E.2.4 Environmental Impact Report (EIR) Scoping Meeting**

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*Tuesday, June 25, 2022 at 6:00 pm*

*Zoom Webinar*

### **Overview**

On June 25, 2022, the City of Novato held a Scoping Meeting via Zoom to kick off the Environmental Impact Report (EIR) portion of the 6<sup>th</sup> Cycle HEU process. This meeting was hosted by the City and was attended by City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager. The Director welcome attendees and staff briefly introduced

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<sup>1</sup>The City's 5<sup>th</sup> Cycle HEU included five sites that were covered by an Affordable Housing Overlay. One of the sites is currently under construction, a second is approved, and a third is headed to approval hearings in early 2023. The fourth site has an application in process but was found to potentially have Native American artifacts on site and the local tribe has requested redesign to avoid the site of the artifact. The project applicant is currently investigating the feasibility of redesign.

<sup>2</sup>While Novato has experienced higher rates of project applications and rates of construction than the southern Marin cities and the unincorporated areas of the county, the last City-owned property in Hamilton is currently in contract to be sold for housing. The City had been effective in leveraging this available land to produce housing. Much of the future housing in the City will be on redevelopment sites.

the meeting agenda. The Consultant Team from both LWC and Rincon Consultants, Inc. were in attendance and presented on the following topics:

- Project Description
- What is CEQA?
- What is Scoping?
- Schedule and Next Steps
- How to Submit Comments

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The meeting was attended by two City Councilmembers and five members of the public. The sole public commenter expressed support for increased housing production in Novato and hoped to see the City take a more aggressive stance on increasing opportunities for lower-income households.

Screenshots from the EIR Scoping Meeting are included below in Section E.3.3.

## **E.2.5 Planning Commission Study Session #1**

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*Monday, June 27, 2022 at 6:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On June 27, 2022, the City of Novato held a Study Session via Zoom, hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff member Vicki Parker, Project Manager for the City and Community & Economic Development Director, were in attendance.

The Study Session provided the community with a review of the initial research findings on housing conditions as they relate to the 6<sup>th</sup> Cycle HEU, as well as feedback gathered during Community Workshop #1 and both Focus Groups. The Study Session also served as an opportunity for the Planning Commission and community to learn more about the Housing Element process and to provide feedback on questions of community concern.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- HEU Overview
- Housing Needs and Conditions
- Affirmatively Furthering Fair Housing
- Community Engagement
- Next Steps



## Summary of Comments

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from members of the public during the Study Session.

- Encourages the City that it is an important opportunity to provide the type of housing people need in the community and move the City on the road to providing housing for unhoused people. Wants to focus on having enough low-income housing in the City.
- Positive feedback on the presentation. Concerned about the second focus group and the feedback received. Notes that the comments are structural and wants to confirm if the City will analyze the planning process. Curious to learn what might happen with the information beyond the Housing Element process.
- Thanked the Consultant Team for their report, with great information and detailed numbers. Strongly support the work of building affordable housing in the City.
- The speaker only said they want housing in the City.

Screenshots from Study Session #1 are included below in Section E.3.3.

### E.2.6 Community Workshop #2

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*Monday, July 11, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

#### Overview

On July 11, 2022, the City of Novato held an interactive hybrid (virtual and in-person) Community Workshop, the second of two public workshops for the 6<sup>th</sup> Cycle HEU. This Workshop was hosted by the City's Planning Commission and was attended by City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager. The Commission Chair welcomed attendees and staff briefly introduced the workshop agenda. The Consultant Team from LWC was also in attendance and presented on the following topics:

- Introduction to Live Polling Platform Mentimeter
- Housing Element Overview
- Summary of Initial Findings
- Live Polling

The presentation provided a high-level overview of the technical analysis conducted during the update process that will inform the development of housing policies and programs, including:

- **Housing Needs Assessment:** review of Novato's socioeconomic and housing stock conditions and corresponding housing needs;

- **Housing Constraints Assessment:** assessment of governmental, market-driven, and environmental constraints to housing development; and,
- **Adequate Sites Inventory:** review of the RHNA numbers and the housing development pipeline and a map of pipeline projects.

The Consultant Team then facilitated the live polling with Mentimeter to collect community input. Respondents participated in the Mentimeter poll and provided insights attendee demographics and specific housing needs. Those included:

- **Demographics:**
  - 84 percent live in Novato
  - 65 percent work in Novato, 20 percent work outside Novato and in Marin County, 10 percent are retired, and 5 percent work outside Marin County
  - 29 percent were in support of more housing construction in Novato, with an equal 29 percent expressing concern about more housing construction
  - 72 percent own their home versus 22 percent who rent
  - 83 percent live in single-family homes, 11 percent live in either duplexes, townhomes, or condos, and six percent live in apartments
  - 44 percent are between 45 to 64 years-old, 39 percent between 25 to 44 years-old, and 17 percent are 65 years-old or older
  - 83 percent identify as white
  - 41 percent of annually earn more than \$199,200 per year, the highest income category provided in the survey
- **Housing Needs:**
  - 22 percent rank either the rate and number of new housing units getting built or the availability of multifamily housing for young families as the most critical issue in Novato
  - 48 percent rank housing affordable to low-income or middle-income households as the most housing type most needed in the City
  - 28 percent reported housing should not be built by increasing units in either existing single-family or multifamily areas, and expressed support for increasing housing in Downtown and commercial corridors
  - The top policies and programs ranked in order of priority are:
    1. Adopt objective design standards to help streamline the design review process
    2. Incentivize the consolidation of smaller parcels to make multifamily/mixed-use projects easier to build
    3. Allow mixed-use developments to be constructed in higher-density residential zoning districts
- **Public Comments:**

- Concern about rezoning the last available office/commercial lot to housing north of the Fireman's Fund area
- Recommends for Novato to accommodate additional housing
- Provide housing options to the downtown core to support the Grant Avenue area
- Recommends for Novato to rezone more parcels for low- and moderate-income units than the RHNA requirements to increase the chance of attracting developers
- Recommends creating co-housing models for intergenerational communities
- Recommends the City change policy to make it easier to add larger ADUs (1,500+ square feet) on properties and to expedite the permitting process
- Requests the City to take action at the encampment at Rush Creek for safety and aesthetic concerns
- Recommends Yes in my Backyard (YIMBY) solutions for longtime homeowners and local businessowners
- Recommends affordable and multifamily housing to be built as in-fill development where amenities are available and preserve green space

After the live polling activity, the City opened the floor for public comment. The meeting was attended by five Planning Commissioners, City staff, and members of the public.

Notifications of the Outreach Workshop were distributed electronically via the City's email notification system to over 6,000 email addresses including those who signed up for notifications on latest news or initiatives and programs from the City.

The Community Workshop #2 was also promoted through the City's social media accounts on Facebook, Instagram, Twitter, and Nextdoor. The meeting was recorded and posted on the City's YouTube channel and the [City's HEU webpage](#) so it could be accessed at any time. The HEU webpage address and contact information of Vicki Parker, the City's Project Manager was included in all workshop material. The workshop was advertised in English and Spanish.

### **Summary of Comments**

There was one public comment asking to clarify the definition of a low-barrier navigation center. The following is a summary of questions and comments received from Planning Commissioners during Community Workshop #2:

- A commissioner inquired whether religious institutions or nonprofit organizations can still be included in the HEU process. The HEU team assured they could be included and highly encouraged it.
- A commissioner expressed concern the reported median rent data in Novato seemed to be low and suggested it would be difficult to find a unit for that price in the City.
- A commissioner raised the point that the current pipeline projects would cover the RHNA requirements. The commissioner then asked what the process would be for finding additional inventory if a project's final approval is for fewer units than assumed in the Housing Element.

- A commissioner stated the site inventory analysis would not have many new locations in addition to the projects already in the pipeline. The project team responded that it was fair to say that based on the project pipeline, but affordable housing is increasingly harder to find and implement than in the past.
- A commissioner inquired whether there are uncertainties or recommended best practices to gain approval of the sites inventory analysis. They followed up asking whether there should be a buffer to cover the unpredictability. The project team informed them an 18 to 20 percent buffer is accounted for in the sites inventory.

Screenshots from Community Workshop #2 are included below in Section E.3.3.

## **E.2.7 Planning Commission Study Session #2**

---

*Monday, July 25, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On July 25, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager were present.

This second Study Session with the Planning Commission provided the community with updates on the results from the polling exercise conducted during Community Workshop #2 and a discussion of the sites inventory rezoning process. During the session, the City's housing development pipeline numbers were presented alongside potential capacity of certain identified rezone sites. The discussion included detailed information on density and total unit counts.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Live Polling Summary
- Sites Inventory Analysis
- Summary and Next Steps

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from both Planning Commissioners and members of the public during the Study Session.

- A commissioner inquired whether the NUSD parcel's potential rezoning meant an additional 85 units could be built there. City staff clarified that was not the case; it is an "empty PD" with no density or development standards currently in effect.

- A commissioner asked what the process was for developing the NUSD parcel as a PD. City staff explained there would be additional requirements for objective design standards (ODS). The commissioner expressed dislike for form-based codes and wanted a balance between streamlining and flexibility.
- A commissioner expressed concern about the low number of participants in the previous survey. City staff provided a reminder that the sites were selected incorporating the online survey, other public community feedback, and internal conversations. After staff also described the upcoming development of ODS with the Design Review Commission, the commissioner expressed concern that development would be more formulaic and reduce creativity.
- A commissioner expressed strong support for [pipeline site] 5 San Andreas Dr. as a housing site. They then expressed concern about potential community pushback on specific sites and encouraged community members and the press to see beyond particular sites.
- A commissioner observed that the San Andreas site has been vacant for years and also believes this would be a great site for housing broadly speaking, but will have to see the specifics.
- A commissioner observed support for infill housing Downtown in the survey results and pointed out that, without ODS, State streamlining provisions will already push the potential for certain projects forward.
- A member of the public asked for the presentation to be made available and inquired about the Fourth and Grant site.
- A member of the public identified themselves as a former City Council member and recalled past misunderstandings around sites. Encouraged that information be shared early and clearly with the public, and City staff assured them that more would be forthcoming and shared with the City's mail list and via its social media profiles.

Screenshots from Study Session #2 are included below in Section E.3.3.

## **E.2.8 City Council Study Session #1**

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*Tuesday, August 23, 2022 at 6:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On August 23, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled City Council meeting. In addition to all Councilmembers, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This first Study Session with the City Council provided a recap of information previously presented to the Planning Commission and ensured the broader community was informed of the project's progress. During the session, the City's housing development pipeline numbers were presented alongside potential capacity of certain identified rezone sites. The discussion included detailed information on density and total unit counts.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from both City Councilmembers and members of the public during the Study Session.

- Interest in opportunities presented by the NUSD property and how it could be combined with an additional five acres on its eastern border.
- Concern about Native American artifacts and seasonal wetlands.
- Local housing supporter, expressing excitement about affordable housing, mixed-use housing, and potential programs to support tenant protections and emergency shelter.
- Owner of one of the potential rezone properties, briefly described the background and strong potential of the site and their enthusiasm for rezoning. Asked about how the proposed 20 units fit into the overall development of R-10 zoning. City staff responded by expanding on future impact of ODS adoption, parcel unit estimates, etc.
- Concern about [pipeline site] 200 Landing Ct. City staff responded with a description of AFFH requirements.
- Hopes the City does everything they can do get more housing and is in favor of rezoning more parcels, any renter protections, and is concerned about in-lieu fees instead of on-site provision of affordable housing. City staff clarified that the current inclusionary housing ordinance cutoff is nine units.
- Encouraged listeners to not assume that low level of interest in this Council meeting means the community is not interested in general. Hopes thorough analysis is done regarding level of service needs for new housing development.
- Several Councilmembers expressed interest in the "The Square" property. City Staff responded that the owners would need to approach the City with interest to rezone, but until then it is not a reliable site to include in the Sites Inventory.
- A Councilmember asked if any recent discussions with NUSD had occurred regarding their parcel. City staff responded a meeting was planned the following week to discuss it and potentially other District sites. Also expressed support for a request from the Marin Humane Society for pro-pet housing policies.

- A Councilmember expressed interest in the NUSD site, especially if it can provide teacher-oriented workforce housing. Also in support of pro-pet policies. Expressed concern about vacant homes and interest in a vacant homes policy/task. Also asked if rent control policies/programs have been considered.
- A Councilmember expressed a desire for greater clarity with regard to existing vs. proposed General Plan designation/zoning. Also expressed support for an ADU incentive program.

Screenshots from City Council Study Session #1 are included below in Section E.3.3.

### **E.2.9 Planning Commission Study Session #3**

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*Monday, November 28, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

#### **Overview**

On November 28, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This third Study Session with the Planning Commission was held after the release of the Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU. During the session, the finalized housing development pipeline and the capacity of identified rezone sites were presented to display how the City will be meeting its RHNA. This was followed by a walkthrough of the HEU's Housing Plan, detailing programs continued from the 5<sup>th</sup> Cycle HEU and new programs proposed to comply with State law and address identified needs/constraints.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

#### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment from the seven attendees. The following is a summary of questions and comments received from both Commissioners and members of the public during the Study Session.

- Inquiry as to what impact rezoning will have on the 1628 Novato Blvd. rezone site before it is redeveloped, and whether it would be considered legal non-conforming



- Discussion of how rezoning of the NUSD site would influence interest in its ultimate development as teacher housing
- How ADUs are classified and whether they are eligible for waived impact fees
- A member of the public asked how various City policies listed in the Housing Plan would be implemented
- Clarifying questions regarding the timeline of the CEQA process, rezoning process, etc.
- Commissioner expressed concern about the number of vacant units estimated for the City and inquired if developing a program to address these was worth it

Screenshots from Planning Commission Study Session #3 are included below in Section E.3.3.

## **E.2.10 City Council Study Session #2**

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*Tuesday, December 6, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On December 6, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled City Council meeting. In addition to all Councilmembers, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This second Study Session with the City Council was held after the release of the Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU. During the session, the finalized housing development pipeline and the capacity of identified rezone sites were presented to display how the City will be meeting its RHNA. This was followed by a walkthrough of the HEU's Housing Plan, detailing programs continued from the 5<sup>th</sup> Cycle HEU and new programs proposed to comply with State law and address identified needs/constraints.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

### **Summary of Comments**

Following the presentation, Councilmembers discussed the various issues raised and twice opened public comment from the nine attendees. The following is a summary of questions, comments, and decisions made by both Councilmembers and members of the public during the Study Session:

- Removal of NUSD site from Sites Inventory

- NUSD is interested in developing this property, but is not prepared to submit a letter to HCD detailing their intentions (e.g., densities, financing, etc.)
  - CC voted unanimously to remove site from Sites Inventory
- Tenant protections programs
  - Both Councilmembers and one public commenter expressed apprehension at the ramifications of these being implemented, but agreed a public outreach process would be the place to discuss the details and did not call for the programs' removal
  - Public commenter cited concerns that expanded tenant protections would limit the development of ADUs on single-family parcels and that AB 1482 (which the programs cite as the source of their specific provisions, but extended to single-family homes) sunsets in 2030, raising questions about whether local protections would continue in the event AB 1482 is not extended or made permanent
- Councilmember requested that references to "Hillside Protections" be revised to read "Hillside and Ridgeline Protections" to reflect the full name and scope of Division 19.26
  - CC voted unanimously to edit the HEU accordingly
- Councilmember expressed concerns about the number of estimated vacant homes reported in Appendix A and would like to see an added program which addresses these findings
- Councilmember asked if the City could implement Northwest Quad policies sooner than 2025; Department would need to consider earlier implementation in accordance with their work plan for the next several years
- A public commenter called on the City to consider rezoning any vacant or underutilized site which could provide more affordable housing, and expressed surprise the Sites Inventory was so short
- Councilmember requested that a footnote be added to the Pipeline Projects table indicating their unit numbers are those proposed by applicants at the time of application submission
- Mayor proposed the Buck Center be added to the Sites Inventory
  - Project Team explained the potential consequences of this addition and suggested that the site had complicated entitlements that would need to be addressed in order for it to become a realistic site; Council did not move forward with this modification to the Sites Inventory

Screenshots from Planning Commission Study Session #3 are included below in Section E.3.3.

## **E.2.11 Summary of Public Review Draft Comments**

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The City made the draft HEU available for public review from November 18, 2022 through December 18, 2022. Oral comments were made in-person and online at Planning Commission Study Session #3 and City Council Study Session #2. Written comments were also taken, both in response to the agenda postings for both meetings and throughout the review period at a

dedicated email address established for the HEU process. In addition, the City hosts an “e-comment” function for all Council meetings which is enabled immediately upon agenda posting and takes comments up until 3:00 pm the day of the meeting.

A total of 50 comments were received. They can be categorized as shown in the following breakdown. Some comments contained multiple ideas; thus, the aggregate total is slightly more than 50.

- Concerns over specific projects or sites (29)
- Resource concerns, especially water (5)
- Concerns over cost of new development to existing residents in actual City expenses as well as in decreases to levels of service/quality of life (3)
- Request for more detail on specific policies, programs or goals; suggestions (7)
- Interest in issues of sustainability (2)
- Interest in additional housing capacity (5)
- Questioning validity of state/regional process (6)

## Section E.3 Documentation

### E.3.1 Social Media Notifications

Figure E-3: Social Media Notification Examples (Facebook)

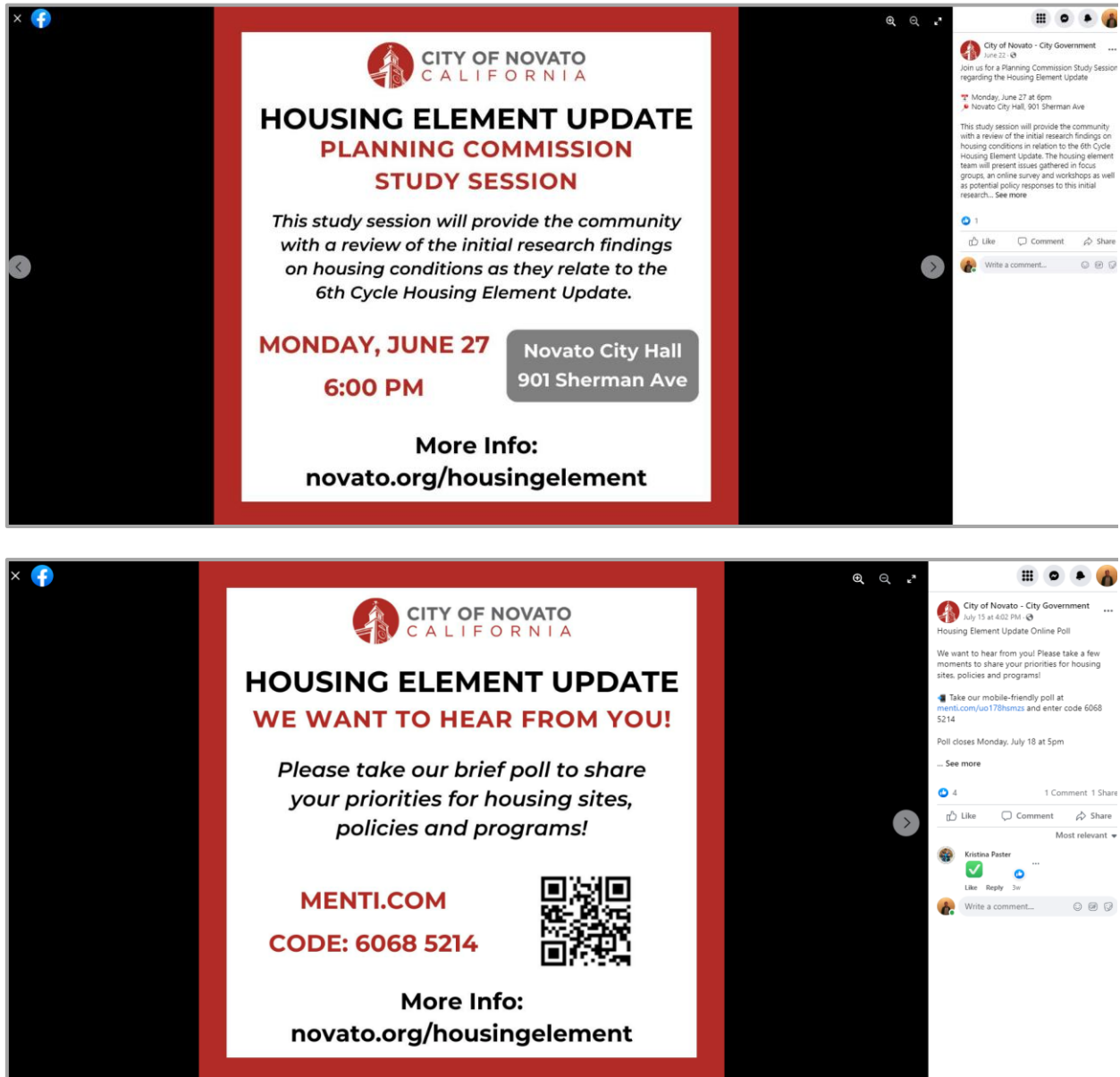
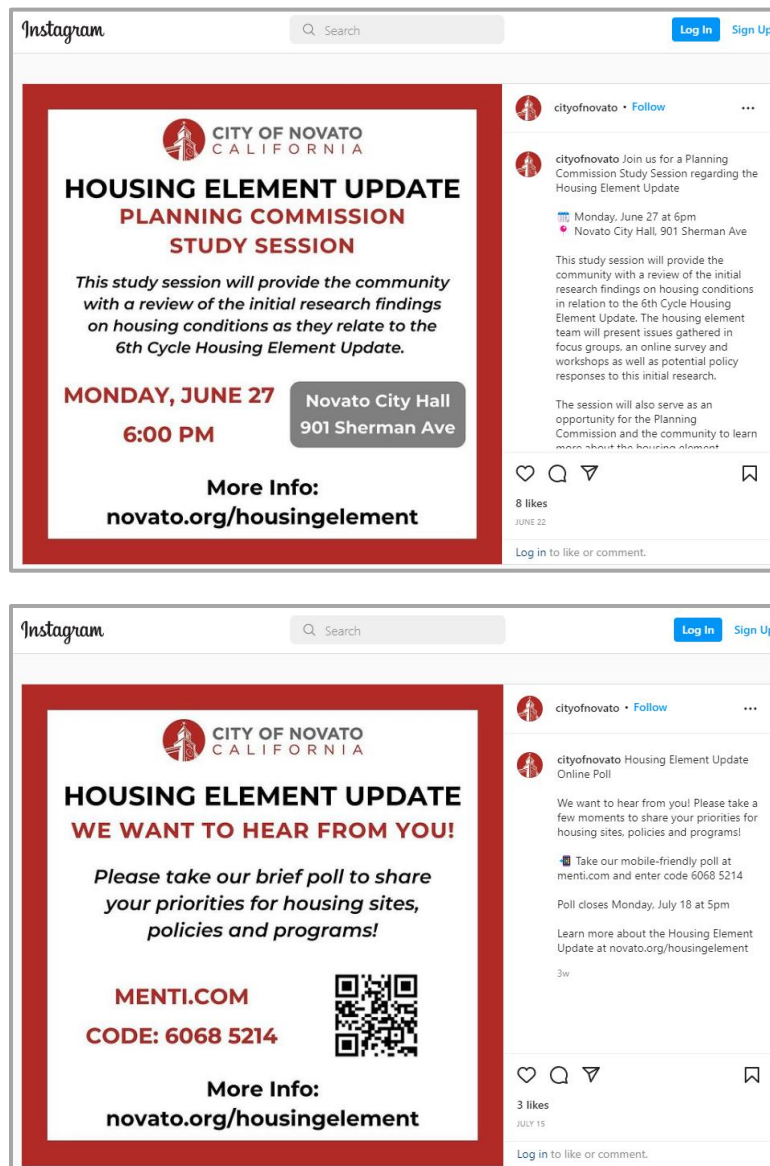


Figure E-4: Social Media Notification Examples (Instagram)



**Figure E-5: Social Media Notification Examples (Twitter)**

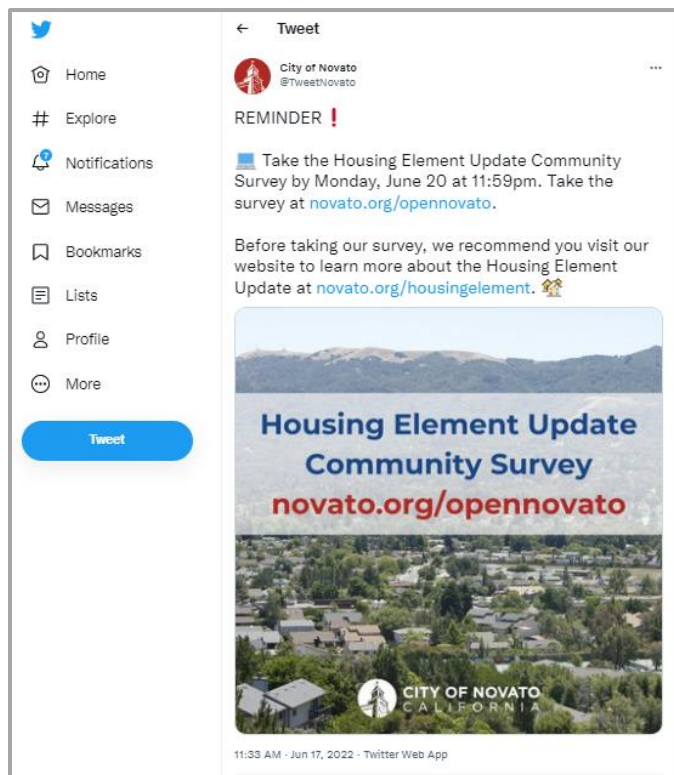
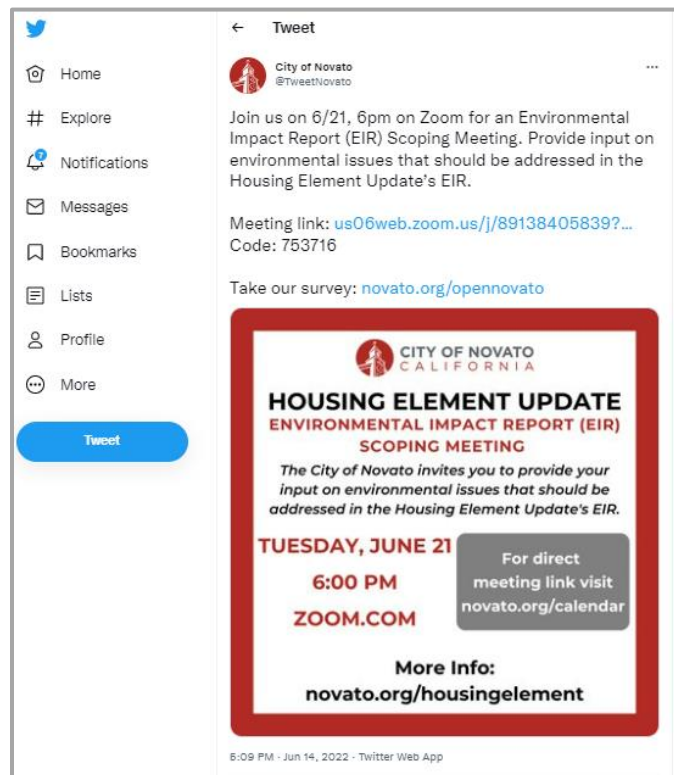
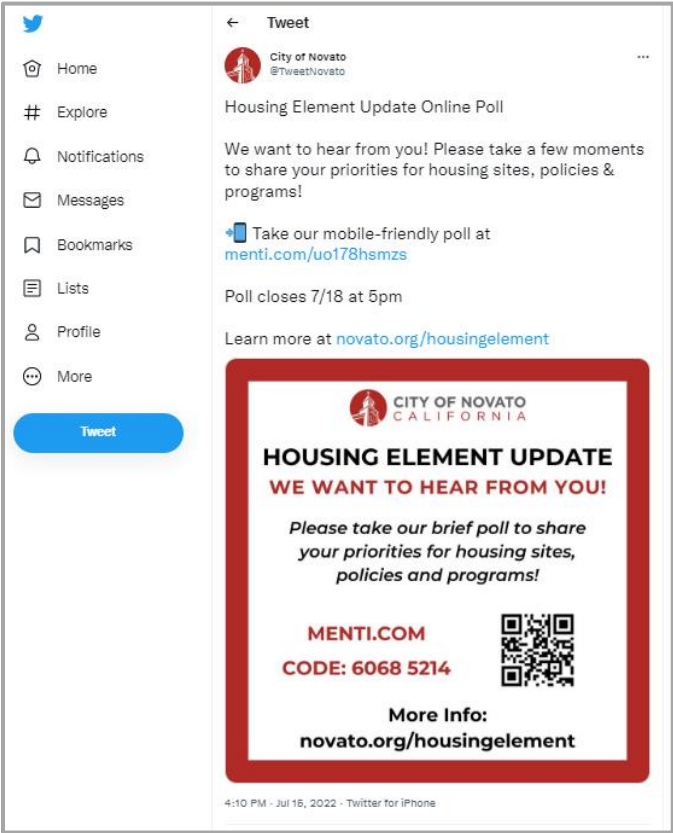
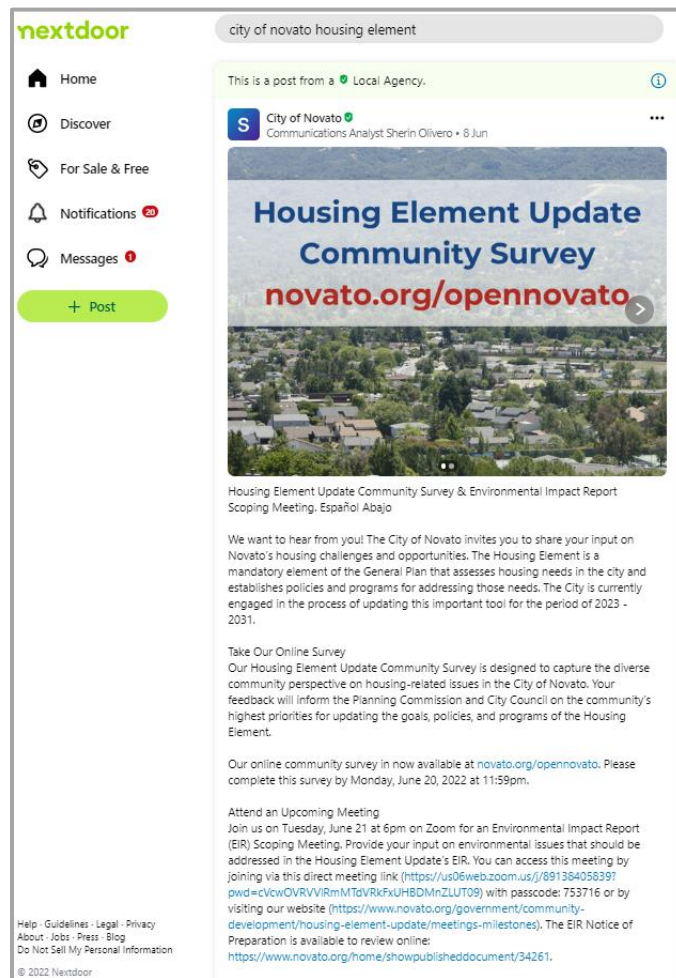


Figure E-5: Social Media Notification Examples (Twitter)

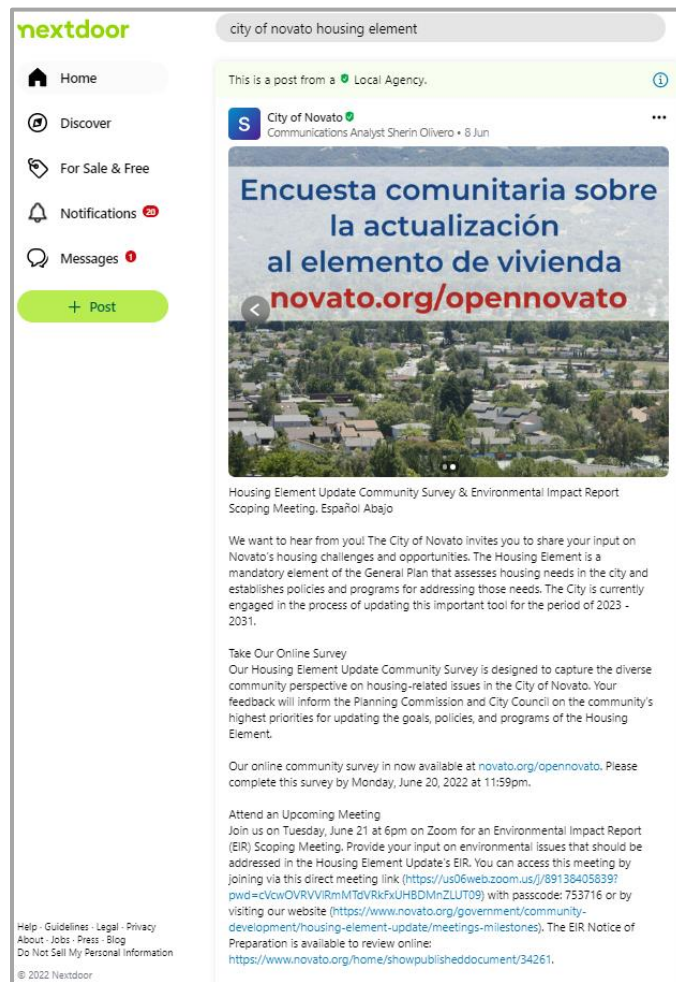




**Figure E-6: Social Media Notification Examples (Nextdoor)**



**Figure E-6: Social Media Notification Examples (Nextdoor)**



## E.3.2 Survey Results

Figure E-7: Housing Survey (Instructions)

**Housing Element Update Survey / Encuesta de Elemento de Vivienda**  
Share your feedback on housing opportunities and challenges in Novato / Comparta sus comentarios sobre las oportunidades y los desafíos para la vivienda en Novato

### Introduction

Español abajo

We want to hear from you! The City of Novato invites you to share your input on Novato's housing challenges and opportunities. The Housing Element is a mandatory element of the General Plan that assesses housing needs in the city and establishes policies and programs for addressing those needs. The City is currently engaged in the process of updating this important tool for the period of 2023 - 2031.

Our Housing Element Update Community Survey is designed to capture the diverse community perspective on housing-related issues in the City of Novato. Your feedback will inform the Planning Commission and City Council on the community's highest priorities for updating the goals, policies, and programs of the Housing Element.

Before taking our survey, we recommend you visit our website to learn more about the Housing Element Update at [novato.org/housingelement](https://novato.org/housingelement).

Please take our survey to share your feedback by Monday, June 20, 2022 at 11:59pm.

iQueremos su opinión! La Ciudad de Novato lo invita a compartir sus comentarios sobre los desafíos y las oportunidades para la vivienda en Novato. El Elemento de Vivienda es un elemento obligatorio de Plan General que evalúa las necesidades de vivienda en la ciudad y establece políticas y programas para abarcar a esas necesidades. La Ciudad está actualmente pasando por el proceso de actualizar esta herramienta importante para el periodo de 2023-2031.

Nuestra encuesta sobre la actualización al Elemento de Vivienda está diseñada para entender las perspectivas diversas de la comunidad sobre temas relacionados a la vivienda en la Ciudad de Novato. Sus comentarios informarán a la Comisión de Planificación y el Concejo Municipal sobre las prioridades más importantes de la comunidad respecto a la actualización de las metas, las políticas y los programas del Elemento de Vivienda.

Antes de completar nuestra encuesta, le recomendamos que visite nuestro sitio web para aprender más sobre la actualización al Elemento de Vivienda: [novato.org/housingelement](https://novato.org/housingelement).

Por favor responda a nuestra encuesta para compartir sus comentarios antes del lunes 20 de junio de 2022 a las 11:59pm.

Figure E-8: Housing Survey (Questions)

Survey Questions	
<p><b>QUESTION 1</b></p> <p><b>Are you a resident of Novato? / ¿Usted es residente de Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>	<p><b>QUESTION 6</b></p> <p><b>Are you concerned about concentration or segregation in housing access and opportunity in Novato? / ¿Le preocupa la concentración o segregación en acceso a y oportunidad para viviendas en Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>
<p><b>QUESTION 2</b></p> <p><b>What is your relationship with Novato? (Please select all that apply) / ¿Cuál es su relación con Novato? (Seleccione todas las que apliquen)</b></p> <ul style="list-style-type: none"> <li>• Property owner / Propietario</li> <li>• Renter / Arrendatario</li> <li>• Employed in / Empleado en</li> <li>• Business owner in / Dueño de negocio en</li> <li>• Local/regional advocate / Defensor local/regional</li> <li>• Faith-based group / Grupo religioso</li> <li>• Realtor / Agente inmobiliario</li> <li>• Developer / Constructor/desarrollador</li> <li>• Property manager / Administrador de propiedades</li> </ul>	<p><b>QUESTION 7</b></p> <p><b>What are the most critical gaps in housing services/options in Novato? / ¿Cuáles son las faltas más críticas en servicios/opciones de vivienda en Novato?</b></p>
<p><b>QUESTION 3</b></p> <p><b>In your opinion, what groups or types of individuals/households are most in need of adequate and/or affordable housing in Novato? / En su opinión, ¿cuáles grupos o tipos de individuos/hogares tienen mayor necesidad de vivienda adecuada y/o económica en Novato?</b></p>	<p><b>QUESTION 8</b></p> <p><b>Have you partnered with developers (e.g., non-profit/fixed income) to pursue affordable or special needs housing in Novato? / ¿Usted ha trabajado con desarrolladores/construtores (por ejemplo, sin fines de lucro/de renta fija) para buscar vivienda económica o de necesidades especiales en Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>
<p><b>QUESTION 4</b></p> <p><b>In your opinion, what type(s) of housing is most needed/in short supply? / En su opinión, ¿cuáles tipos de vivienda se necesitan más o quedan pocos?</b></p>	<p><b>QUESTION 9</b></p> <p><b>What would be your top policy or program recommendations to help address needs of groups and populations you may be familiar with? / ¿Cuál sería su primera recomendación de política o programa para abarcar las necesidades de los grupos y las poblaciones con los que usted está familiarizado?</b></p>
<p><b>QUESTION 5</b></p> <p><b>Do you see any disparities or concerns in housing patterns or trends in Novato among different groups/populations? / ¿Usted observa alguna desigualdad o preocupaciones sobre los patrones de la vivienda en Novato entre distintos grupos/poblaciones?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>	<p><b>QUESTION 10</b></p> <p><b>Please share your thoughts and concerns. / Por favor comparta sus ideas e inquietudes.</b></p>
	<p><b>QUESTION 11</b></p> <p><b>If you would like to stay up to date on this topic, please provide your email address below: / Si quiere mantenerse al día con este tema, por favor escriba su dirección de correo electrónico abajo:</b></p>
	<p><b>QUESTION 12</b></p>
<p><b>Is there anything else you would like to share? / ¿Le gustaría compartir algo más?</b></p>	

Figure E-9: Housing Survey (Responses)

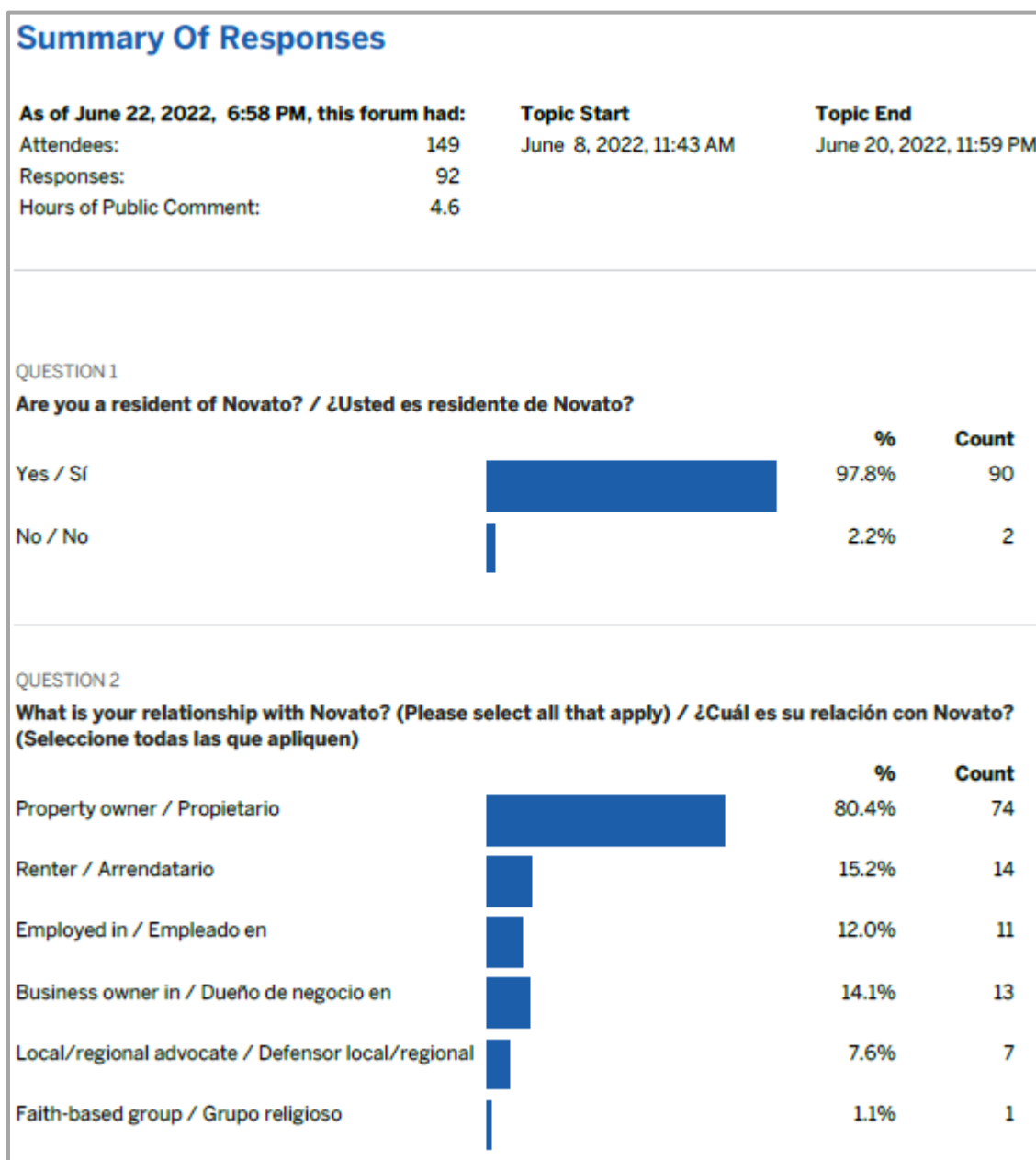


Figure E-9: Housing Survey (Responses)

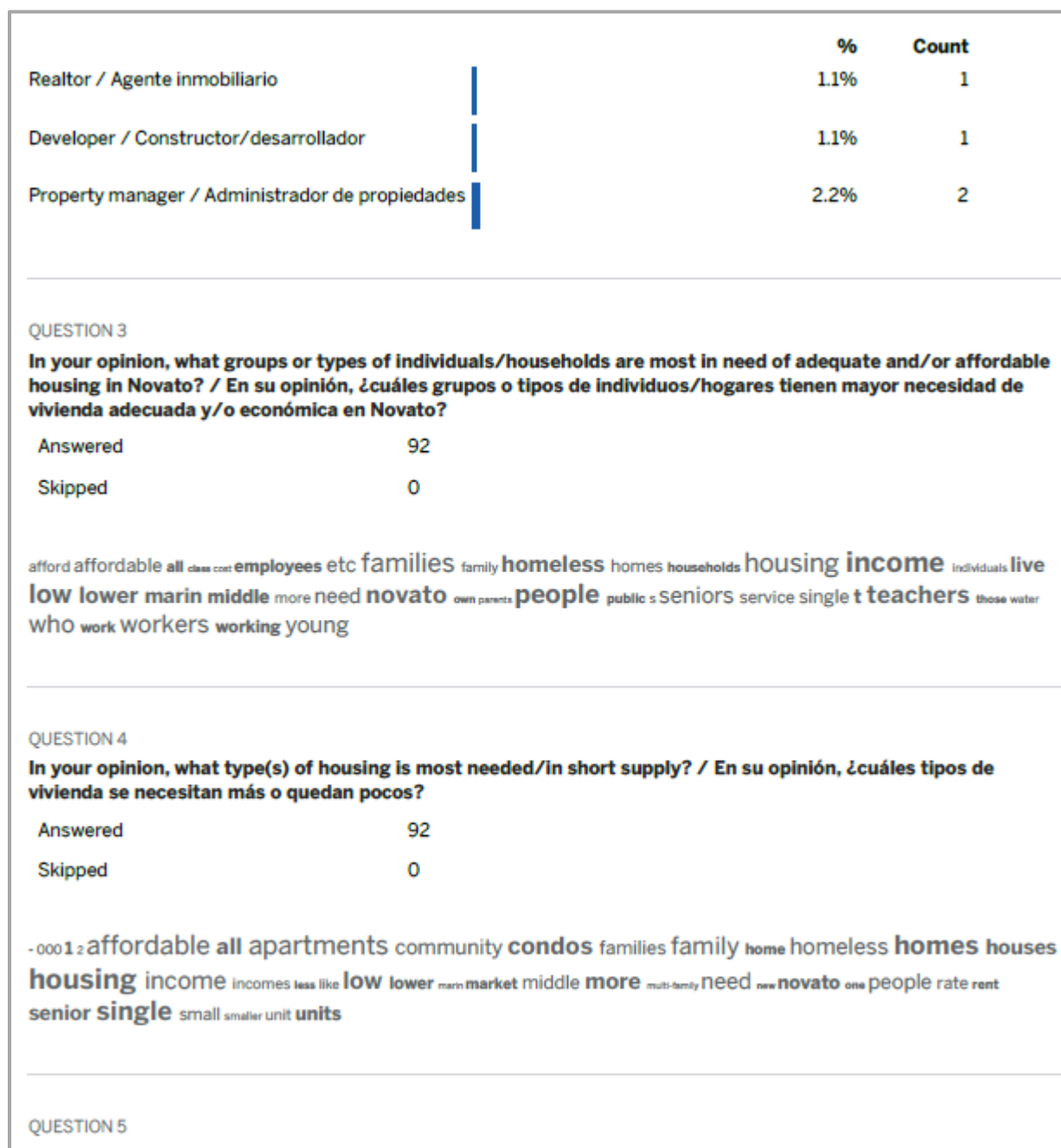




Figure E-9: Housing Survey (Responses)

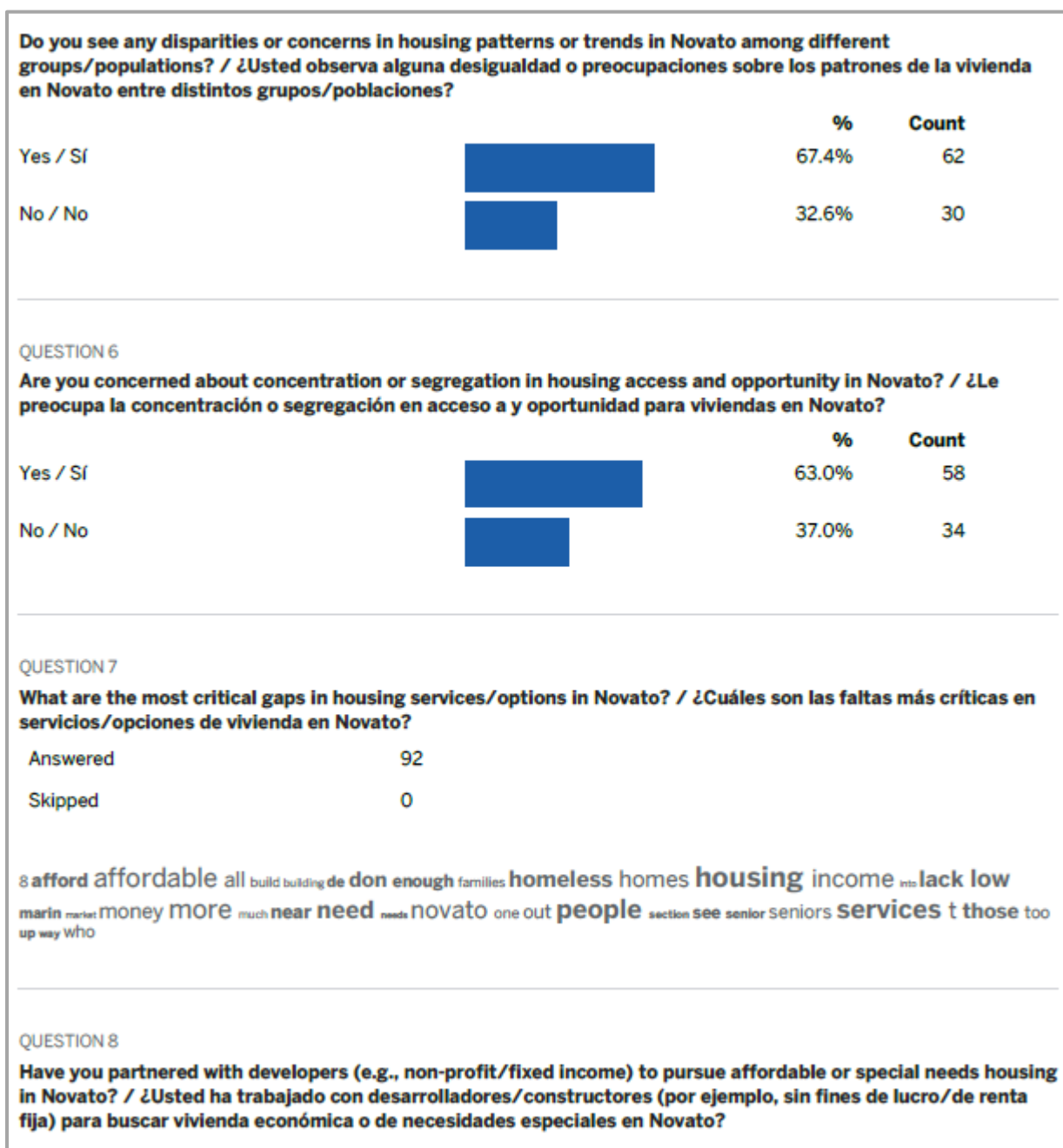




Figure E-9: Housing Survey (Responses)

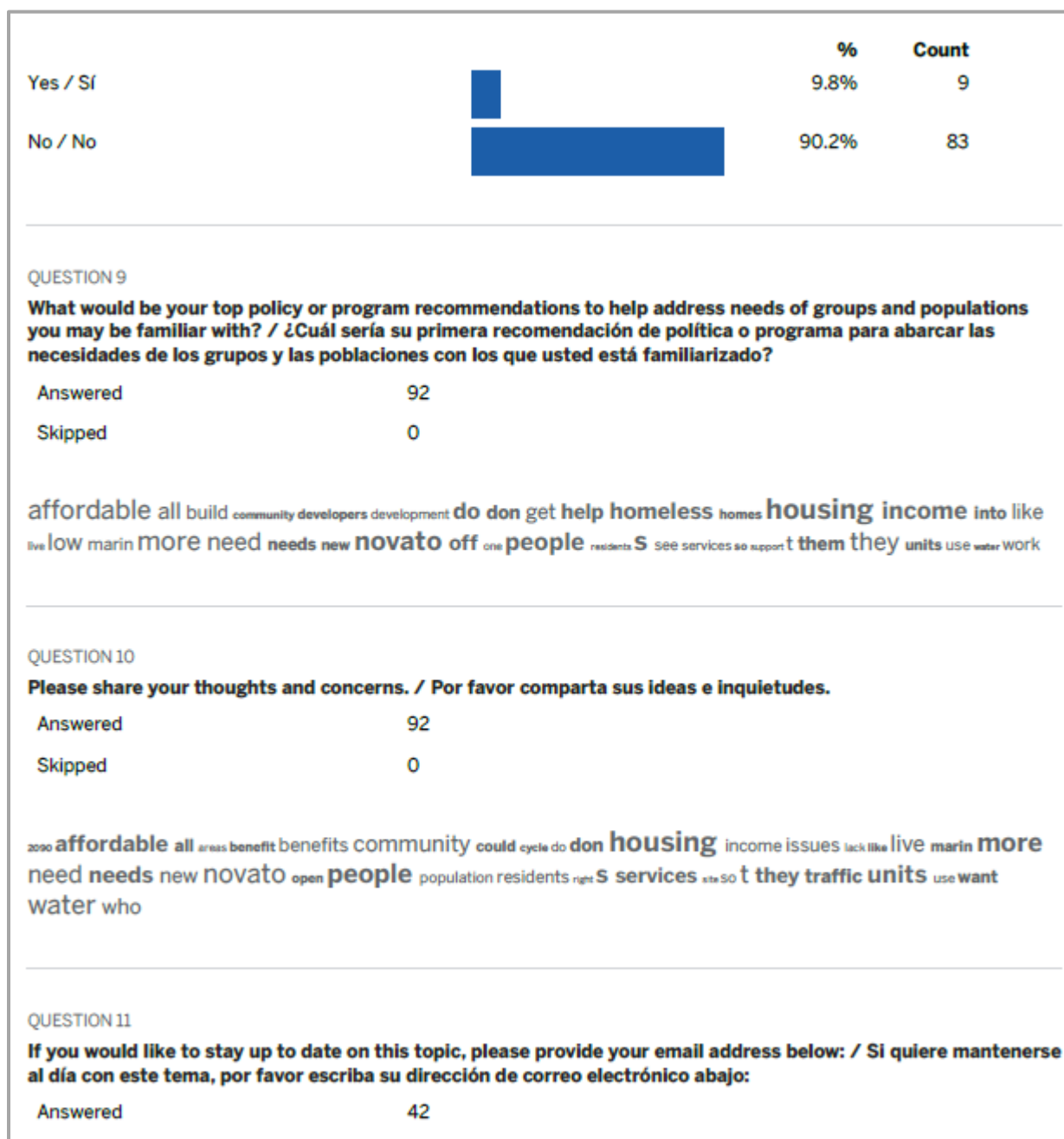
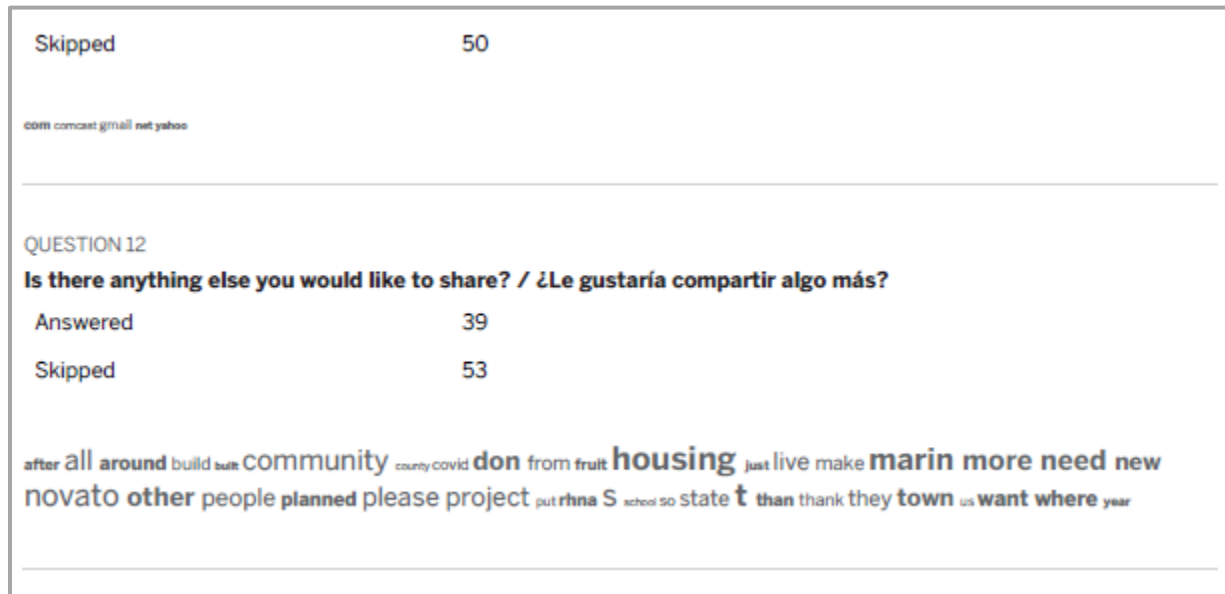
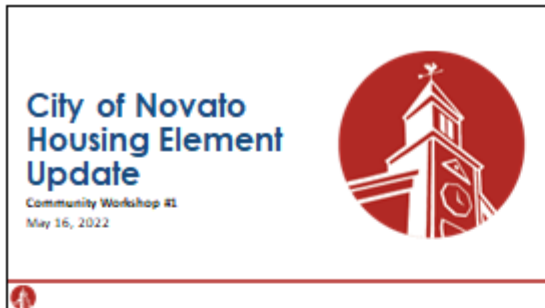


Figure E-9: Housing Survey (Responses)



## E.3.3 Presentations

### Community Workshop #1 (May 16, 2022) Presentation



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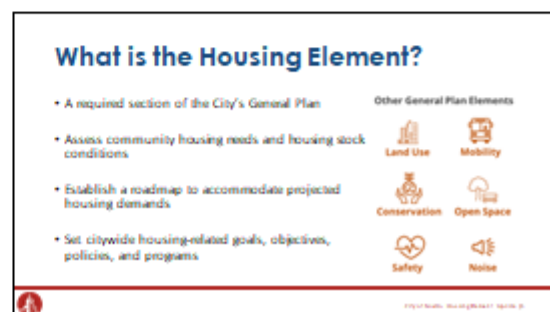
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## Housing Element Components

Policy and Programs Review

Analysis of Fair Housing

Housing Needs Assessment

Housing Resources Assessment

Housing Constraints Assessment

Implementation Plan

Adequate Sites Inventory

7

## Regional Housing Needs Allocation (RHNA)

- RHNA is the amount of housing each city must plan for in the Housing Element.
- Novato's RHNA (2023-2031) is **2,090 total units**.

**Novato RHNA by Income Level**

Number of Persons in Household	1	2	3	4
Very Low Income (20% RHNA)	\$16,760	\$17,960	\$19,160	\$20,360
Low Income (34% RHNA)	\$18,460	\$19,660	\$20,860	\$22,060
Moderate Income (32% RHNA)	\$20,160	\$21,360	\$22,560	\$23,760
High Income (14% RHNA)	\$21,860	\$23,060	\$24,260	\$25,460

8

## Key 6<sup>th</sup> Cycle Housing Element Bills

- AB 1397: Adequate Housing Element Sites
- SB 166: No Net Loss
- AB 686: Affirmatively Furthering Fair Housing
- AB 72: Housing Element Enforcement
- AB 671: ADU plan
- AB 879: Reporting Requirements
- AB 1763: Enhanced Density Bonus
- AB 2162: Supportive Housing Streamlined Approval
- SB 6: Design and Development of the Site Inventory
- AB 1851: Religious Institutions Affiliated Housing

9

## How does the Housing Element help?

- Programs to help provide housing for all (seniors, persons with disabilities, people experiencing homelessness, etc.)
- Actions to expand housing production at all income levels, remove constraints, and further fair housing
- Accommodate the RHNA (capacity for housing units at all income levels)

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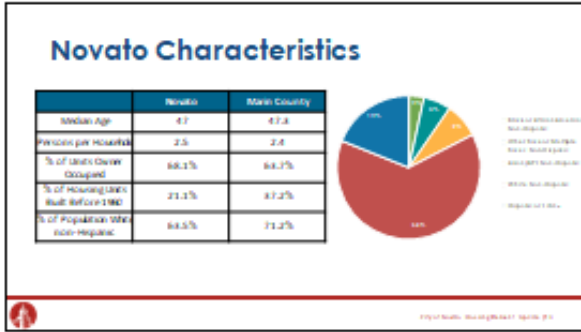
## Process 2022-2023

City of Novato and Local Housing Element Update Timeline

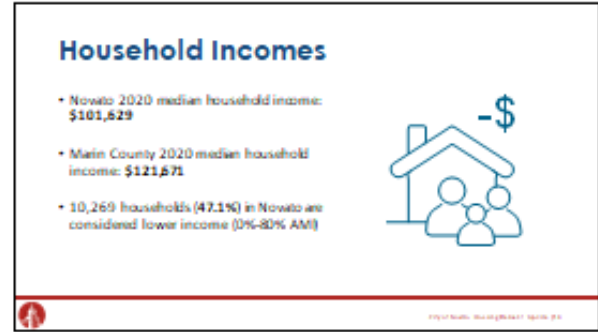
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## 2 Preliminary Housing Data

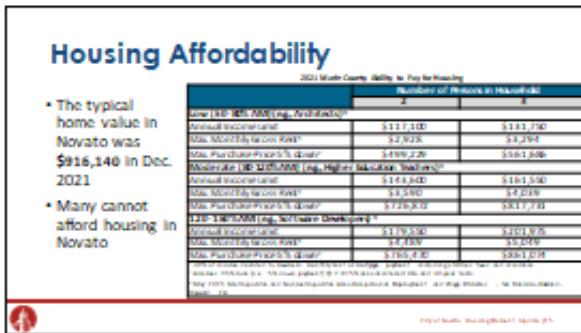
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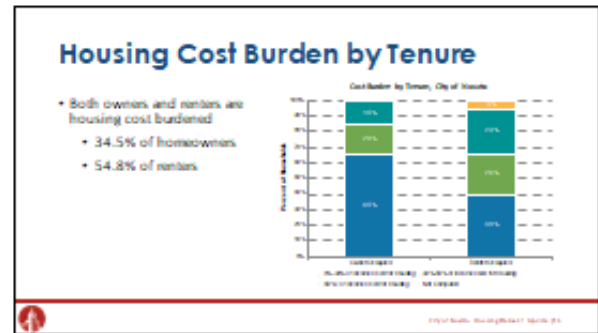
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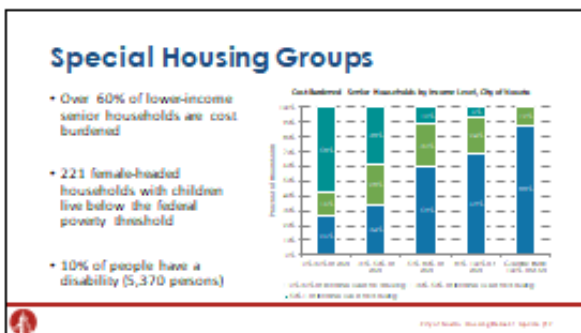
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## Affirmatively Furthering Fair Housing (AFFH) Requirements

- 1. Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
- 2. Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs of special needs groups.
- 3. Analysis of the Inventory:** An evaluation of whether the site inventory improves or exacerbates conditions for fair housing.
- 4. Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issues.
- 5. Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.



https://www.novato.org/housingelement/2019/01/

19

## 4 Community Engagement



https://www.novato.org/housingelement/2019/01/

20

## Community Engagement Overview

- Community Workshops
- Stakeholder Interviews
- Online Survey
- Study Sessions
- Public Hearings
- Dedicated Webpage ([novato.org/housingelement](https://www.novato.org/housingelement))
- Access throughout project ([HousingElement@novato.org](mailto:HousingElement@novato.org))



https://www.novato.org/housingelement/2019/01/

21

## 5 Next Steps



https://www.novato.org/housingelement/2019/01/

22

## Next Steps

- Continue outreach
- Continue technical analysis – use input heard today to inform analysis
- June-September: Drafting the Housing Element
- Fall 2022: Draft Housing Element released



https://www.novato.org/housingelement/2019/01/

23

## Stay Informed and Involved

[www.novato.org/housingelement](https://www.novato.org/housingelement)

Sign up for our E-Notifier service to stay informed!

[HousingElement@novato.org](mailto:HousingElement@novato.org)



https://www.novato.org/housingelement/2019/01/

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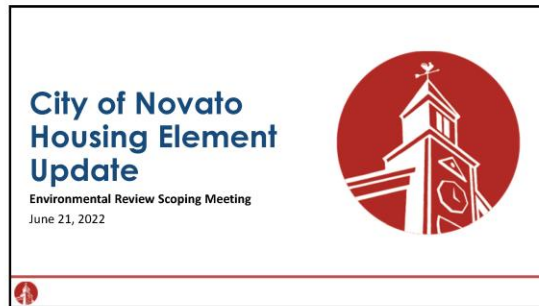
## Questions?



https://www.novato.org/housingelement/2019/01/

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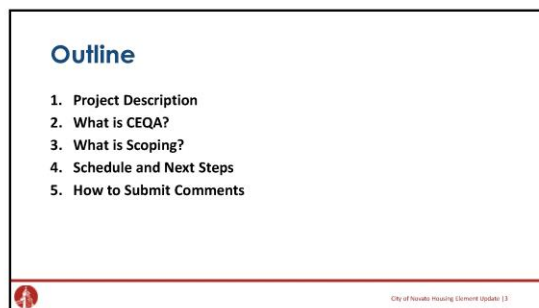
# EIR Scoping Meeting (June 25, 2022) Presentation



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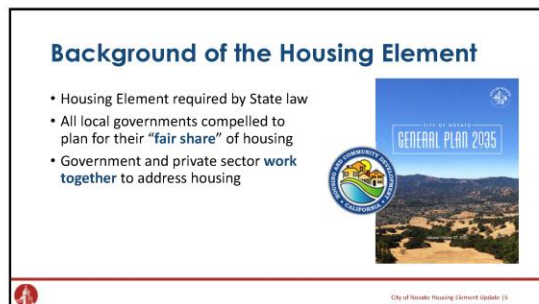
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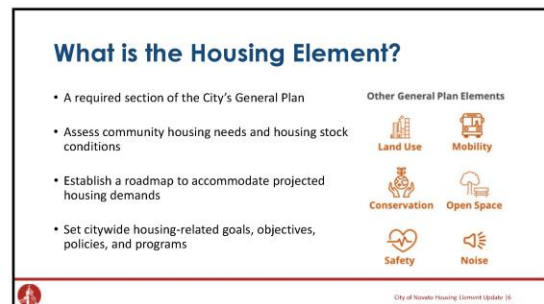
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## Housing Element Components

Policy and Programs Review

Analysis of Fair Housing

Housing Needs Assessment

Housing Resources Assessment

Housing Constraints Assessment

Implementation Plan

Adequate Sites Inventory

City of Novato Housing Element Update | 7

7

## Regional Housing Needs Allocation (RHNA)

- RHNA is the amount of housing each city must plan for in the Housing Element
- Novato's RHNA (2023-2031) is **2,090 total units**

**Novato RHNA by Income Level**

Number of Persons in Household	1	2	3	4
Extremely Low Income (0-30% AMI)	\$15,700	\$17,950	\$20,200	\$22,450
Very Low Income (30-50% AMI)	\$38,400	\$43,850	\$49,350	\$54,800
Low Income (50-80% AMI)	\$63,950	\$73,300	\$82,750	\$92,350
Moderate Income (80-120% AMI)	\$102,450	\$117,300	\$131,750	\$146,350
Area Median Income (AMI)	\$125,650	\$143,600	\$161,550	\$179,500

Source: Department of Planning and Community Development, PG&E 2021

City of Novato Housing Element Update | 8

8

## 2 What is CEQA and Scoping?

City of Novato Housing Element Update | 9

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## What is CEQA?

- California Environmental Quality Act (1970)
- Public disclosure and input process
- Minimize, reduce or avoid environmental impacts
- Adopt mitigation monitoring program
- Program-level analysis

City of Novato Housing Element Update | 10

10

## CEQA Environmental Review Process

```

graph TD
    A[City circulates Notice of Preparation] --> B[City prepares Draft EIR]
    B --> C[City publishes Draft EIR]
    C --> D[Public review period (45 days)]
    D --> E[City prepares Final EIR]
    E --> F[City publishes Final EIR]
    F --> G[Planning Commission Hearing]
    H[City solicits input on contents of Draft EIR (public agencies and members of the public provide comments)] --> B
    I[City solicits comments on the Draft EIR (public agencies and members of the public provide comments)] --> E
    J((You Are Here)) --> H
    
```

City of Novato Housing Element Update | 11

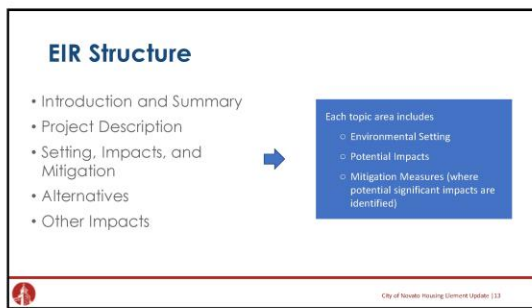
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## What is Scoping?

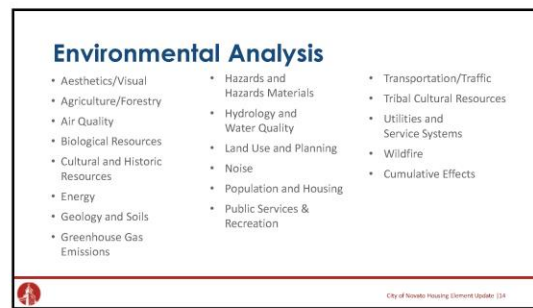
- Public input on the environmental analyses
- Topic areas
- Issues of concern
- Potential alternatives to the project
- Proposed mitigation measures

City of Novato Housing Element Update | 12

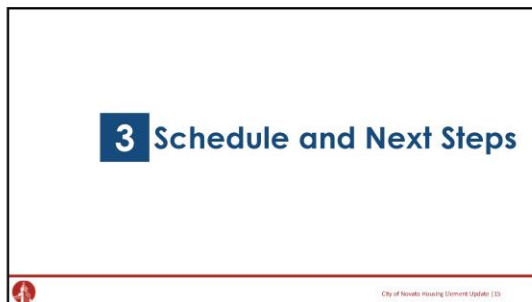
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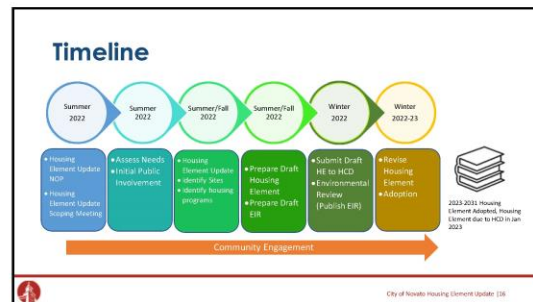
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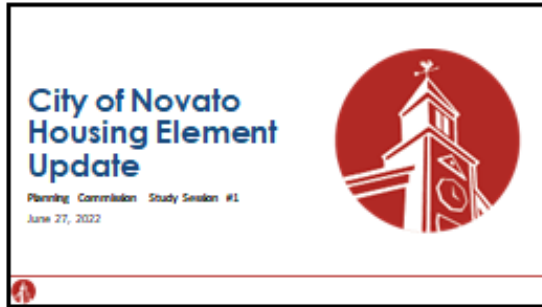


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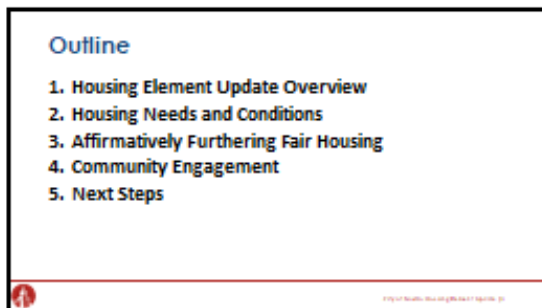
## Planning Commission Study Session #1 (June 27, 2022) Presentation



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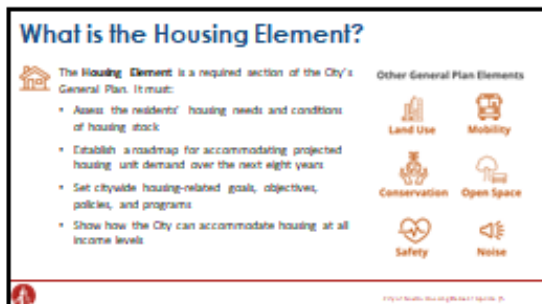
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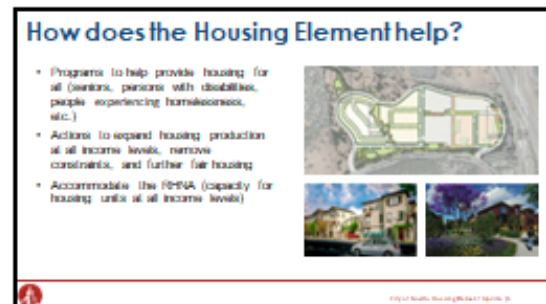
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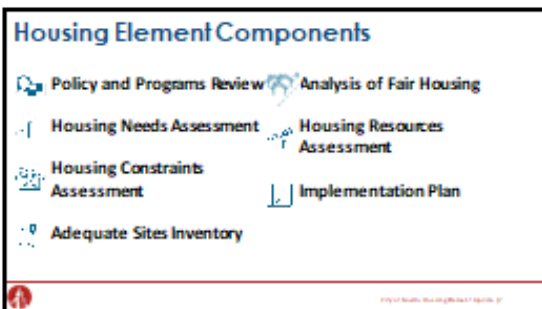
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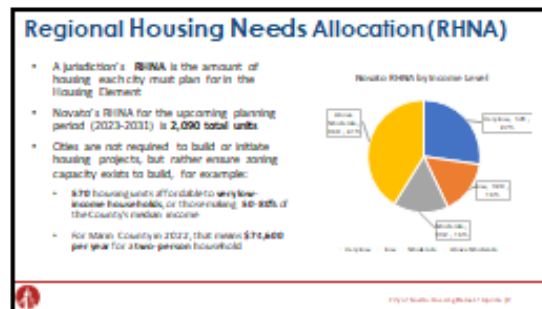
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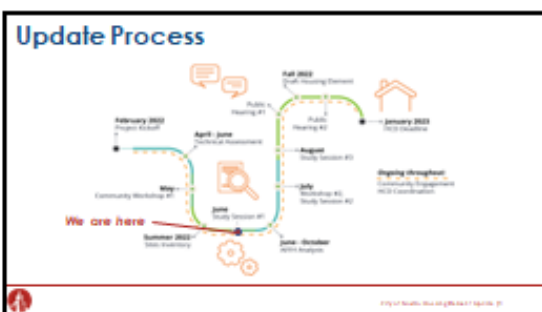
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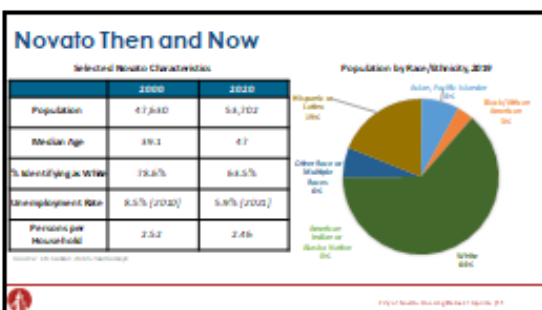


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## 2 Housing Needs and Conditions

City of Novato Housing Element Update 2020

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### Novato's Housing Stock

	Novato (2019)	Marin County (2019)
Owner/Resident Occupied	68%/92%	64%/93%
Housing Units Built Before 1980	21.1%	17.9%
Housing Units Built After 2010	0.8%	1.4%
Median Rent Increase Since 2009	45.4%	25.1%
Resident Headed Households at Risk of Condemnation	92%	2,641

City of Novato Housing Element Update 2020

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## Household Income Distribution

- Novato 2020 median household income: **\$101,629**
- Marin County 2020 median household income: **\$121,671**
- 10,269 households (47.1%) in Novato are considered lower income (0%-80% of County median income)



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## Household Income Distribution

Marin County 2022 Annual Income Limits				
Number of Persons in Household:	1	2	3	4
Extremely Low Income (15-30%AMI)	\$39,150	\$44,750	\$50,350	\$55,900
Very Low Income (30-50%AMI)	\$66,250	\$74,600	\$83,900	\$93,200
Low Income (50-80%AMI)	\$104,400	\$119,300	\$134,200	\$149,100
Median Income (100%AMI)	\$116,200	\$132,800	\$149,400	\$166,000

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## Housing Affordability – For Sale

- Typical home value in Novato was **\$916,140** in Dec. 2021
- Home prices are slightly lower relative to the County, but still difficult to afford
- A two-person household must earn **\$180,980** (over 150% of AMI) to afford an average priced home in the City



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## Housing Affordability – For Rent

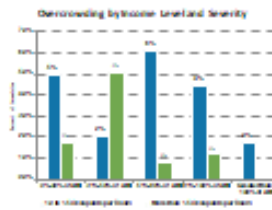
- Median rent in Novato has increased 45.4% since 2009, from \$1,540 to **\$1,950**
- A household must earn **\$78,023** (over 50% of AMI) to afford median rent
- 32% of Novato's households are renter-occupied
- 83% of renters live in multi-family housing
- 55% of renters spend over 30% of their income on housing



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## Impacts on Large Families

- In Novato, renter households are more likely to live in overcrowded conditions than owner-occupied households
- 3.7% of all renter households are severely overcrowded, meaning more than 1.5 occupants per room, this compares to 0.5% of households that own
- 29% of Hispanic/Latino and multiracial households experience some form of overcrowding



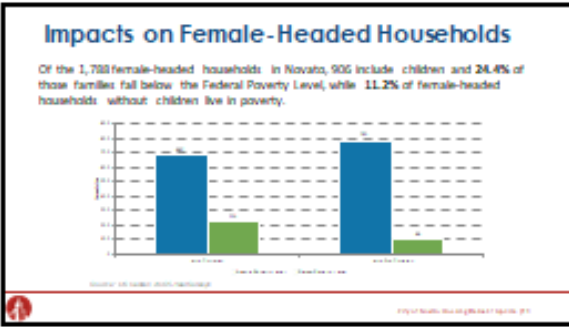
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## Impacts on Seniors

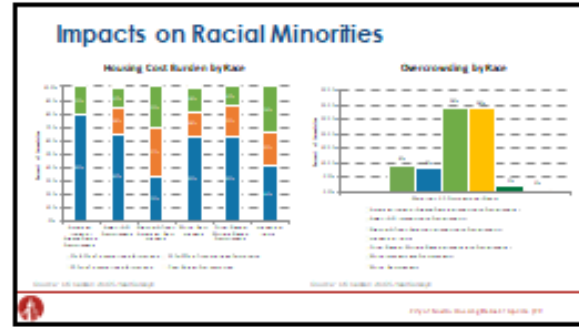
- Novato's median age is 47, with seniors over 65 making up **21%** of the population
- Among all Novato seniors, **41%** are cost burdened
- Seniors have limited options for smaller, more accessible units that allow them to age in place



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## 3 Affirmatively Furthering Fair Housing

Source: US Census Bureau, American Community Survey, 2019

City of Novato Housing Element Update, 2022

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- ### Affirmatively Furthering Fair Housing (AFFH) Requirements
- 1. Inclusion and Equitable Outreach:** A summary of fair housing is already and equitably distributed and accessible to all segments of the community.
  - 2. Assessment of Fair Housing:** A reassessment of fair housing issues, including demographic composition and trends, including an identification of barriers to fair housing, including barriers to fair housing for racial and ethnic minorities, including barriers to fair housing for racial and ethnic minorities.
  - 3. Analysis of Fair Housing:** A reassessment of fair housing issues, including an identification of barriers to fair housing, including barriers to fair housing for racial and ethnic minorities, including barriers to fair housing for racial and ethnic minorities.
  - 4. Identification of Fair Housing:** The identification and prioritization of fair housing issues, including barriers to fair housing, including barriers to fair housing for racial and ethnic minorities, including barriers to fair housing for racial and ethnic minorities.
  - 5. Policies, Goals, and Action to AFFH:** The identification of fair housing goals and policies that directly address the fair housing issues, including barriers to fair housing, including barriers to fair housing for racial and ethnic minorities, including barriers to fair housing for racial and ethnic minorities.
- Source: US Census Bureau, American Community Survey, 2019
- City of Novato Housing Element Update, 2022

22

## 4 Community Engagement

Source: US Census Bureau, American Community Survey, 2019

City of Novato Housing Element Update, 2022

23

- ### Community Engagement Overview
- So far:
- Community Workshop #1 (May 14)
  - Focus Groups #1 and #2 (June 1)
  - Environmental Analysis Scoping Meeting (June 2)
  - An Online Survey (closed Monday, June 2)
  - A dedicated webpage: [novato.org/housingelement](https://novato.org/housingelement)
  - Access throughout the project: [HousingElement@novato.org](mailto:HousingElement@novato.org)
- Up next:
- Community Workshop #2 (July)
  - Study Session #1 (July)
  - Study Session #2 (August)
  - Public Hearings #1 and #2 (late summer/fall 2022)
- 
- Source: US Census Bureau, American Community Survey, 2019
- City of Novato Housing Element Update, 2022

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## Focus Group #1

Participants: social service providers

**What we heard:**

- Rent increases are unsustainable for residents already experiencing a housing cost burden because they cannot be addressed like other needs (e.g., hunger and childcare), especially for seniors
- Many vulnerable renters are not protected by statewide tenant protections because they rent single-family homes
- Due to the long waitlists for the most in-demand housing types (accessible, income-based, etc.), many families double up in homes to afford living in Novato
- County-wide support is needed in available services for housing population, direct support is in deficit, supportive transitional housing in Novato makes transportation from housing to jobs, schools, daycare, etc. extremely difficult



City of Novato Housing Element Update 2022


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## Focus Group #2

Participants: stakeholder and non-profit housing developers

**What we heard:**

- The development review process adds significant time and expense as projects wait their way from the Design Review Commission (DRC), to the Planning Commission, to the City Council; after approval, it is often required to go back to the DRC
- **Habitat and Hazard Protection standards** are not tailored to Novato's local conditions and are difficult for developers to understand and the City to enforce
- Review the factors desired for detached single-family residences across Marin County, attached townhomes continue to be in demand
- Streamline review process, the development process, sometimes causing developers to re-submit funding applications



City of Novato Housing Element Update 2022


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## Community Survey

Participants: 127 members of the community that equate to 4.6 hours of public comment.

**What we heard:**

- **Who is most in need of adequate/affordable housing in Novato?**
  - Public employees, low and moderate income families, families with children, local employees (e.g., service workers), young people, seniors, recent immigrants, large families
- **What type of housing is most needed?**
  - Affordable housing, affordable rental housing, homes near downtown, apartment/condos, rental housing, smaller units for single people and young families, larger multifamily units for growing families
- **Are you concerned about the concentration of poverty?**
  - Yes/Yes, No/No
- **Do you see any disparities in housing among different groups?**
  - Yes/Yes, No/No



City of Novato Housing Element Update 2022

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## 5 Next Steps



City of Novato Housing Element Update 2022

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## Next Steps

- Continue community engagement
- Conduct technical analysis and incorporate feedback we receive here today
- Community Workshop #2 (July)
- Study Session #2 (July)
- June-September: Drafting the Housing Element
- Fall 2022: Draft Housing Element released




City of Novato Housing Element Update 2022

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## Stay Informed and Involved

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[HousingElement@novato.org](mailto:HousingElement@novato.org)



City of Novato Housing Element Update 2022

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## Questions and Comments

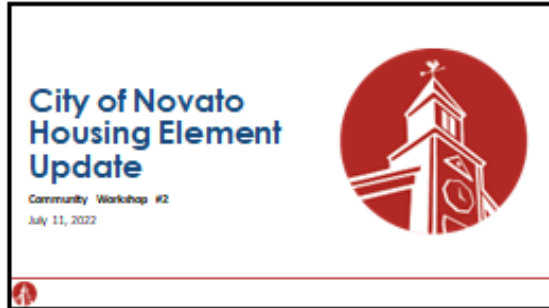


City of Novato Housing Element Update 2022

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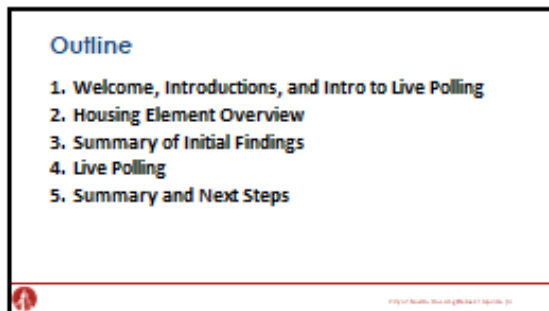
## Community Workshop #2 (July 11, 2022) Presentation



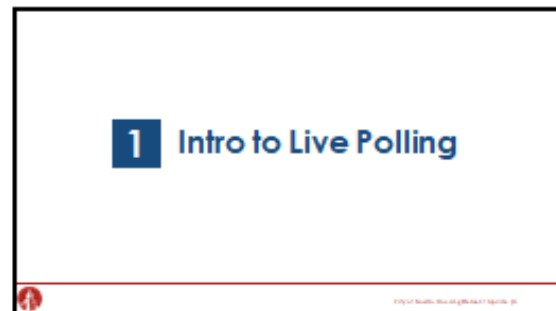
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## Participant Survey

Who is joining us today?

Go to  
[www.menti.com](https://www.menti.com)  
Enter code: 6068 5214



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## 2 Housing Element Overview

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## What is the Housing Element?


The **Housing Element** is a required section of the City's General Plan. It must:


- Assess the residents' housing needs and conditions of housing stock
- Establish a roadmap for accommodating projected housing unit demand over the next eight years
- Set citywide housing-related goals, objectives, policies, and programs
- Show how the City can accommodate housing at all income levels


Other General Plan Elements


  
Land Use

  
Mobility

  
Conservation

  
Open Space

  
Safety



  
Noise

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9

## How does the Housing Element help?


- Programs to help provide housing for all (seniors, persons with disabilities, people experiencing homelessness, etc.)
- Actions to expand housing production at all income levels, remove constraints, and further fair housing
- Accommodate the RHNA (capacity for housing units at all income levels)






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## Housing Element Components


 Policy and Programs Review


 Housing Needs Assessment

 Housing Constraints Assessment

 Adequate Sites Inventory

 Analysis of Fair Housing

 Housing Resources Assessment

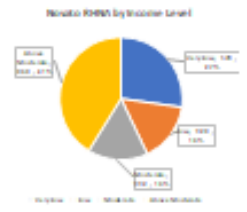
 Implementation Plan

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## Regional Housing Needs Allocation (RHNA)

- A jurisdiction's **RHNA** is the amount of housing each city must plan for in the Housing Element
- Novato's RHNA for the upcoming planning period (2023-2031) is **2,090 total units**
- Cities are not required to build or initiate housing projects, but rather ensure zoning capacity exists to build, for example:
  - 870 housing units affordable to very low income households, or those making 80-90% of the County's median income
  - For Marin County in 2022, that means **\$18,200 per year** for a four-person household
  - To compare, the median income for a four-person household is **\$144,200**



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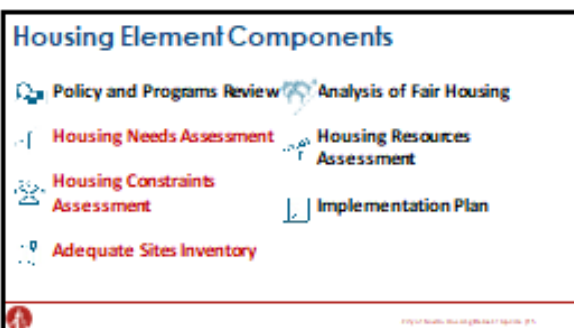
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## 3 Summary of Initial Findings

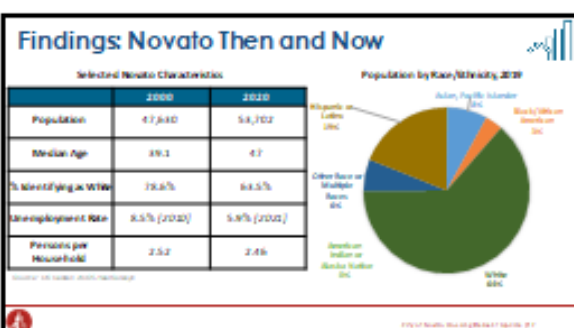
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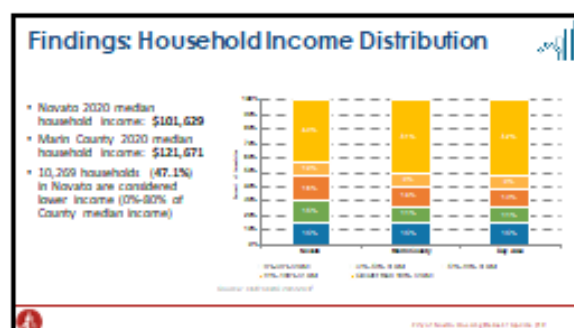
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## Housing Needs Assessment

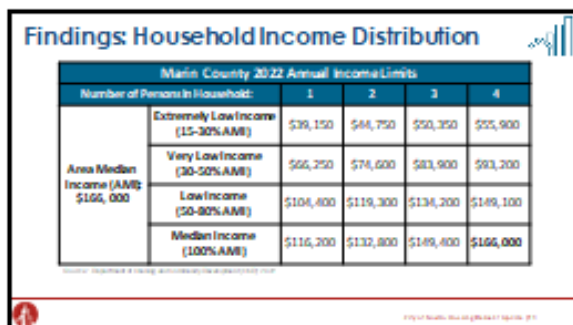
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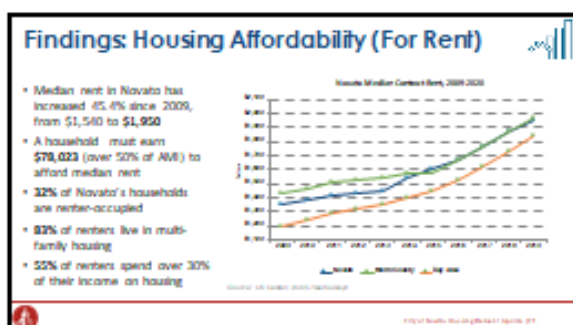
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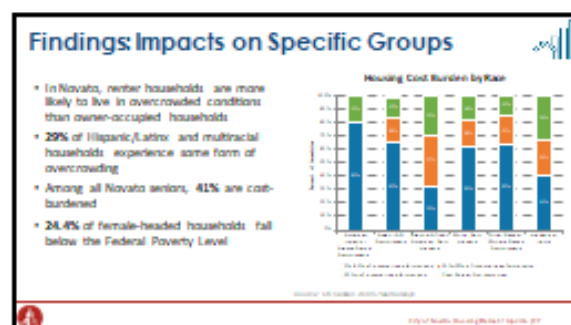
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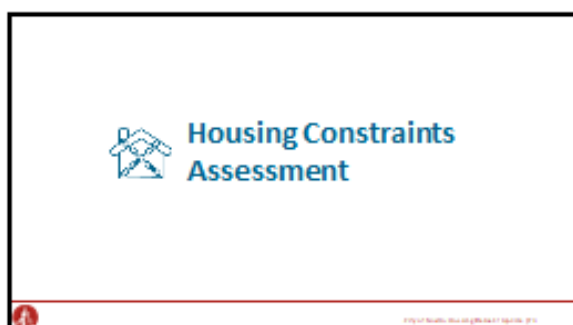
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## Adequate Sites Inventory

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## RHNA and the Housing Development Pipeline

Novato RHNA Surplus/Shortfall (Before Housing)						
Attainability Level	Substantially Excess	Very Excess	Excess	Moderate Excess	Moderate Shortfall	Total
RHNA		5,700	3,228	332	950	2,290
ADDA*	300 Very Excess	35	35	35	12	118
Approved/Permitted/ Applied Projects		298	5,76	278	1,299	2,451
Remaining RHNA Surplus (Shortfall)		57		(19)	651	679

26

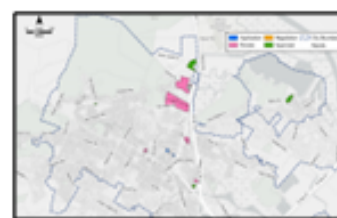
## Map of Pipeline Projects (Citywide)



APN	Address/Location	Area	Project Description
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center

27

## Map of Pipeline Projects (North)



APN	Address/Location	Area	Project Description
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center

28

## Map of Pipeline Projects (South)



APN	Address/Location	Area	Project Description
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center
015-00000	1000 W. Novato Blvd	Novato	Novato City Center

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## 4 Live Polling

Go to  
[www.menti.com](https://www.menti.com)  
Enter code: 6068 5214



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## 31

## 32



## 33

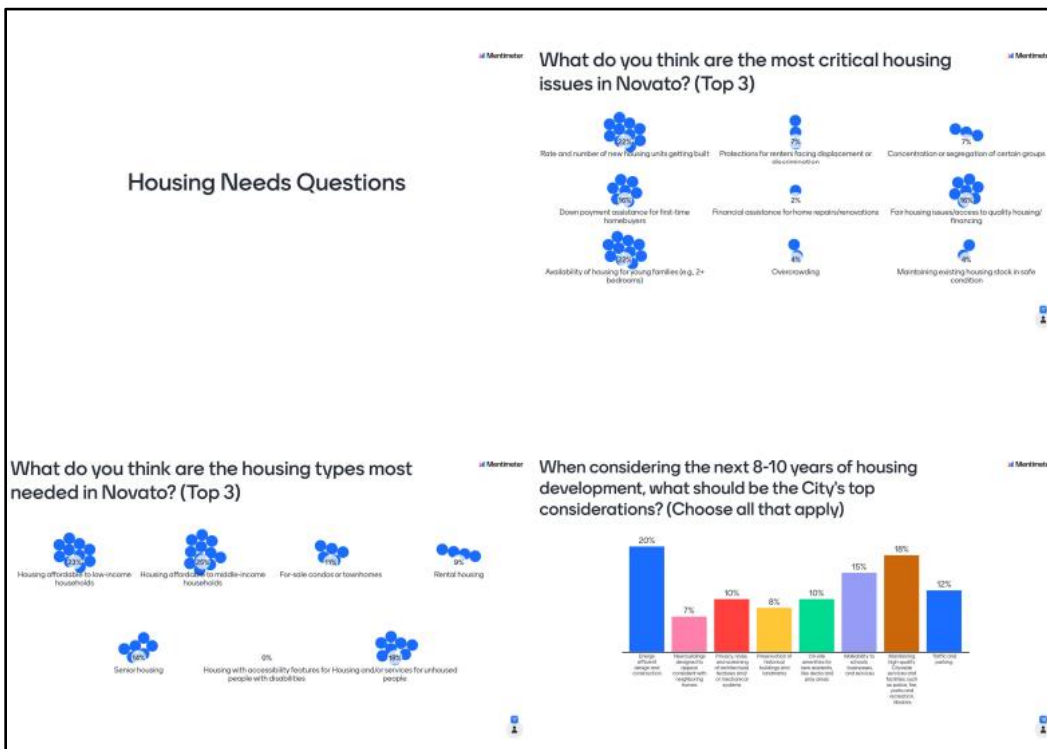
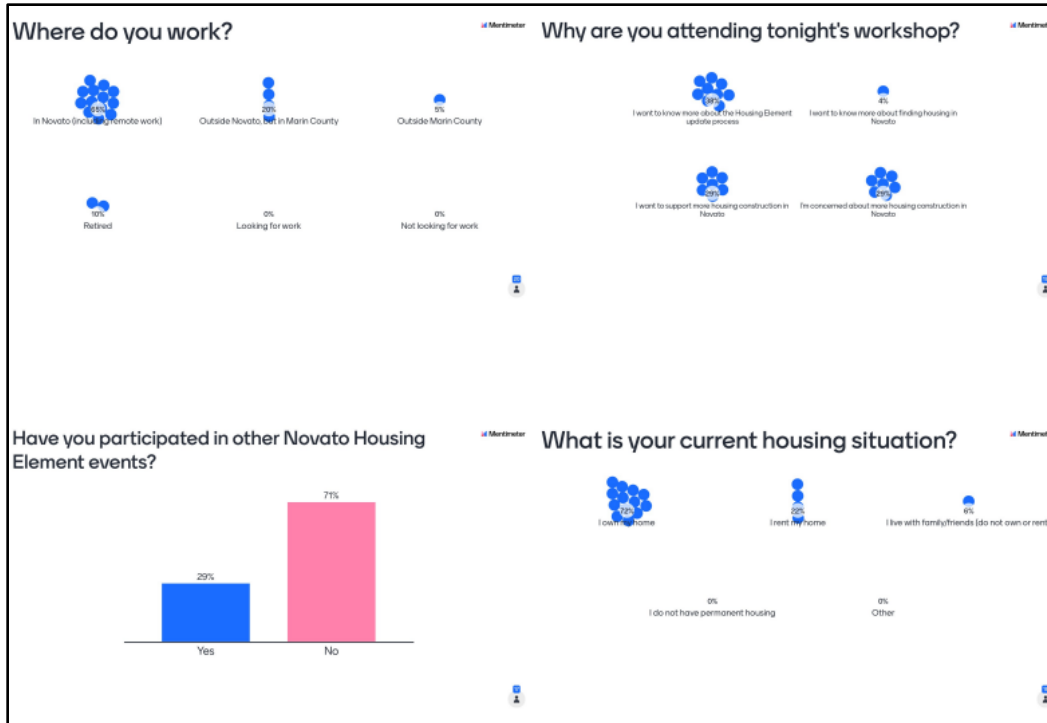
Sign up for our E-Notifier service to stay informed!  
[HousingElement@novalto.org](mailto:HousingElement@novalto.org)

Who is joining us this evening?



Outside Novato, but in Marin County

10%  
Outside Marin County







Are there specific sites where you would be particularly concerned if new housing was proposed?

any sft neighborhoods  
existing preserved land  
bowman canyon greenbelts  
high fire areas indian valley cc  
other flood prone sites ignacio  
no ridges  
sea level rise areas marsh  
hillsides and ridgelines  
ridgelines flood area green space  
south novato simmons and san marin  
any open space areas undeveloped areas

Is there anything else you would like to add? Any questions, comments, or additional housing opportunities we should be aware of?

Does should be removal of the same level of a selected

This is a good thing we had more people on housing. Can this be used to protect the website for others to see?

There is a concern about missing the most valuable affordable housing growth of the north of San

Needs more sites of space to accommodate additional housing. Let's not be like the rest of the Bay?

Needs more supply of affordable homes, and more housing options close to the downtown area to support the economy of San Jose

Let's explore more more potential for housing developments than required. The more options, the better the chance we will have the attractive to build.

For housing needs, intergenerational communities

Put on way or website for others to look

Yes

Is there anything else you would like to add? Any questions, comments, or additional housing opportunities we should be aware of?

and

Can you do something about the development of sub areas? Today, unaffordable and expensive

Redeveloped northern San Francisco. This could be made less long and another area of the city converted to housing

My spouse and I have lived in Novato most of our lives, our families are here, we work for local businesses and are proud to be part of the community. We are concerned about the loss of open space and the surrounding the area 10000 residents for Novato

No more houses in Novato. No more open space being lost.

Can you do something about the housing development in the north? Today, unaffordable and expensive

The hills, oak trees and open space are a big part of Novato's identity and beauty. Please protect them for everyone to enjoy.

Please make it easier to add longer ADUs (ADUs) and for property owners to see about the permitting process.

Affordable multi-family housing should be built near the city center and areas that are currently underutilized green space. Use the land of the city to build more housing and create more jobs.

No more housing facilities in north Novato

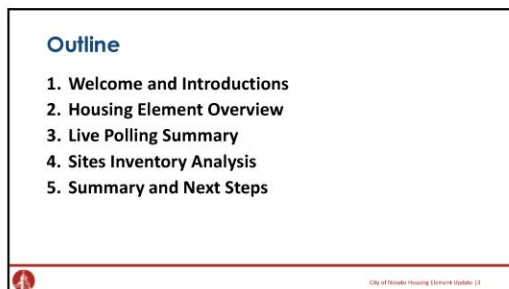
## Planning Commission Study Session #2 (July 25, 2022) Presentation



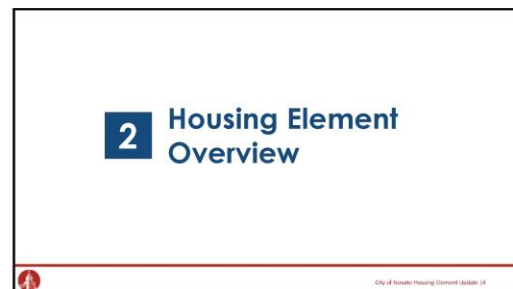
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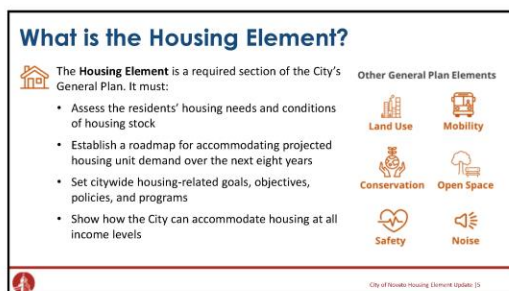
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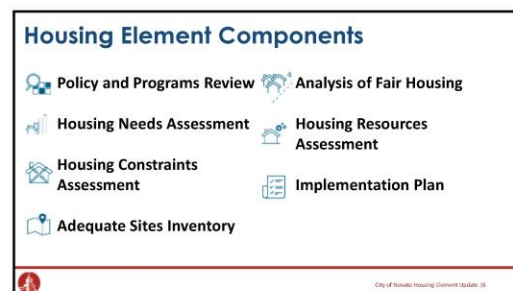
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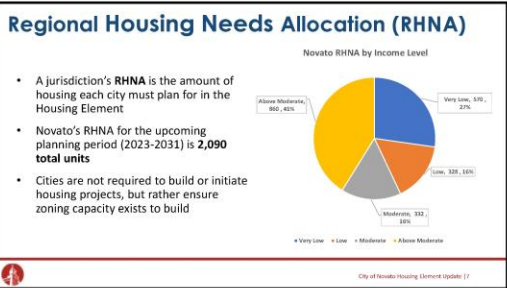
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### Findings: Household Income Distribution

Marin County 2022 Annual Income Limits

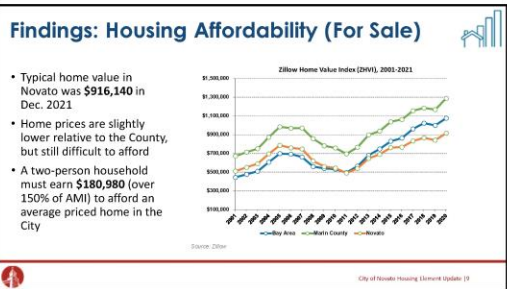
Number of Persons in Household:	1	2	3	4
<b>Extremely Low Income (15-30% AMI)</b>	\$39,150	\$44,750	\$50,350	\$55,900
<b>Very Low Income (30-50% AMI)</b>	\$66,250	\$74,600	\$83,900	\$93,200
<b>Low Income (50-80% AMI)</b>	\$104,400	\$119,300	\$134,200	\$149,100
<b>Median Income (100% AMI)</b>	\$116,200	\$132,800	\$149,400	\$166,000

Area Median Income (AMI): \$166,000

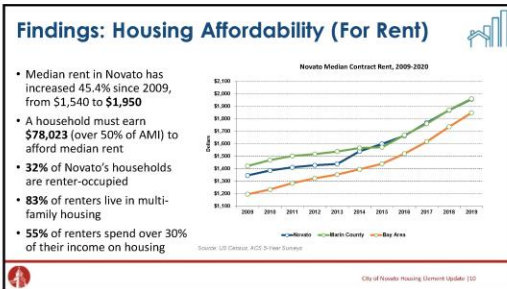
Source: Department of Housing and Community Development (HCD), 2022

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## 3 Live Polling Summary

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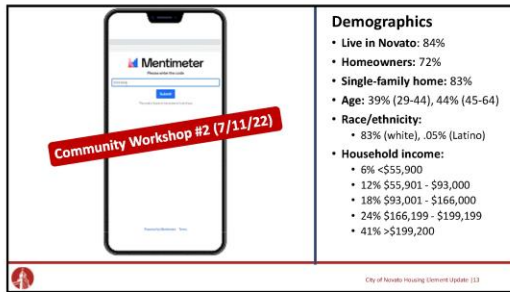
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**Live Polling**  
Go to  
[www.menti.com](https://www.menti.com)  
Enter code: 6068 5214

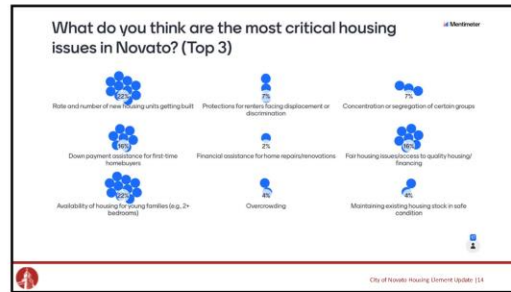
Community Workshop #2 (7/11/22)

City of Novato Housing Element Update | 12

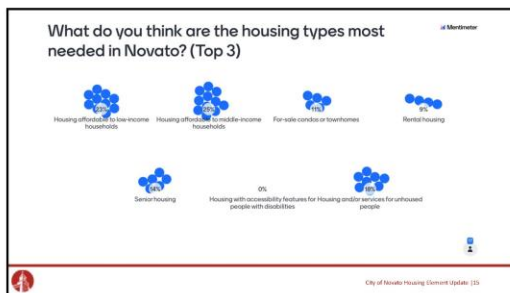
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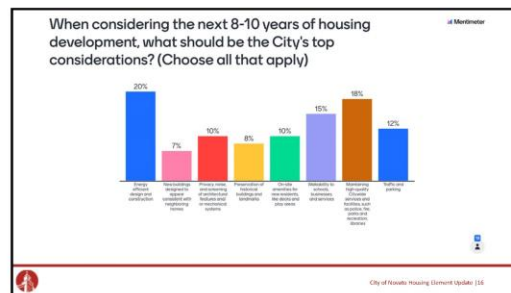
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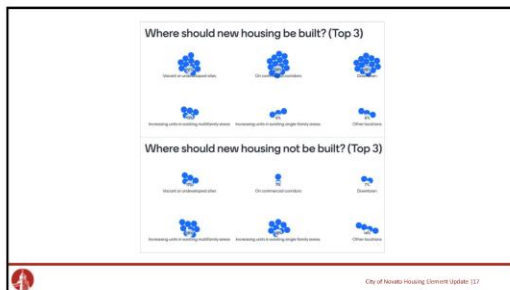
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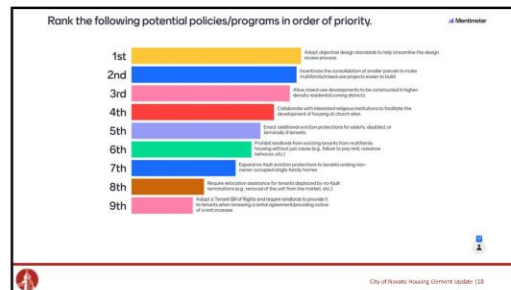
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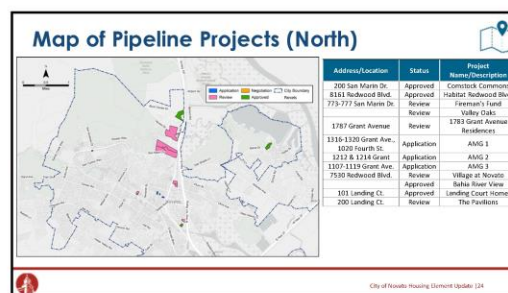
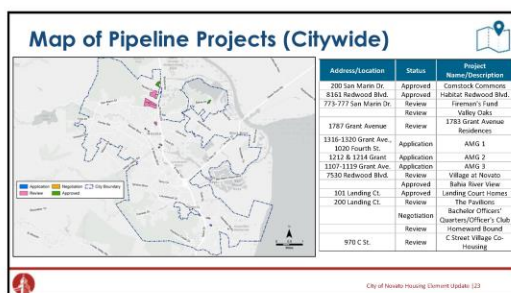
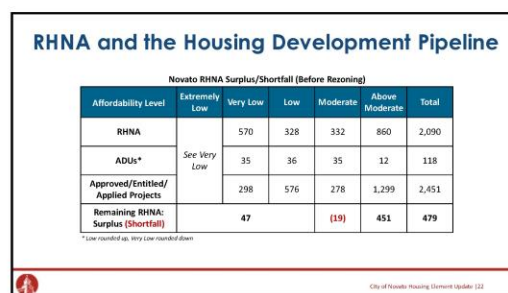
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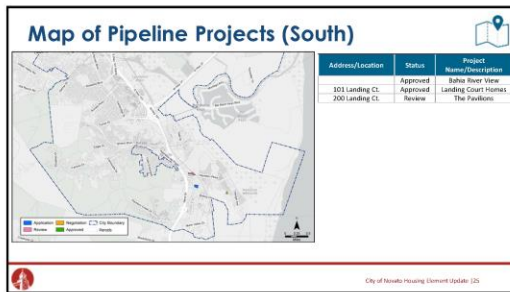


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### RHNA with Pipeline Projects and Rezoning

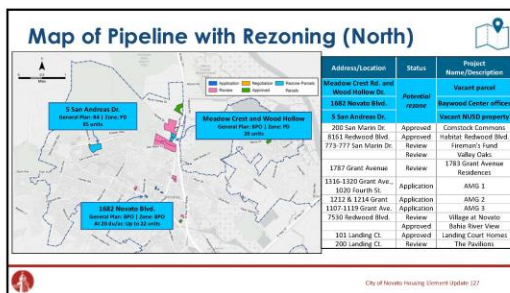
Novato RHNA Surplus/Shortfall (With Rezoning)

Affordability Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA		570	328	332	860	2,090
ADUs*	See Very Low	35	36	35	12	118
Approved/Entitled/Applied Projects		298	576	278	1,299	2,451
Remaining RHNA (w/o rezoning):		47		(19)	451	479
Surplus (Shortfall)						
Revised Parcels				54	63	117
Remaining RHNA (w/ rezoning):		47		65	494	606
Surplus (Shortfall)						

\*Low number of up, very low number of down

City of Novato Housing Element Update | 26

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## 5 Summary and Next Steps

City of Novato Housing Element Update | 28

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### Stay Informed and Involved

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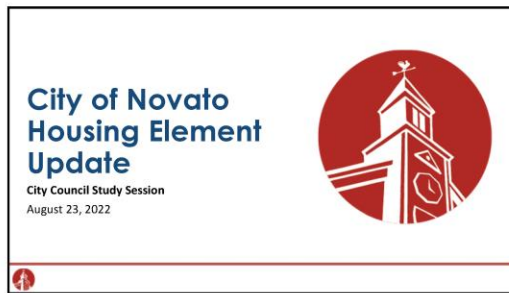
Sign up for our E-Notifier service to stay informed!  
[HousingElement@novato.org](mailto:HousingElement@novato.org)

City of Novato Housing Element Update | 30

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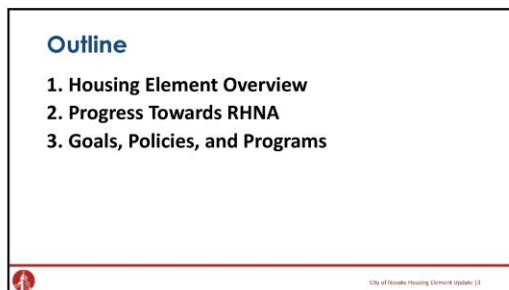
# City Council Study Session #1 (August 23, 2022) Presentation



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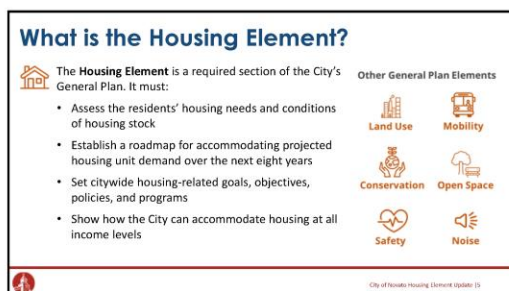
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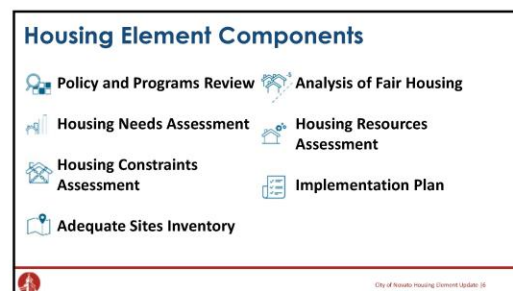
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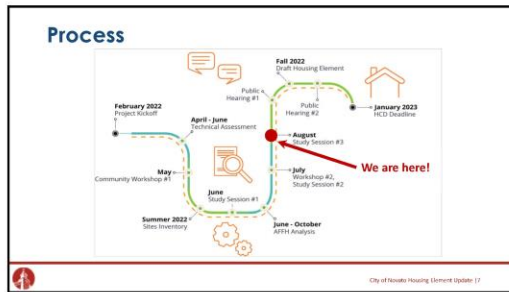
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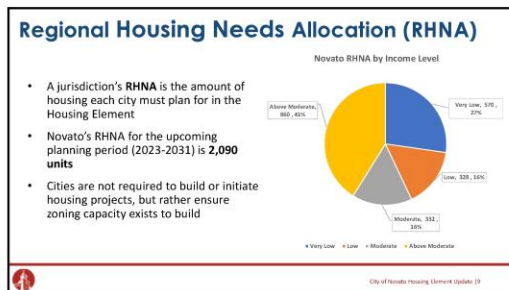
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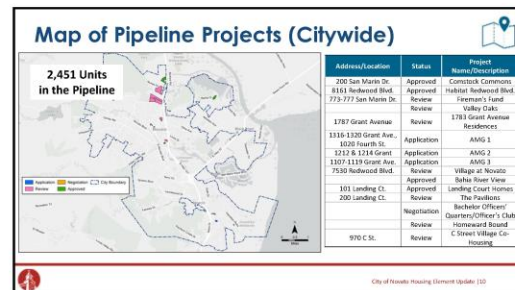
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### RHNA with Pipeline Projects and Rezoning

Novato RHNA Surplus/Shortfall (With Rezoning)

Affordability Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA		570	328	332	860	2,090
ADUs*	See Very Low	35	36	35	12	118
Approved/Entitled/Applied Projects		298	576	278	1,299	2,451
Remaining RHNA (w/o rezoning):						
Surplus (Shortfall)		47		(19)	451	479

\* Low rounded up, Very Low rounded down

City of Novato Housing Element Update 111

11

### RHNA with Pipeline Projects and Rezoning

Novato RHNA Surplus/Shortfall (With Rezoning)

Affordability Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
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Remaining RHNA (w/o rezoning):						
Surplus (Shortfall)		47		(19)	451	479
Rezoned Parcels				84	61	127
Remaining RHNA (w/ rezoning):						
Surplus (Shortfall)		47		65	494	606

\* Low rounded up, Very Low rounded down

City of Novato Housing Element Update 112

12



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## 3 Goals, Policies, and Programs

City of Novato Housing Element Update 134

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### The Housing Plan

The **Housing Plan** of the Housing Element serves as the City's strategy for addressing its housing needs. The Housing Plan includes **goals, policies, and programs**.

- Goals** are aspirational purpose statements that indicate the City's direction on housing-related needs.
- Policies** are statements that describe the City's preferred course of action among a range of other options and guide decision-makers.
- Programs** provide actionable steps to implement the City's goals, further the City's progress towards meeting its housing allocation, and take into consideration Novato's size, opportunities for housing, and identified needs and constraints.

City of Novato Housing Element Update 135

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### Recommended Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

<b>Goal 1</b>	Promote new housing construction to meet Novato's Regional Housing Needs Allocation (RHNA).
<b>Goal 2</b>	Facilitate affordable housing to accommodate the housing needs of moderate- and lower-income households.
<b>Goal 3</b>	Remove constraints to the development of housing.
<b>Goal 4</b>	Create housing opportunities for people with special needs.
<b>Goal 5</b>	Conserve and improve the existing housing stock.
<b>Goal 6</b>	Promote fair housing access and opportunities for all persons.
<b>Goal 7</b>	Encourage energy and resource conservation and sustainability measures.

City of Novato Housing Element Update 136

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### Recommended Programs

**Programs** generally fall into one of three categories:

- Programs required to bring Novato's Zoning Code into compliance with State Law.
- Programs designed to reduce or remove constraints to the production of housing in Novato.
- Programs designed to facilitate housing development, improve housing stability, and support specific segments of Novato's community (including special needs groups).

City of Novato Housing Element Update 137

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### Key Programs: Compliance with State Law

- Assembly Bill 101 requires **Low Barrier Navigation Centers (LBNCs)** to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multi-family uses if they meet certain requirements.
- The California Community Care Facilities Act requires regulations and definitions for **community care facilities** (e.g., foster, group homes, etc.). Review current land uses and definitions for compliance with State law.
- The California Health and Safety Code requires cities to treat **farmworker/employee housing** developments as an "agricultural use" and be permitted by-right in certain areas. The City follows this requirement in practice but must update the Code to be in full compliance.

City of Novato Housing Element Update 138

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### Key Programs: Housing Constraints

- **Hillside Lot Regulations**
  - Feedback from both non-profit and market rate housing developers indicated that the Hillside Lot Regulations constrain housing development because they apply to all parcels with an average slope >10%, even when a proposed project does not intend to build on land that exceeds 10%.
- **Objective Design Standards**
  - The design criteria that the Design Review Commission must consider when reviewing a project are subjective and may lead to a denial based on interpretation. Objective design standards, with specific dimensions for developers to apply to projects, should be adopted.



City of Novato Housing Element Update | 20

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### Key Programs: Others to Consider

- Establish “**just cause**” **eviction protections** for tenants living in single-family homes.
- Educate the community on the availability of **reasonable accommodation** procedures that support residents with disabilities and other special needs.
- Develop housing programs to address **overcrowding** in lower-income households.
- Incentivize the development of an **emergency shelter** in Novato to meet the significant unmet need for homeless services.



City of Novato Housing Element Update | 20

20

### Key Programs: Others to Consider

- Incentivize **small lot consolidation** to support affordable housing projects.
- Incentivize the **creation of play areas** in multi-family housing projects.
- Conduct direct outreach to religious institution site owners to inform them about AB 1851, passed in 2020, which incentivizes **housing production on faith-based properties**.
- Prepare and distribute standardized or **pre-approved plans for ADUs**.



City of Novato Housing Element Update | 21

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### Stay Informed and Involved

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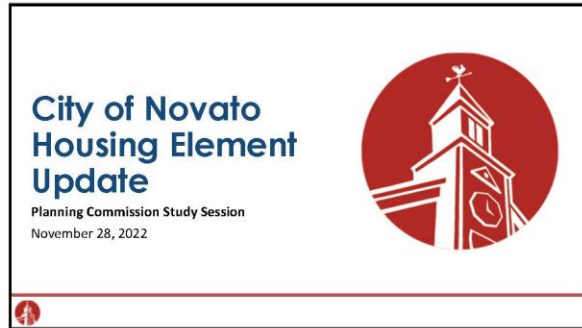
[HousingElement@novato.org](mailto:HousingElement@novato.org)



City of Novato Housing Element Update | 22

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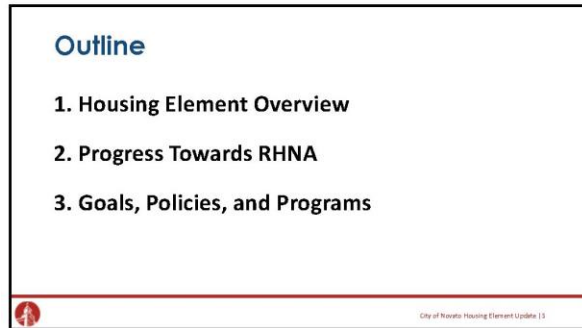
## Planning Commission Study Session #3 (November 28, 2022) Presentation



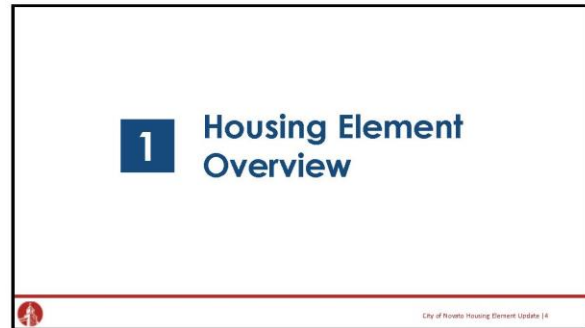
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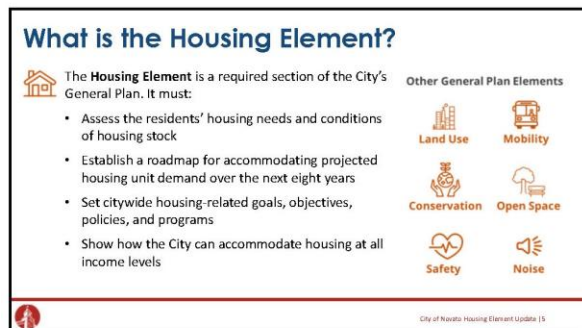
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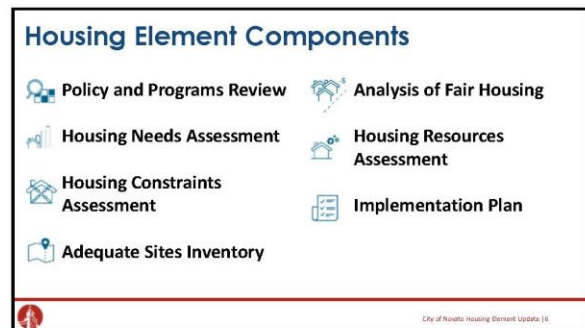
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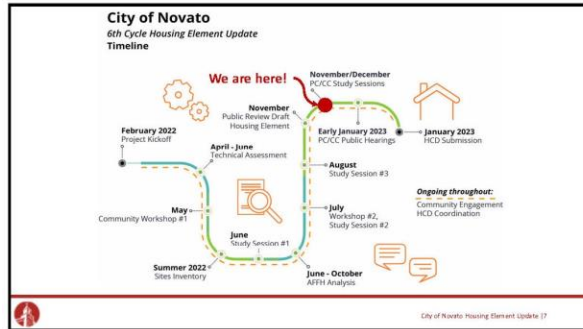
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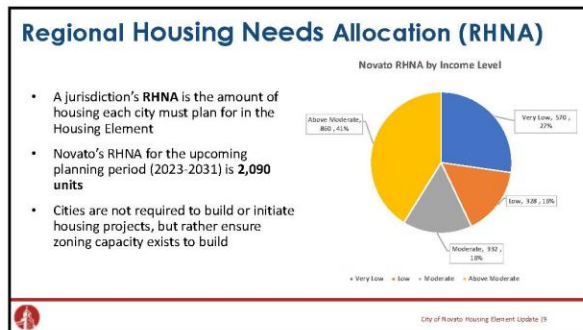
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## 2 Progress Towards RHNA

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**RHNA with Pipeline Projects and Rezoning**

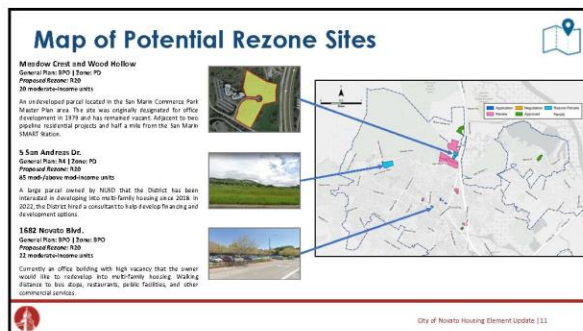
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\* Low rounded up, Very Low rounded down

City of Novato Housing Element Update 10

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## 3 Goals, Policies, and Programs

12



## The Housing Plan

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- **Goals** are aspirational purpose statements that indicate the City's direction on housing-related needs.
- **Policies** are statements that describe the City's preferred course of action among a range of other options and guide decision-makers.
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City of Novato Housing Element Update | 13

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## Housing Plan Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

<b>Goal 1</b>	New Housing Construction
<b>Goal 2</b>	Affordable Housing Opportunities
<b>Goal 3</b>	Elimination of Housing Constraints
<b>Goal 4</b>	Special Needs Populations
<b>Goal 5</b>	Housing Conservation and Tenant Protections
<b>Goal 6</b>	Equal Access to Housing and Opportunities
<b>Goal 7</b>	Sustainability and Energy



City of Novato Housing Element Update | 14

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## Continued Programs

The following **programs** were continued or adapted from the previous **2015 – 2023 Housing Element Update**.

<b>1.C</b> Produce annual housing status reports.	<b>5.A</b> Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
<b>1.D</b> Participate in State and regional housing planning efforts.	<b>5.B</b> Link code enforcement with public information campaigns.
<b>2.A</b> Develop and adopt a Transfer of Development Rights (TDR) Ordinance.	<b>5.C</b> Amend the City's condominium conversion ordinance.
<b>2.B</b> Maintain long-term housing affordability controls.	<b>5.D</b> Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
<b>2.C</b> Maintain and develop local sources of funding for affordable housing.	<b>5.E</b> Support volunteer efforts.
<b>2.D</b> Seek outside funding for affordable housing that leverages local resources.	<b>5.F</b> Preserve mobile home parks.
<b>3.C</b> Adopt Marin County inclusive design standards for multi-family housing.	<b>5.G</b> Regulate the displacement of residential units.
<b>3.G</b> Modify multi-family residential parking standards.	<b>5.H</b> Promote and support rental assistance programs.
<b>3.H</b> Adopt a parking reduction incentive program to facilitate transit-oriented development.	<b>5.I</b> Continue to assist in the rehabilitation and production of housing for lower-income households.
<b>4.A</b> Allow emergency shelters consistent with State law.	<b>6.A</b> Prepare information and conduct community outreach activities on fair housing issues.
<b>4.C</b> Allow farmworker/employee housing consistent with State law.	<b>6.B</b> Require non-discrimination clauses in affordable housing agreements.
<b>4.D</b> Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.	<b>6.C</b> Respond to fair housing complaints.
<b>4.F</b> Support programs to address the needs of the developmentally disabled.	<b>7.A</b> Implement energy/water efficiency and rehabilitation loan programs.
	<b>7.B</b> Continue to implement the California Green Building Code.



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## Goal 1: New Housing Construction

Program	Notes
<b>Rezone for RHNA shortfall.</b>	
<b>1.A</b> Accommodates the remaining 19-unit moderate-income shortfall identified above.	State req.
<b>Encourage and streamline the construction of Accessory Dwelling Units (ADUs).</b>	
<b>1.B</b> Calls for the City to prepare a set of "permit-ready" ADU plans and promote the availability of grants to interested homeowners.	



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## Goal 2: Affordable Housing Opportunities

Program	Notes
<b>Coordinate with water and sewer service providers.</b>	
<b>2.E</b> Directs the City to immediately distribute a copy of the Housing Element to area water and sewer districts and work with district staff to reduce/waive fees to 100 percent lower-income housing projects.	State req.



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## Goal 3: Elimination of Housing Constraints

Program	Notes
<b>3.A</b> Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law. Fixes a small inconsistency with State law regarding how "total units" are counted.	State req.
<b>3.B</b> Revise Hillside Lot Regulations. The City will clarify how hillside developments are regulated when identifying non-slope areas of a site.	Community feedback
<b>Design review and use permit process improvements.</b>	
<b>3.D</b> Adopt improvements to reduce subjectivity and repetition in the design review process and establish clear, objective thresholds for when staff review certain applications.	State req., community feedback
<b>SB 35 and permit streamlining.</b>	
<b>3.E</b> Directs the City to prepare applications, checklists, and application guidelines for SB 35 projects	State req.
<b>Evaluate and adjust impact fees.</b>	
<b>3.F</b> Recommends calculating fees on a square foot basis (rather than per unit) to make smaller, more affordable units more feasible.	



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## Goal 4: Special Needs Populations

Program	Notes
<b>Allow Low-Barrier Navigation Centers consistent with State law.</b>	State req., community feedback
<b>4.B</b> Permits "Housing First," low-barrier, service-enriched shelters in mixed-use and non-residential zones permitting multi-family uses.	
<b>Allow community/residential care facilities consistent with State law.</b>	State req.
<b>4.E</b> Fixes minor inconsistencies with State law in how these facilities are permitted and defined.	

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## Goal 5: Housing Conservation and Tenant Protections

Program	Notes
<b>Expand "just cause" tenant protections to all tenants.</b>	Community feedback
<b>5.I</b> Closes a loophole in State tenant law that limits protections to only multi-family units, applying them to renters in single-family homes as well.	
<b>Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</b>	Community feedback
<b>5.J</b> Following programs in San Rafael and Fairfax, Novato will adopt tenant protection best practices such as improved enforcement, requiring landlords to provide a Notice of Tenants Rights, and participation in a County-provided mediation program for large rent increases.	
<b>Assistance for renters with animal companions or pets.</b>	Community feedback
<b>5.L</b> Provides a framework for the City to work with Marine Humane and Animal Services JPA to establish model "pet friendly" lease agreements and publish an annual survey of rental properties that allow tenants to keep pets.	

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## Goal 6: Equal Access to Housing and Opportunities

Program	Notes
<b>Implement General Plan policies related to the Northwest Quadrant neighborhood.</b>	State req.
<b>6.D</b> In order to affirmatively further fair housing, this program directs the City to implement the community-supported recommendations developed for the Northwest Quadrant in 2017 and incorporated in the 2035 General Plan.	

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## New Programs

The following programs are new additions to the City's Housing Plan.

<b>1.A</b> Rezone for RHNA shortfall.	<b>3.F</b> Evaluate and adjust impact fees.
<b>1.B</b> Encourage and streamline the construction of ADUs.	<b>4.B</b> Allow Low Barrier Navigation Centers consistent with State law.
<b>2.E</b> Coordinate with water and sewer service providers.	<b>4.E</b> Allow community/residential care facilities consistent with State law.
<b>3.A</b> Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	<b>5.I</b> Expand "just cause" eviction protections to all tenants.
<b>3.B</b> Revise Hillside Lot Regulations.	<b>5.J</b> Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increase greater than five percent.
<b>3.D</b> Design review and use permit process improvements.	<b>5.L</b> Assistance for renters with animal companions or pets.
<b>3.E</b> SB 35 and permit streamlining.	<b>6.D</b> Implement General Plan policies related to the Northwest Quadrant neighborhood.

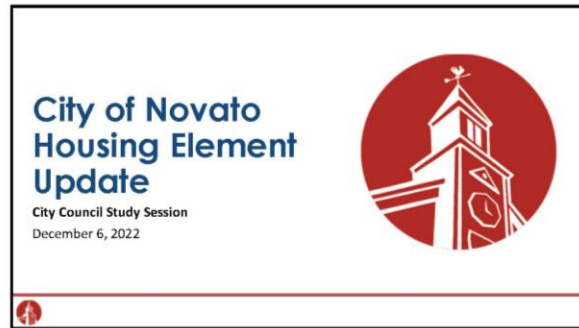
22

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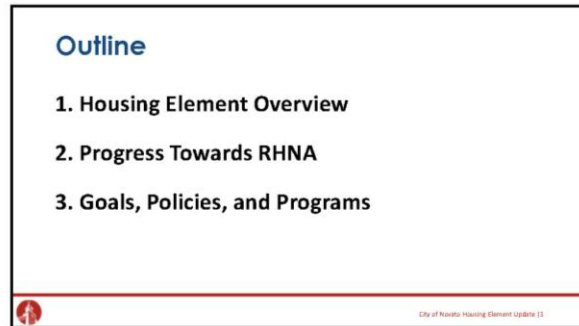
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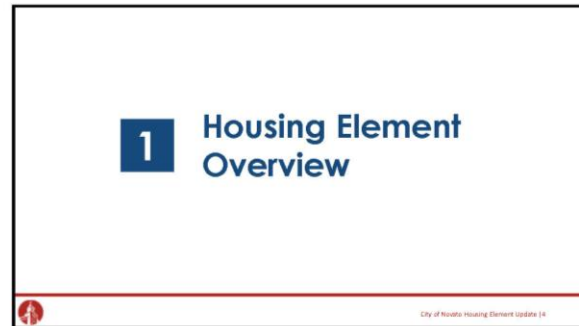
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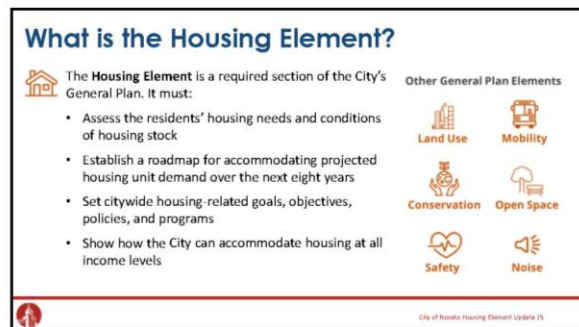
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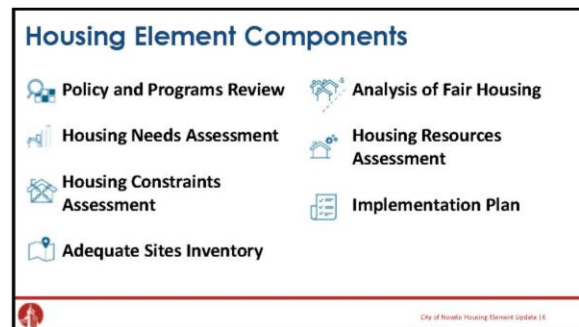
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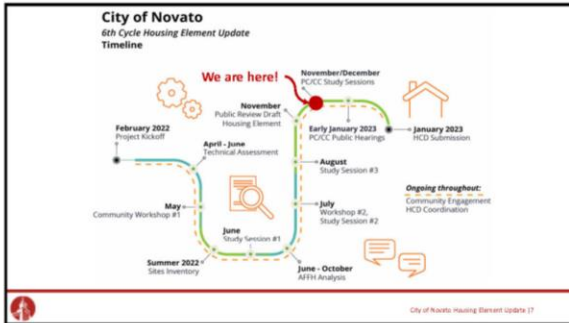
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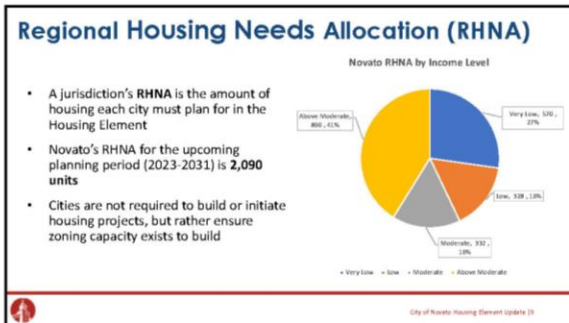


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## 2 Progress Towards RHNA

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**RHNA with Pipeline Projects and Rezoning**

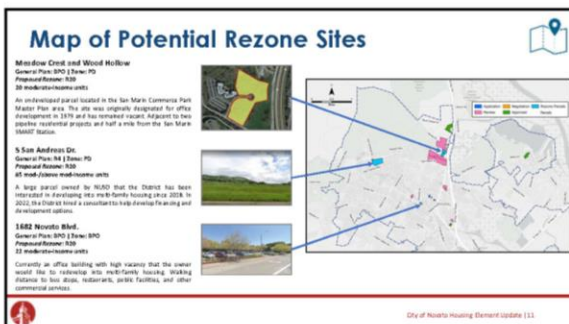
Novato RHNA Surplus/Shortfall (With Rezoning)

Affordability Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>		570	328	332	860	2,090
<b>ADUs*</b>	See Very Low	35	36	35	12	118
<b>Approved/Entitled/Applied Projects</b>		298	576	278	1,299	2,451
<b>Remaining RHNA (w/o rezoning): Surplus (Shortfall)</b>		47		(19)	451	479
<b>Revised Parcels</b>				84	43	127
<b>Remaining RHNA (w/ rezoning): Surplus (Shortfall)</b>		47		65	494	606

\* Low rounded up, Very Low rounded down

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## The Housing Plan

The **Housing Plan** of the Housing Element serves as the City's strategy for addressing its housing needs. The Housing Plan includes **goals, policies, and programs**.

- **Goals** are aspirational purpose statements that indicate the City's direction on housing-related needs.
- **Policies** are statements that describe the City's preferred course of action among a range of other options and guide decision-makers.
- **Programs** provide actionable steps to implement the City's goals, further the City's progress towards meeting its housing allocation, and take into consideration Novato's size, opportunities for housing, and identified needs and constraints.



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## Housing Plan Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

Goal 1	New Housing Construction
Goal 2	Affordable Housing Opportunities
Goal 3	Elimination of Housing Constraints
Goal 4	Special Needs Populations
Goal 5	Housing Conservation and Tenant Protections
Goal 6	Equal Access to Housing and Opportunities
Goal 7	Sustainability and Energy



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## Continued Programs

The following **programs** were continued or adapted from the previous **2015 – 2023 Housing Element Update**.

1.C Produce annual housing status reports.	5.A Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
1.D Participate in State and regional housing planning efforts.	5.B Link code enforcement with public information campaigns.
2.A Develop and adopt a Transfer of Development Rights (TDR) Ordinance.	5.C Amend the City's condominium conversion ordinance.
2.B Maintain long-term housing affordability controls.	5.D Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
2.C Maintain and develop local sources of funding for affordable housing.	5.E Support volunteer efforts.
2.D Seek outside funding for affordable housing that leverages local resources.	5.F Promote mobile home parks.
3.C Adopt Marin County objective design standards for multi-family housing.	5.G Regulate the displacement of residential units.
3.G Modify multi-family residential parking standards.	5.H Promote and support rental assistance programs.
3.H Adopt a parking reduction incentive program to facilitate transit-oriented development.	5.I Continue to assist in the rehabilitation and production of housing for lower-income households.
4.A Allow emergency shelters consistent with State law.	6.A Prepare information and conduct community outreach activities on fair housing issues.
4.C Allow for worker/employee housing consistent with State law.	6.B Require non-discrimination clauses in affordable housing agreements.
4.D Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.	6.C Respond to fair housing complaints.
4.F Support programs to address the needs of the developmentally disabled.	7.A Implement energy/water efficiency and rehabilitation loan programs.
	7.B Continue to implement the California Green Building Code.



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## Goal 1: New Housing Construction

Program	Notes
Rezone for RHNA shortfall.	
1.A Accommodates the remaining 19-unit moderate-income shortfall identified above.	State req.
Encourage and streamline the construction of Accessory Dwelling Units (ADUs).	
1.B Calls for the City to prepare a set of "permit-ready" ADU plans and promote the availability of grants to interested homeowners.	



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## Goal 2: Affordable Housing Opportunities

Program	Notes
Coordinate with water and sewer service providers.	
2.E Directs the City to immediately distribute a copy of the Housing Element to area water and sewer districts and work with district staff to reduce/waive fees to 100 percent lower-income housing projects.	State req.



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## Goal 3: Elimination of Housing Constraints

Program	Notes
3.A Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	State req.
Revises a small inconsistency with State law regarding how "total units" are counted.	
3.B Revise Hillside Lot Regulations.	Community feedback
The City will clarify how hillside developments are regulated when identifying non-slope areas of a site.	
3.D Design review and use permit process improvements.	State req., community feedback
Adopt improvements to reduce subjectivity and repetition in the design review process and establish clear, objective thresholds for when staff review certain applications.	
3.E SB 35 and permit streamlining.	State req.
Directs the City to prepare applications, checklists, and application guidelines for SB 35 projects.	
3.F Evaluate and adjust impact fees.	
Recommends calculating fees on a square foot basis (rather than per unit) to make smaller, more affordable units more feasible.	



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## Goal 4: Special Needs Populations

	Program	Notes
	<b>Allow Low-Barrier Navigation Centers consistent with State law.</b>	
4.B	Permits "Housing First," low-barrier, service-enriched shelters in mixed-use and non-residential zones permitting multi-family uses.	State req., community feedback
	<b>Allow community/residential care facilities consistent with State law.</b>	
4.E	Fixes minor inconsistencies with State law in how these facilities are permitted and defined.	State req.



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## Goal 5: Housing Conservation and Tenant Protections

	Program	Notes
	<b>Expand "just cause" tenant protections to all tenants.</b>	
5.I	Closes a loophole in State tenant law that limits protections to only multi-family units, applying them to renters in single-family homes as well.	Community feedback
	<b>Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</b>	
5.J	Following programs in San Rafael and Fairfax, Novato will adopt tenant protection best practices such as improved enforcement, requiring landlords to provide a Notice of Tenants Rights, and participation in a County-provided mediation program for large rent increases.	Community feedback
	<b>Assistance for renters with animal companions or pets.</b>	
5.L	Provides a framework for the City to work with Marine Humane and Animal Services JPA to establish model "pet friendly" lease agreements and publish an annual survey of rental properties that allow tenants to keep pets.	Community feedback



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## Goal 6: Equal Access to Housing and Opportunities

	Program	Notes
	<b>Implement General Plan policies related to the Northwest Quadrant neighborhood.</b>	
6.D	In order to affirmatively further fair housing, this program directs the City to implement the community-supported recommendations developed for the Northwest Quadrant in 2017 and incorporated in the 2035 General Plan.	State req.



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## New Programs

The following programs are new additions to the City's Housing Plan.

1.A	Rezone for RHNA shortfall.	3.F	Evaluate and adjust impact fees.
1.B	Encourage and streamline the construction of ADUs.	4.B	Allow Low Barrier Navigation Centers consistent with State law.
2.E	Coordinate with water and sewer service providers.	4.E	Allow community/residential care facilities consistent with State law.
3.A	Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	5.I	Expand "just cause" eviction protections to all tenants.
3.B	Revise Hillside Lot Regulations.	5.J	Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increase greater than five percent.
3.D	Design review and use permit process improvements.	5.L	Assistance for renters with animal companions or pets.
3.E	SB 35 and permit streamlining.	6.D	Implement General Plan policies related to the Northwest Quadrant neighborhood.



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## Section F.1 Introduction

[Assembly Bill 686](#) (AB 686), signed in 2018, establishes a statewide framework to affirmatively further fair housing (AFFH) with the goal of achieving better economic and health outcomes for all Californians through equitable housing policies. AB 686 defined “affirmatively furthering fair housing” to mean “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes. AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. Housing Elements are now required to address the following five components:

- **Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
- **Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs for all identified populations.
- **Analysis of Sites Inventory:** An evaluation of whether the Housing Element’s sites inventory improves or exacerbates conditions for fair housing.
- **Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issue.
- **Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.

This section documents four of the five components of the AFFH components. The summary of AFFH-related outreach is included in Housing Element Section I.E (Summary of Public Participation).

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### F.1.1 Notes on Figures and Analysis

The City used a variety of data sources for the assessment of fair housing at the regional and local level. These include:

- Housing Needs Data Packet prepared by the Association of Bay Area Governments (ABAG), which rely on 2015-2019 American Community Survey (ACS) data by the U.S. Census Bureau for most characteristics;

- Note: The ABAG Data Packets also referenced the U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) reports (based on the 2013-2017 ACS).
- AFFH Segregation Report (2022) for Unincorporated Marin prepared by ABAG, the Metropolitan Transportation Commission (MTC), and UC Merced;
- HCD Geospatial Data; and,
- Local data and knowledge.

Some of these sources provide data on the same topic, but because of different methodologies, the resulting data differ. For example, the AFFH Segregation Report uses 2020 Decennial Census data, which reports slightly different estimates for the total population, number of households, number of housing units, etc. than ACS data. This is in part because the ACS provides estimates based on a small survey of the population taken over the course of the whole year. Because of the survey size, some information provided by the ACS is less robust. For this reason, readers should keep in mind the margin of error when drawing conclusions based on the ACS data used in this Appendix. The information is included because it provides an indication of possible trends. The analysis makes comparisons between data from the same source during the same time periods, using the ABAG Data Package as the first source since ABAG has provided data at different geographical levels for the required comparisons. As such, even though more recent ACS data may be available, 2014-2019 ACS reports are cited more frequently (and 2013-2017 for CHAS data).

HCD has developed statewide geospatial datasets for use in fair housing analysis and assessment that can be obtained online from HCD's AFFH Data and Mapping Resources Hub.<sup>1</sup> These HCD datasets, which are from various sources and time frames, provide information for addressing each of the components within the full scope of the fair housing assessment. The data sources and time frames used in the HCD geospatial data may differ from the ACS data presented in the ABAG Data Package and in the Needs Assessment. The City attempted to ensure comparisons between the same time frames wherever possible, but in some instances, comparisons have been made for different time frames (often different by one year). As explained earlier, the assessment is most useful in providing an indication of possible trends.

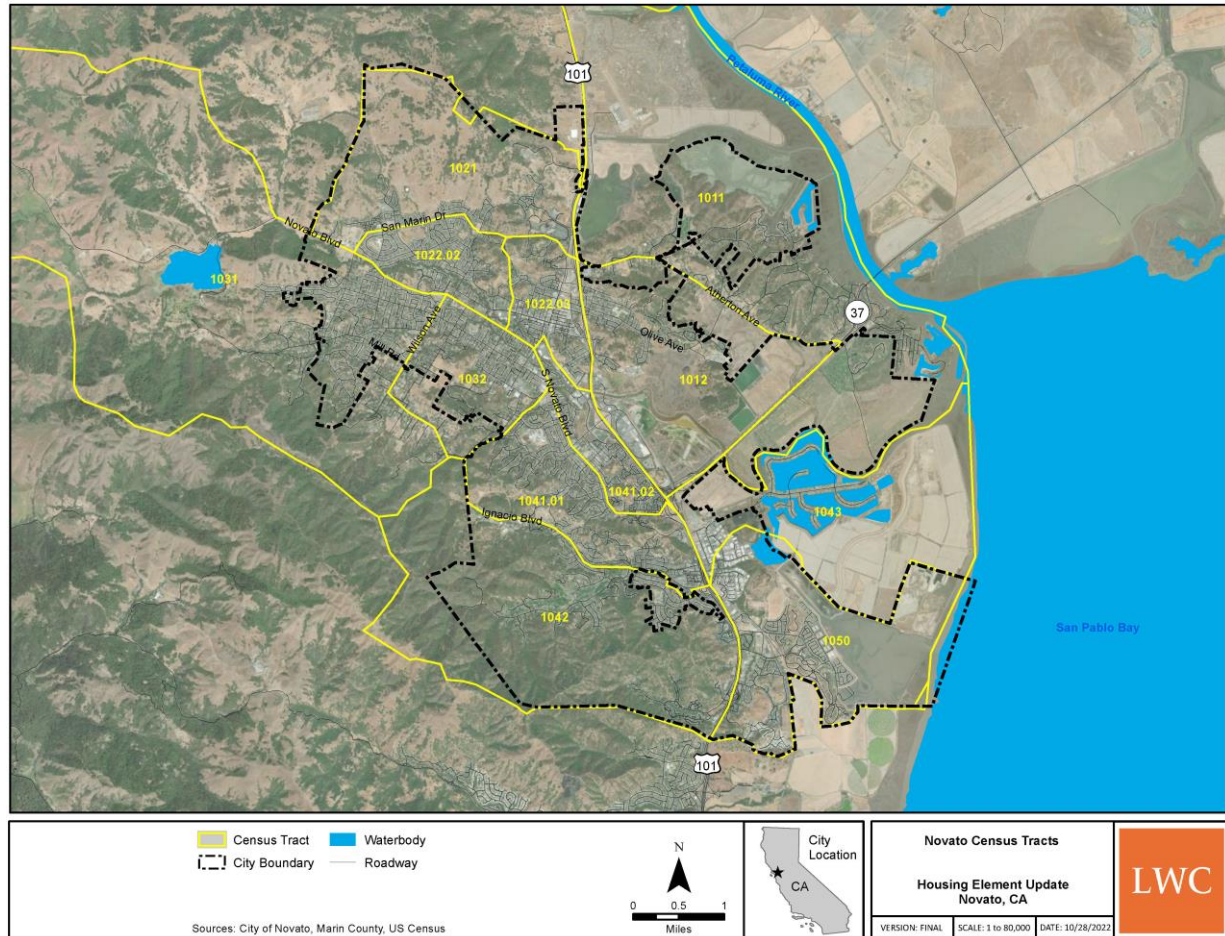
Lastly, in addition to using federal or state level data sources, local jurisdictions are also expected to use local data and knowledge to analyze local fair housing issues. Using point-in-time federal and State-level data sets alone to identify areas may misrepresent areas that are experiencing more current and rapid changes or may be primed to do so in the near future. For these reasons, an additional screen of local data and knowledge is necessary. Local data and knowledge from

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<sup>1</sup> California Department of Housing and Community Development, [AFFH Data and Mapping Resources](#).

stakeholders, community members, and City staff are interwoven within each section where available.

**Figure F-1: Novato Census Tracts**



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## Section F.2 Assessment of Fair Housing

### F.2.1 History of Fair Housing Issues

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Before the arrival of European settlers, Marin County, including the City of Novato, was the ancestral homeland of the Coast Miwok (Me-Wuk) people, today represented by the ~~Coast Miwok Tribal Council of Marin and the Federated Indians of Graton~~ Coast Miwok Tribal Council of Marin and the Federated Indians of Graton Rancheria. The village of Olompali is the most well-known site of the Coast Miwok people dating back to approximately 6,000 B.C.<sup>2</sup> The legacies of European colonization – including the Spanish missionary system, the California Gold Rush, foreign diseases, and United States federal- and State-imposed genocidal policies and practices – forcibly displaced the Coast Miwok people from their land. Despite the establishment of reservations by the federal government, there remains a population of Coast Miwok people living in the Marin County area, including in Novato.<sup>3</sup>

Sir Francis Drake of England is considered the first colonial settler to arrive in the Marin County area in 1579, followed by Spanish and Russian colonists between 1595 and 1808.<sup>4</sup> After Mexico won independence from the Spanish Empire in 1821, the Mexican government began to provide grants of ~~formerly confiscated~~ Indigenous land to both native-born and naturalized Mexican citizens, establishing land use patterns still influential today. In 1839, a former Spanish army officer named Fernando Feliz was granted the 9,000-acre Rancho Novato.<sup>5</sup> Subsequently, between 1839 to 1844, four additional land grants were given, dividing much of Marin County and the land Novato occupies today.<sup>6</sup> Of the five land grants, only one was given to a Coast Miwok tribal member – Camilo Ynitia – whose land now hosts Olompali State Historic Park.<sup>7</sup> Displacement and violence would follow the Coast Miwok people through the 19<sup>th</sup> century, persisting through the Mexican-American War and after California declared statehood in 1850.

Several federal and state laws protect archaeological resources, including the American Indian Religious Freedom Act (federal), and the California Environmental Quality Act (CEQA). CEQA requires an assessment of impacts to archaeological resources, and resources of significance to Native American tribes. If a development project is found to potentially cause damage to an archaeological resource, reasonable efforts may be required to preserve the resource, leave it in an undisturbed state, or undertake additional mitigation measures if avoidance is not possible.

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<sup>2</sup> City of Novato. General Plan (2020).

<sup>3</sup> Marin Miwok. “Who Are the Coast Miwok of Today?” (n.d.).

<sup>4</sup> Houston, Will. [“Marin historians, tribe members examine Drake history.”](#) Marin Independent Journal (August 20, 2022).

<sup>5</sup> Novato Historical Guild. “Timeline: Chronological History of Novato.” (n.d.).

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

In addition to CEQA, several federal and state laws protect human remains, including the Native American Grave Protection and Repatriation Act (NAGPRA, 25 U.S.C. Section 3001, et. seq., and accompanying regulations codified as Title 43 of the Code of Federal Regulations, Part 10 and AB 978, the California Native American Graves Protection and Repatriation Act (CalNAGPRA) and subsequently adopted AB 2836 (Repatriation), and AB 275 (Native American cultural preservation). It is important that the City continues its ongoing consultations with FIGR on new development in Novato in order to preserve tribal resources.

As the following analysis illustrates, Native Americans are underrepresented in Novato homeownership. Currently, the City notifies the Tribe when new below market rate units come on the market in hopes of providing more ownership opportunities to families within their traditional territory.

The completion of the Northwestern Pacific Railroad in 1879 paved the way for the development of a business and distribution hub to serve nearby farms and industry.<sup>8</sup> In 1888, Francis de Long, a land grant beneficiary, subdivided his 6,000-acres along the railroad and Grant Avenue, enabling the construction of the hotels, restaurants, and residences that became Downtown Novato.<sup>9</sup> Growth continued through the early 20<sup>th</sup> century, but took a significant downturn during the Great Depression.

In 1932, Novato landowners and businessmen worked in partnership with the County to sell over 900-acres of land to the federal government and construct Hamilton Air Force Base.<sup>10</sup> This new economic lifeline stimulated the City's economy, but brought with it a discriminatory legacy of housing policies and practices. As the United States entered World War II, the Marinship Corporation in Sausalito (approximately 20 miles south) employed up to 20,000 shipyard workers. Marin City was rapidly built in 1942 to house them. Many shipyard workers were African-American labors who had migrated to the Bay Area from a racially-charged Midwest and South.<sup>11</sup> By the 1960s, these Black laborers had become the core of Marin City's community, either by choice or because many Black families were restricted from living in or buying homes in the surrounding towns due to restrictive, racially-exclusionary covenants.<sup>12</sup>

The City of Novato was incorporated in 1960, and the proceeding decades brought significant residential growth to the City, especially with the construction of Highway 101 in 1974, bypassing the City center and redeveloping Redwood Boulevard. By 1980, the City's population had increased to 44,000, up from 17,900 in 1960. As housing prices in southern Marin County rose,

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<sup>8</sup> City of Novato. General Plan (2020).

<sup>9</sup> Novato Historical Guild. "[Timeline: Chronological History of Novato.](#)" (n.d.).

<sup>10</sup> Ibid.

<sup>11</sup> Crispell, Mitchell. "Marin City: Historic African American Enclave at Risk" University of California, Berkeley (June 2015).

<sup>12</sup> Crispell, Mitchell. "Marin City: Historic African American Enclave at Risk" University of California, Berkeley (June 2015).



Black shipyard workers and their descendants began moving to San Rafael and Novato.<sup>13</sup> From 1980 to 1990, the population of Black residents in Novato increased from 1.8 percent to 2.7 percent.<sup>14</sup> In 2019, four percent of Novato residents identified as Black or African American, in comparison to two percent in Marin County and six percent in the Bay Area.<sup>15</sup> While the population of Black residents slightly increased in Novato during this time, the City is on par with Marin County and the Bay Area as a whole in contributing to patterns of racial segregation in the United States.<sup>16</sup>

In 2018, the Othering and Belonging Institute at UC Berkeley published a study examining countywide segregation patterns across the Bay Area. The report states, “the displacement of many people of color from these [Marin County] communities and the corresponding in-migration of white families over the last twenty years has diversified the municipal populations in these cities, but has not always resulted in more integrated neighborhoods.”<sup>17</sup> The study provided a series of maps emphasizing segregation in each Bay Area county to illustrate a “clear portrait of the reality and extent of the racial segregation in their communities.”<sup>18</sup> As the study reports, Marin County is “one of the most segregated counties in the Bay Area, especially for whites,” which they find also applies in and around Novato.<sup>19</sup> Figure F-2, taken from the Institute’s 2018 report, designates “Historic Novato” as a “high segregation area” and the planned, unincorporated community of Bel Marin Keys as “moderate segregation,” with over 85 percent of residents identifying as white.<sup>20</sup> This map contextualizes the segregation issues and lack of affordable housing opportunities facing Novato today.

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<sup>13</sup> Ibid.

<sup>14</sup> U.S. Census Bureau, 1980 Data Profiles (1980). U.S. Census Bureau, 1990 Data Profiles (1990).

<sup>15</sup> U.S. Census Bureau, 2020 ACS 5-Year Estimates Data Profiles (2020).

<sup>16</sup> Gambhir, Samir & Menendian, Stephen. “Racial Segregation in the San Francisco Bay Area, Part 1.” The Othering and Belonging Institute of University of California, Berkeley (October 30, 2018).

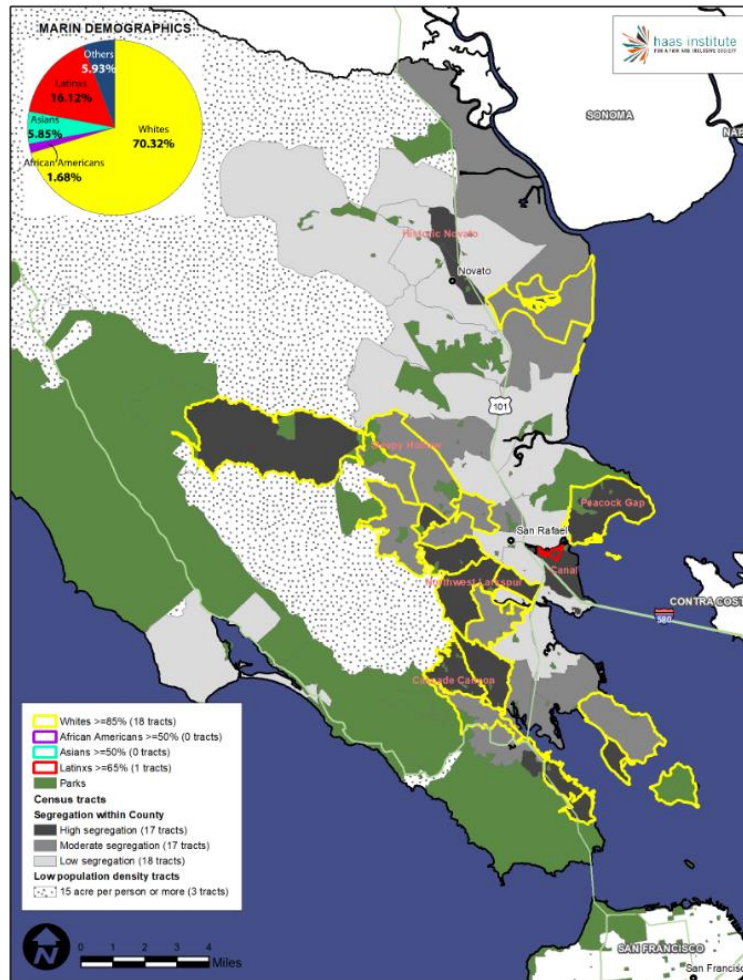
<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

Figure F-2: Segregation in Marin County



Source: Gambhir, Samir & Menendian, Stephen. "Racial Segregation in the San Francisco Bay Area, Part 1." *The Othering and Belonging Institute of University of California, Berkeley* (October 30, 2018).

As of 2019, Novato had a significantly higher percentage of white, non-Hispanic residents (63 percent) than the rest of the Bay Area (39 percent).<sup>21</sup> While Novato increased its population of people of color between 2000 and 2019 from 21 percent to 37 percent, it remains disproportionately white compared to the rest of the Bay Area (61 percent).<sup>22</sup> As of 2019, while white, non-Hispanic residents were 63 percent of Novato's population, and 88.4 percent of non-Hispanic and white residents were homeowners compared to 11.6 percent of non-white residents.<sup>23</sup> In the context of housing development by the type of unit, between 2010 to 2020 multifamily housing development experienced an increase of two to four units (1.7 percent) and

<sup>21</sup> U.S. Census Bureau, 2020 ACS 5-Year Estimates Data Profiles (2020).

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.



five-plus units (3.3 percent). While this exceeded the development growth of single-family homes (1.4 percent), homeownership opportunities for non-white resident may continue to be a challenge in Novato.<sup>24</sup> Thus, Novato is part of the group of cities in Marin County providing opportunities to affirmatively forward fair housing.

## **F.2.2 Fair Housing Outreach and Enforcement**

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Fair housing complaints can be an indicator of housing discrimination in Novato. Fair housing issues can arise through discrimination against an individual based on disability, race, national origin, familial status, disability, religion, or sex when renting or selling a dwelling unit.

The U.S. Department of Housing and Urban Development's (HUD) Office of Fair Housing and Equal Opportunity (FHEO) is the federal agency responsible for eliminating housing discrimination, promoting economic opportunity, and achieving diverse, inclusive communities. FHEO services and activities include investigating fair housing complaints, conducting compliance reviews, ensuring civil rights in HUD programs, and managing fair housing grants.

The [Marin Housing Authority](#) provides fair housing services to incorporated areas of Marin County, offering information and workshops on tenants' rights, fair housing, and local tenant protections. Specifically, the Marin Housing Authority's Supportive Housing Department supports families and individuals to secure and maintain stable housing. The non-profit organization [Fair Housing Advocates of Northern California](#) (FHANC) provides fair housing services to residents of Marin County that include assisting individuals with housing discrimination complaints.

Discrimination complaints from both residents and prospective tenants can be filed through FHANC, which refers complaints to the Department of Housing and Urban Development (HUD), or the Department of Fair Employment and Housing (DFEH). From 2021 to 2022, there were 28 fair housing cases in Novato. These cases related to protected classes as follows: disability (23), familial status (4), race (3), source of income (3), national origin (2), age (1), and gender (1). Note, some households alleged discrimination on the basis of more than one protected class. As of Fall 2022, the disposition of the 28 cases are as follows: new (1), in-progress (4), waiting on client response (2), ready to close (6), and closed (15).<sup>25</sup>

Comments during the Housing Element Update process identified a need for providing more information about available services to residents, particularly reasonable accommodation. Program 6.A is included to promote awareness of available resources, information, and services related to fair housing and affordable housing generally.

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<sup>24</sup> Ibid.

<sup>25</sup> Noelle Ticman, Data Administrator, FHANC, October 2022.

The City does not have any pending lawsuits, enforcement actions, judgements, settlements, or findings related to fair housing and civil rights. The City does not currently have any local fair housing laws or programs to specifically address fair housing issues.

The City complies with State and federal housing laws as follows:

- **Fair Housing Act; Title VI of the Civil Rights Act of 1964** – the City complies by ensuring its actions related to housing are not discriminatory through City protocols, decision-making procedures, and adhering to non-discrimination requirements of federal funding programs.
- **Rehabilitation Act of 1973** – see Fair Housing Act; also, the City complies through its accessibility protocols, administered and enforced by the City's ADA/504 Coordinator and Building Official.
- **Americans with Disabilities Act** – the City complies with the ADA through building permit review and issuance and as described in Appendix C (Housing Constraints, Section C.2.2, Housing for Persons with Disabilities), as well as review by the City engineer during design and construction of improvements in the public right-of-way.
- **California Fair Employment and Housing Act (FEHA) and FEHA Regulations** – the City complies with FEHA and its regulations through established City protocols for hiring and decision making, mandatory trainings for City staff, and legal counsel and advisement.
- **Government Code Section 65008** – the City ensures that the City's actions are not discriminatory through training programs conducted by the City's Human Resources Department. Programs are included in this Housing Element to facilitate housing for all households, including protected classes (e.g., programs regarding residential care facilities, reasonable accommodation, and emergency shelters).
- **Government Code Section 8899.50** – Appendix F of this Housing Element documents compliance with AFFH requirements.
- **Government Code Section 11135 et. seq.** – the City complies with anti-discrimination requirements through the City's Human Resources programs and the City's procurement protocols.
- **Density Bonus Law (Government Code Section 65915)** – the City complies with State Density Bonus law by cross-referencing to Government Code Section 65915 et seq. as described in Appendix C (Housing Constraints).
- **Housing Accountability Act (Government Code Section 65589.5)** – the City has documented compliance with the HAA as described in Appendix C (Housing Constraints).
- **No-Net-Loss Law (Government Code Section 65863)** – the City has documented compliance with sufficient capacity for RHNA and will ensure compliance with no-net-loss via programs (Program 1.C).

- **Least Cost Zoning Law (Government Code Section 65913.1)** – the City includes programs in this Housing Element to ensure that sufficient land is zoned with appropriate standards to accommodate its RHNA.
- **Excessive subdivision standards (Government Code Section 65913.2)** – the City’s subdivision standards are typical or not excessive in compliance with the Government Code (see Appendix C, Section C.2.5).
- **Limits on growth control (Government Code Section 65302.8)** – the City has adopted an Urban Growth Boundary in compliance with State law (see Appendix C, Section C.2.2).
- **Housing Element Law (Government Code Section 65583)** – this Housing Element documents compliance with Housing Element Law.

### F.2.3 Integration and Segregation

This section analyzes integration and segregation, including patterns and trends, related to people with protected characteristics.

#### Segregation Report

As part of a statewide effort, an AFFH Segregation Report for Novato was prepared by the University of California, Merced Urban Policy Lab in cooperation with ABAG/MTC. Novato’s Segregation Report reviews income and racial segregation and integration both between neighborhoods within Novato and across Bay Area jurisdictions.

#### **Race and Ethnicity**

~~According to ACS data, Novato had a slightly higher proportion of non-white racial and ethnic groups than Marin County in 2019. Approximately 36 percent of the Novato population belonged to a racial minority group compared to 29 percent of the County population at that time. The largest minority~~The Dissimilarity Index (DI) is a tool that measures segregation across a defined geographic boundary. DI ranges from 0 to 100 where 0 is perfect integration and 100 is complete segregation. 0 to 39 is considered low segregation. Utilizing data from the 2020 Decennial Census, racial segregation within Novato’s neighborhoods compared to the Bay Area ranges from below average to above average depending on the racial groups being compared (ranging from 15.7 to 24.5). Segregation is lower compared to the Bay Area between white and Asian/Pacific Islander residents (15.7 vs. 18.5) and white and African American residents (23.6 vs. 24.4). However, segregation is more pronounced when compared to the Bay Area between white and Latino residents (24.5 vs. 20.7) and between white and people of color as a whole (19.7 vs. 16.8). Put another way, the DI indicates that 19.7 percent of all white residents in Novato would need to relocate within the City to be completely integrated with the community’s other racial groups.

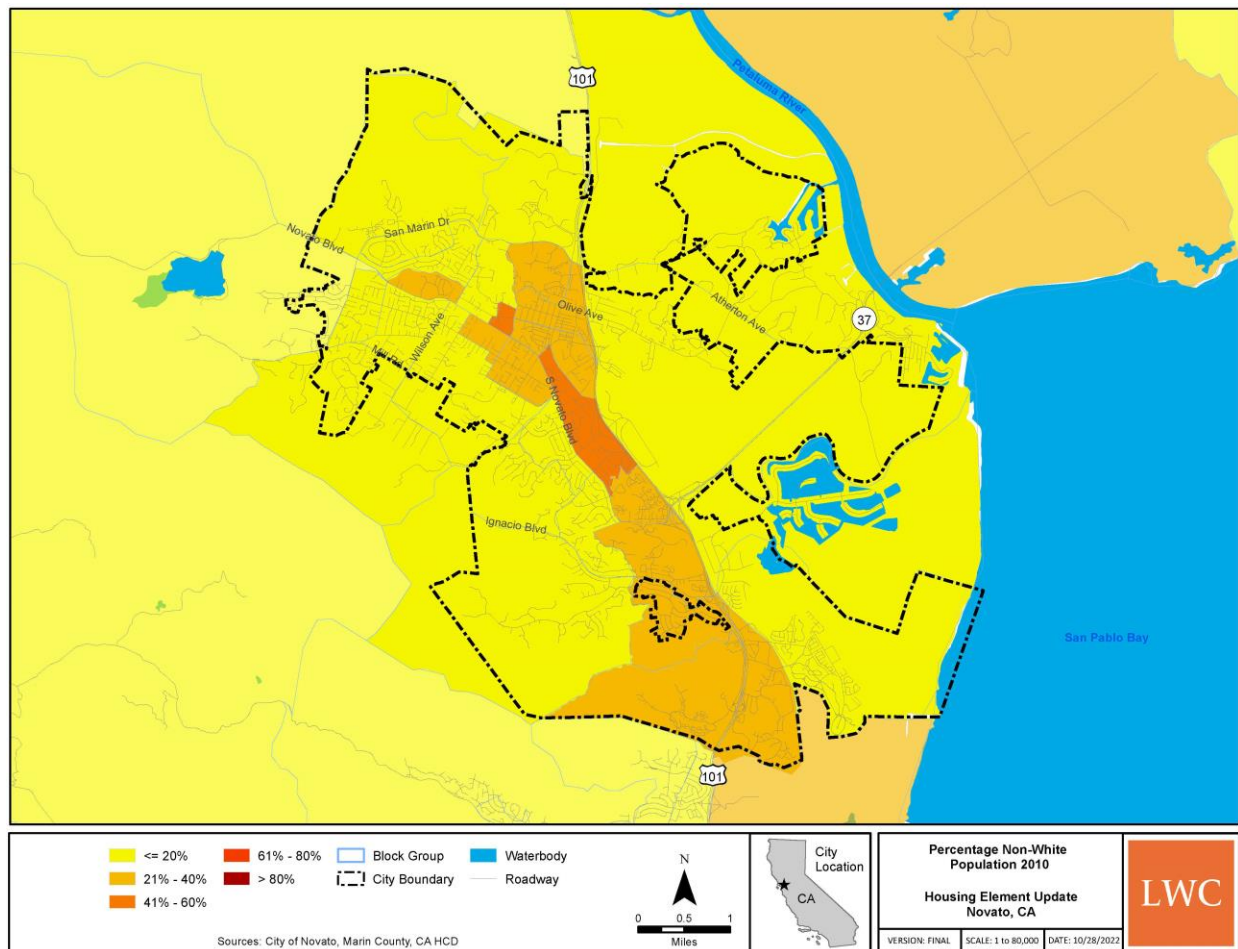
As detailed in Appendix A (Needs Assessment), according to 2019 ACS data, the percentage of residents in Novato identifying as white has decreased substantially in the past two decades, from 79 percent in 2000 to 63 percent in 2019. However, Novato’s population has increased both in

absolute numbers and in racial diversity, such that the *absolute* number of white residents decreased more slightly (from 36,336 in 2000 to 35,312 in 2019). Though Novato had a lower proportion of white- residents than Marin County in 2019 (63 percent vs. 71 percent), this is a significantly higher percentage than the Bay Area as a whole (39 percent). Additionally, the AFFH Segregation Report for Novato indicates that white residents are, overall, the most “isolated.” Novato’s isolation index of 60.3 for white residents means that the average white resident lives in a neighborhood that is 60.3% white. However, this value has changed the most over time, with white residents becoming less segregated from other racial groups between 2000 and 2020 (78.1 vs. 60.3).

In 2019, approximately 36 percent of Novato residents belonged to a non-white racial group, compared to 29 percent of the County and 62 percent of the Bay Area. The largest non-white group was Hispanic or Latino in both the City and County at 19 percent and 16 percent, respectively. Residents identifying as Asian/Pacific Islander accounted for eight percent of City residents and six percent of County residents and are the largest non-white racial group in the Bay Area at 27 percent.

Figure F-3 provides historical non-white population percentages by Census block group based on 2010 ACS data. At that time, two non-contiguous block groups had the highest proportion of non-white residents in the 41 to 60 percent range. Block groups in Downtown, adjacent to Highway 101, and one western block group also had a higher proportion of non-white residents in the 21 to 40 percent range. Many of the City’s other block groups, covering much of its geographic area, had non-white populations under 20 percent.

Figure F-3: Non-White Population by Block Group (2010)



As shown in Figure F-4, many block groups saw an increase in the proportion of non-white residents as of 2018, between 2010 and 2018. During this time period, Downtown Novato's residential areas had become the block group with the highest proportion of non-white residents in the 61 to 80 percent range. Nearly in 2018, nearly all block groups adjacent to Highway 101 had non-white populations in the 41 to 60 percent range, and an increase from the 21 to 40 percent range for most of these block groups in 2010. Additionally, in 2018, block groups accounting for much of the City's remaining geographic area had entered the 21 to 40 percent range: compared to 2018 where most of the other block groups had 20 percent or less of non-white residents. Only a handful of block groups on the City's edges, mainly hillside and bayside residential areas, had non-white populations below 20 percent: in 2018 compared to 2010 where most of Novato had block groups with non-white populations below 20 percent.

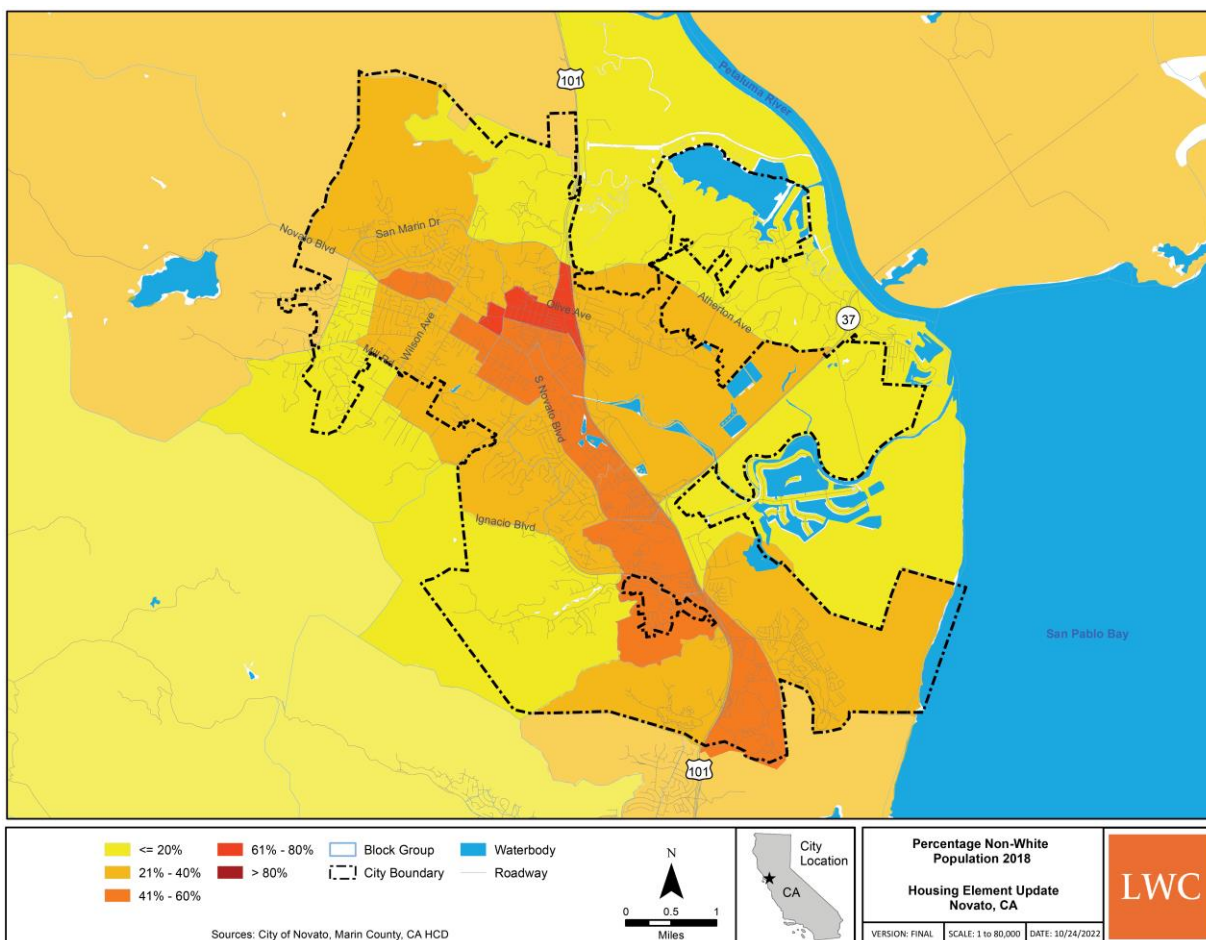
### Patterns and Trends – Race and Ethnicity

Throughout Novato, the resident population has increased in racial and ethnic diversity between 2010 and 2018, primarily in the block groups in the Downtown area and adjacent to Highway 101. However, this population change also saw the City's non-white population increasingly



concentrated in these two areas. The City's most racially and ethnically diverse block groups coincide with the City's lowest-income neighborhoods (Figure F-12). These concentrated areas of lower-income residents result in most of the area outside of Downtown and the Highway 101 corridor being considered Racially Concentrated Areas of Affluence (RCAAs) (Figure F-15). This indicates while Novato has seen racial and ethnic diversity increase in the City in the previous decade, there remains to be a concentration of non-white residents in the Downtown area and Highway 101 corridor, with non-white residents concentrated in some neighborhoods experiencing higher rates of poverty and segregation as identified by HUD as a RCAA. This is discussed further in Section F.2.4 below.

**Figure F-4: Non-White Population by Block Group (2018)**



## Persons with Disabilities

People are considered to have a disability if they have one or more of the following: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory

impairments, many people with disabilities live on fixed incomes and require specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers.

Figures F-5 and F-6 present the 2014 and 2019 ACS data, respectively, for the percentage of Novato's population with a disability. Overall, approximately 10 percent of Novato residents had a disability in 2019, compared to nine percent ~~countywide~~Countywide and 10 percent in the Bay Area (Table F-1). In 2014, two western tracts and one eastern tract had the highest proportion of residents with disabilities, making up 10 to 20 percent of the population. Tracts in the rest of the City had lower rates at less than 10 percent. By 2019, five contiguous tracts in the central and eastern core of the City had the highest proportion of residents with disabilities in the 10 to 20 percent range.

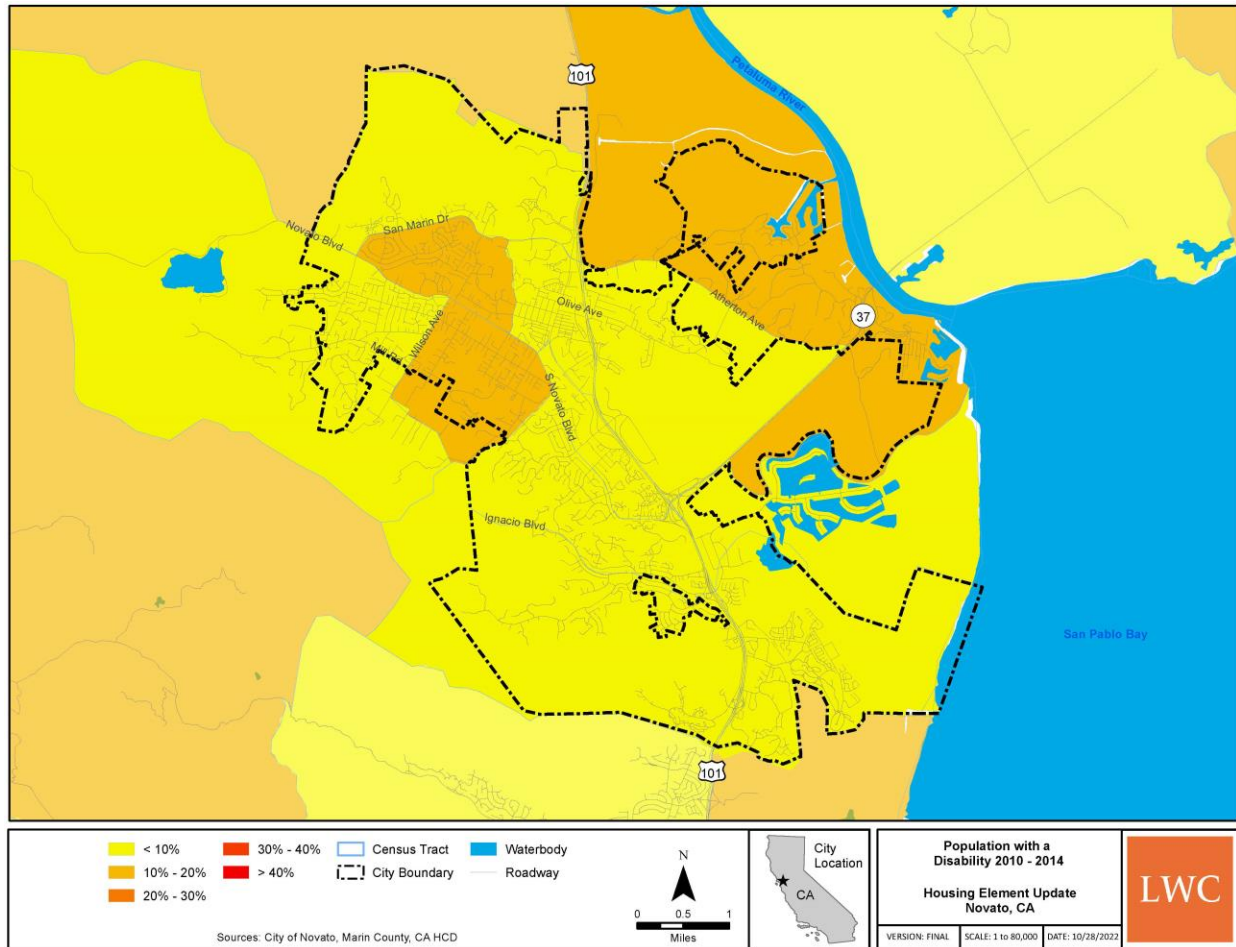
**Table F-1: Population with a Disability (2019)**

	Novato	Marin County	Bay Area
<b>Number of Individuals</b>	5,532	23,346	735,533
<b>Percent of Population</b>	10%	9%	10%

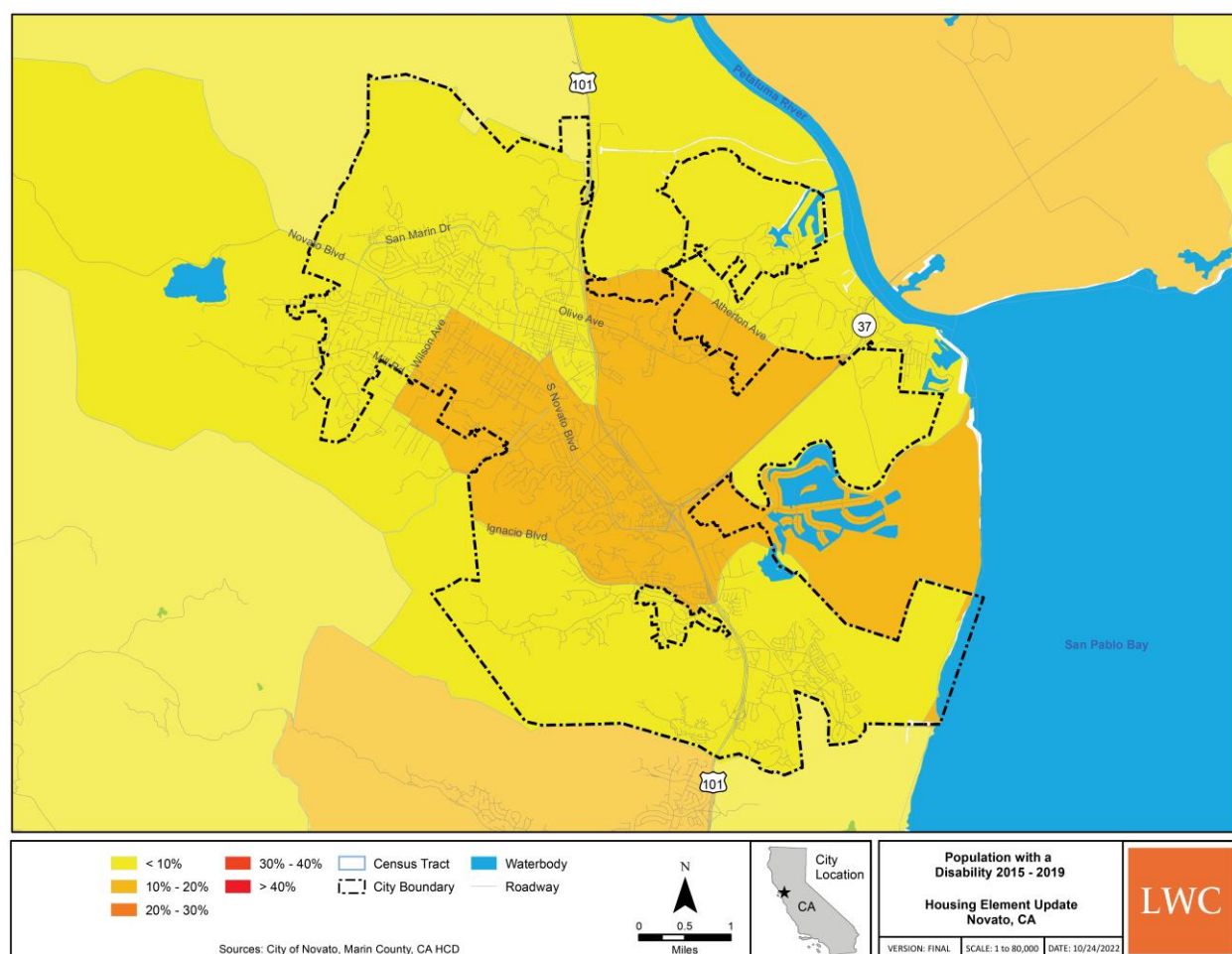
*Source: ACS 2019 5-Year Estimates, Table S1810*



**Figure F-5: Population with a Disability by Tract (2014)**



**Figure F-6: Population with a Disability by Tract (2019)**



In Novato, there are differences in disability status by race and ethnicity (Table F-2). White, Native American, and individuals of two or more races are more likely to have disabilities than those of other ethnicities. It is likely that disparities in median age (which is highly correlated with disability status) explains much of the disparity, but it is unclear why the population of individuals of two or more races (with a median age of 24.1) has such a high incidence of disability at nine percent.

### **Patterns and Trends – Persons with Disabilities**

The observed increase in the proportion of Novato's population with a disability between 2014 and 2019 is likely (though not definitively) due to aging. As shown in Appendix A, Section A.2.2 (Age), Novato's median age has increased significantly in the past two decades, reaching 47 years as of 2019. Older adults are generally more likely to be recorded as living with some type of disability, thus the need for additional senior housing as the City ages.

There has also been a notable geographic shift from 2014 to 2019 in Census tracts where the proportion of the population with a disability reaches the 10 to 20 percent level. In 2014 these tracts were predominantly in single-family neighborhoods in the City's northwest and northeast. By 2019, these tracts were recorded more towards the City's center. This may be due in part to

the construction and opening of additional senior housing, assisted living communities, etc. This trend is generally positive, as these more central tracts are closer to essential services which support independent living and prompt medical care. Table F-2 below shows the incidence of disability by race and ethnicity.

**Table F-2: Disability Status by Race and Ethnicity (2019)**

Race or Ethnicity	Total Population	Median Age	Number with a Disability	% with a Disability
White Alone, Not Hispanic or Latino	35,139	51.5	4,312	12%
Black or African American Alone	2,066	39.1	152	7%
American Indian and Alaska Native	82	42.5	9	11%
Asian Alone	4,288	45.6	127	3%
Native Hawaiian and Other Pacific Islander	62	27.2	0	0%
Some Other Race	5,987	27.7	311	5%
Two or More Races	2,966	24.1	277	9%
Hispanic or Latino (of any race)	10,522	31.3	740	7%

*Source: ACS 2019 5-Year Estimates, Tables B18101 and B01002*

Input during the Housing Element process included that housing stock should accommodate the aging population and prioritize people with disabilities, as well as young families and low-income households.

## **Familial Status**

Familial status protection covers households in which one or more minor children live with: a parent, a person who has legal custody (including guardianship) of a minor child or children, or the designee of a parent or legal custodian, with the written permission of the parent or legal custodian. Examples of familial status discrimination include refusal to rent to families with children, eviction of families once a child joins, and confinement of families to specific floors of a building.

According to 2019 ACS data, 27.5 percent of all households in Novato have one or more children under the age of 18 present, a slightly lower proportion than 28.6 percent in the County and 32 percent in the Bay Area (Table F-3). Figure F-7 shows the percentage of children living in married couple households in 2019 by Census tract. The percentage of children living in married couple households is uniformly high across the City's peripheral Census tracts, exceeding 80 percent with the exception of two southern tracts in the 40 to 60 percent range. In the City's center, three tracts show children living in married couple households in the 60 to 80 percent page-range. Looking back at 2010 ACS data in Novato, the percentage of households with children present

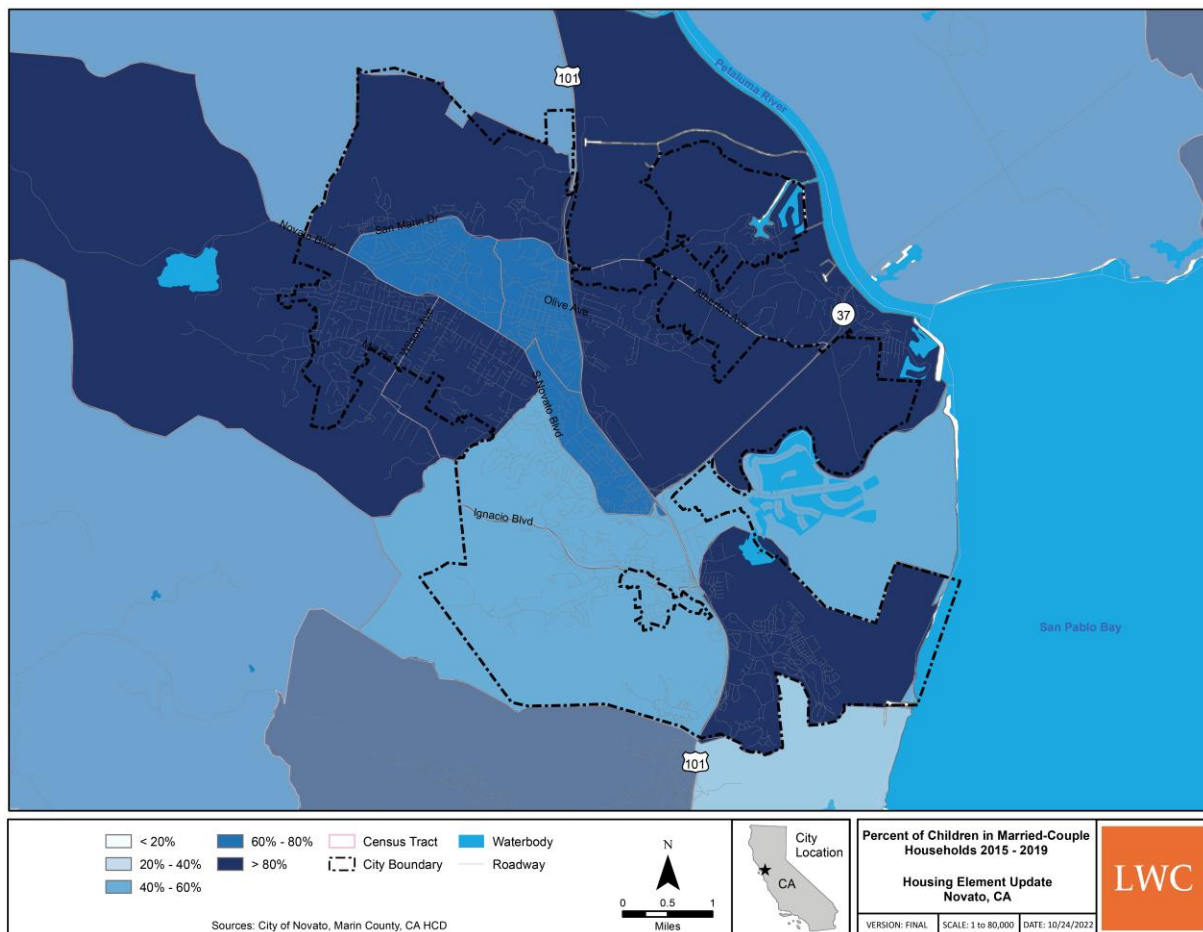
has decreased slightly from 31 percent.<sup>26</sup> Comments received during the Housing Element process identified the availability of housing for young families as an important issue.

**Table F-3: Households with Children Under the Age of 18 Present (2019)**

	Novato	Marin County	Bay Area
<b>Number of Households</b>	6,147	30,171	873,704
<b>Percent of Population</b>	27.5%	28.6%	32%

Source: ACS 2019 5-Year Estimates, Table S1810

**Figure F-7: Children in Married-Couple Households by Tract (2019)**



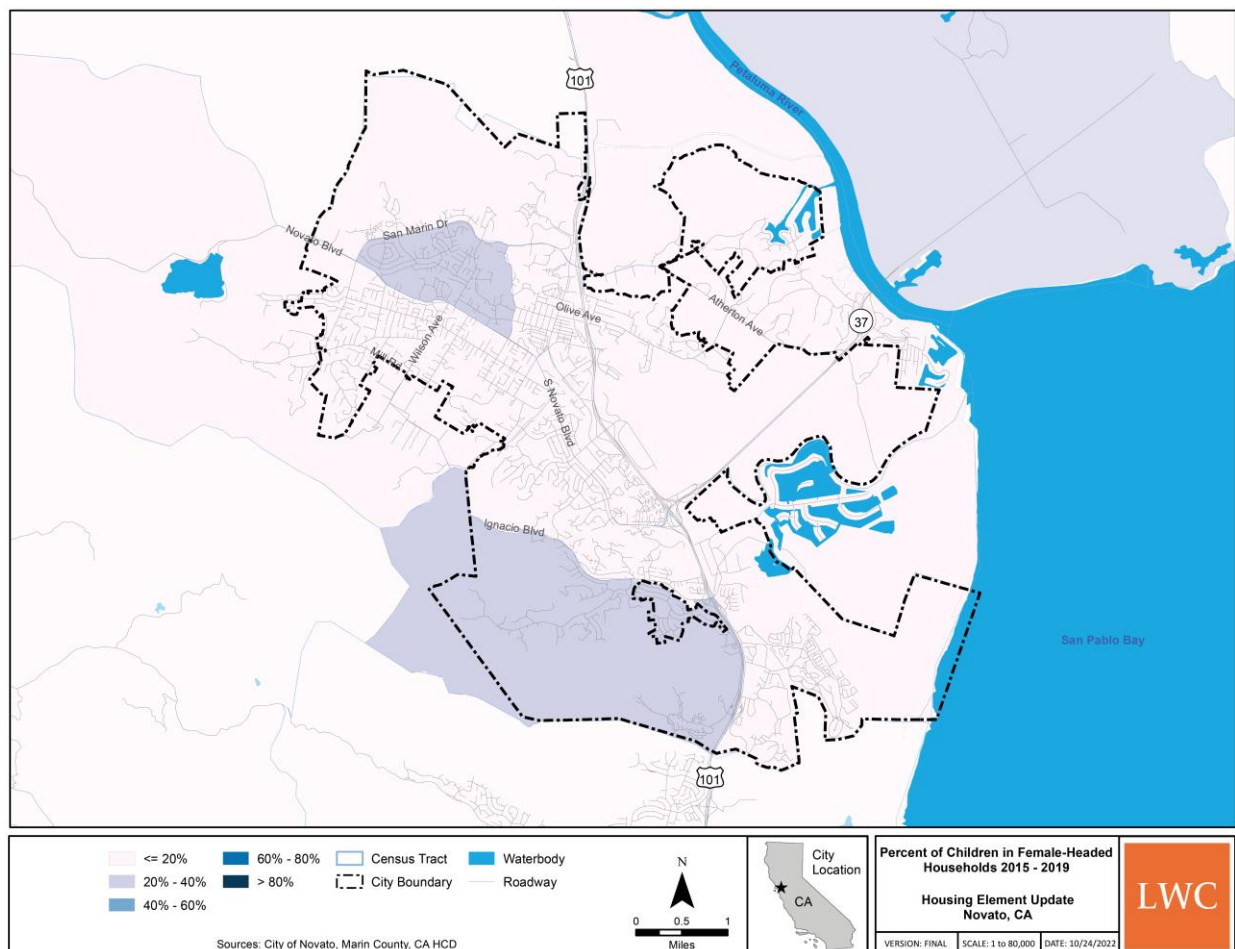
Single-parent households are also a fair housing protected class. Female-headed households in particular are more likely to experience greater housing affordability challenges due to typically lower household incomes compared to two-parent households. According to 2019 ACS data,

<sup>26</sup> [ACS 2010 5-Year Estimates, Table DP02.](#)



there are 1,788 female-headed family households in Novato, 906 of which have children present, meaning 14.7 percent of households with children present are those of single mothers. Of the 906 female-headed households with children present, 221 (or 3.6 percent of all households with children present) are below the poverty level. As shown in Figure F-8, children in female-headed households make of 20 to 40 percent of all children in two Novato tracts. [Looking back to 2010 ACS data, the number of female-headed households with children present below the poverty level has decreased from 350 \(or 5.4 percent of all households with children present\).](#)<sup>27</sup>

**Figure F-8: Children in Female-Headed Households by Tract (2019)**



### **Patterns and Trends – Familial Status**

No clear patterns and trends of disproportionate incomes or housing conditions were identified in Novato or in the surrounding area in relation to other analyses in this Appendix.

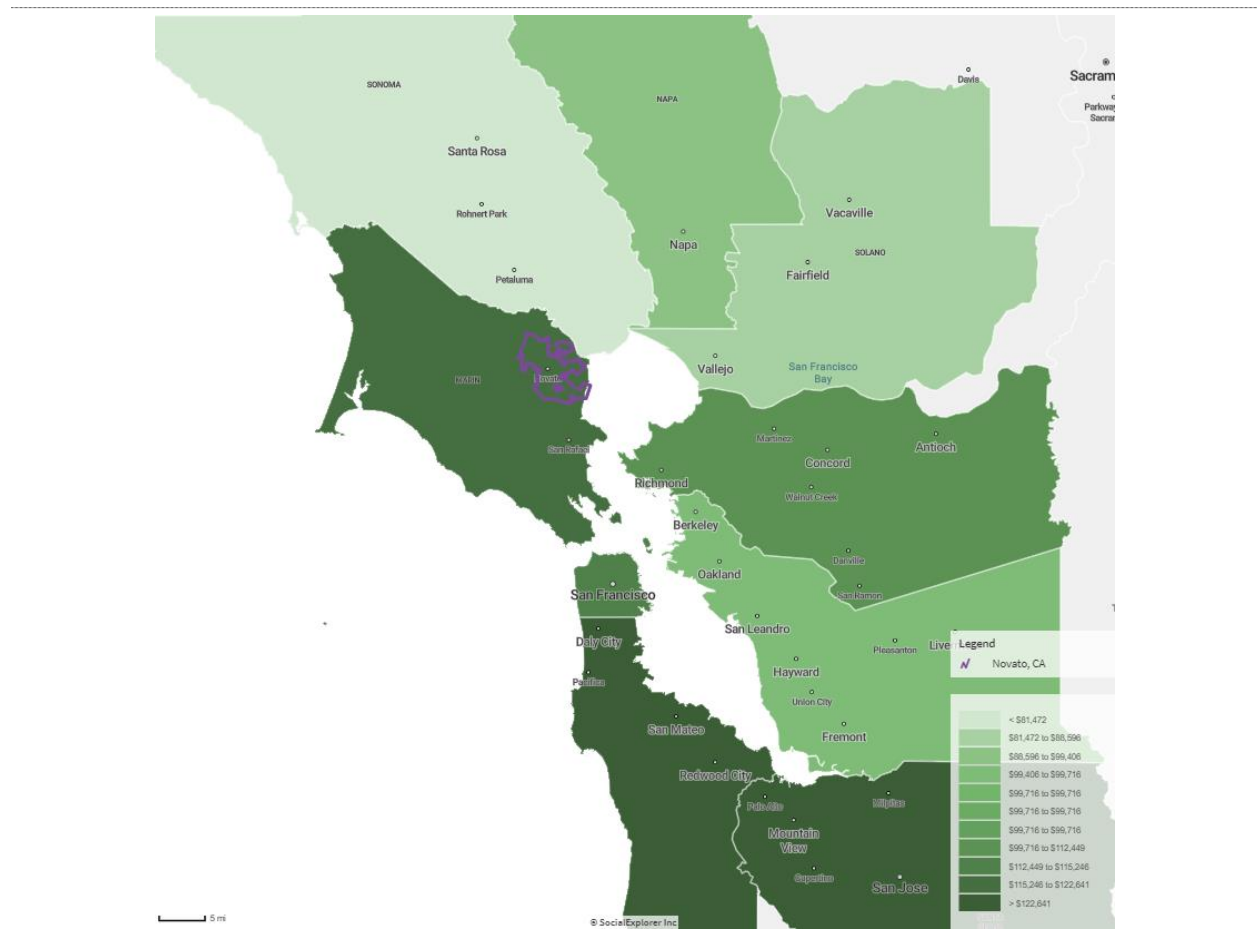
<sup>27</sup> [ACS 2010 5-Year Estimates, Table B17012.](#)

## Income

Despite the economic and job growth experienced throughout the region since 1990, California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State. The geography of income inequality in the Bay Area is nuanced and is best discussed at multiple geographic scales.

Due in large part to the relationship between race, wealth, and land use policy described above in Section F.2.1, Marin County has historically been wealthier and less racially diverse compared to the Bay Area as a whole. Figure F-9 displays the estimated median household income of Bay Area counties in 2019, with Novato outlined in purple. Though slightly less wealthy, on average, than the tech hubs of San Mateo and Santa Clara counties, Marin County is still defined by historical patterns of suburban development, exclusionary zoning, and the physical constraints of its geography.

**Figure F-9: Median Household Income of Bay Area Counties (2019)**



Source: Social Explorer; U.S. Census Bureau, 2019 ACS 5-Year Estimates, Table 14006

The City of Novato is distinct when compared to the Bay Area as a whole and in the context of its County – more affluent than the communities east across the Bay, but less than communities in southern Marin. In 2019, the median household income in Novato was estimated at \$101,342, 12.1 percent lower than the County’s median income of \$115,246 and 32.8 percent higher than the Bay Area’s median income of \$72,766 (Table F-4). The mean income in Novato was \$133,368, 24.3 percent lower than the County’s mean income of \$176,109.

**Table F-4: Median Household Income (2019)**

	Novato	Marin County	Bay Area
<b>Median Income</b>	\$101,342	\$115,246	\$72,766
<b>Mean Income</b>	\$133,368	\$176,109	–

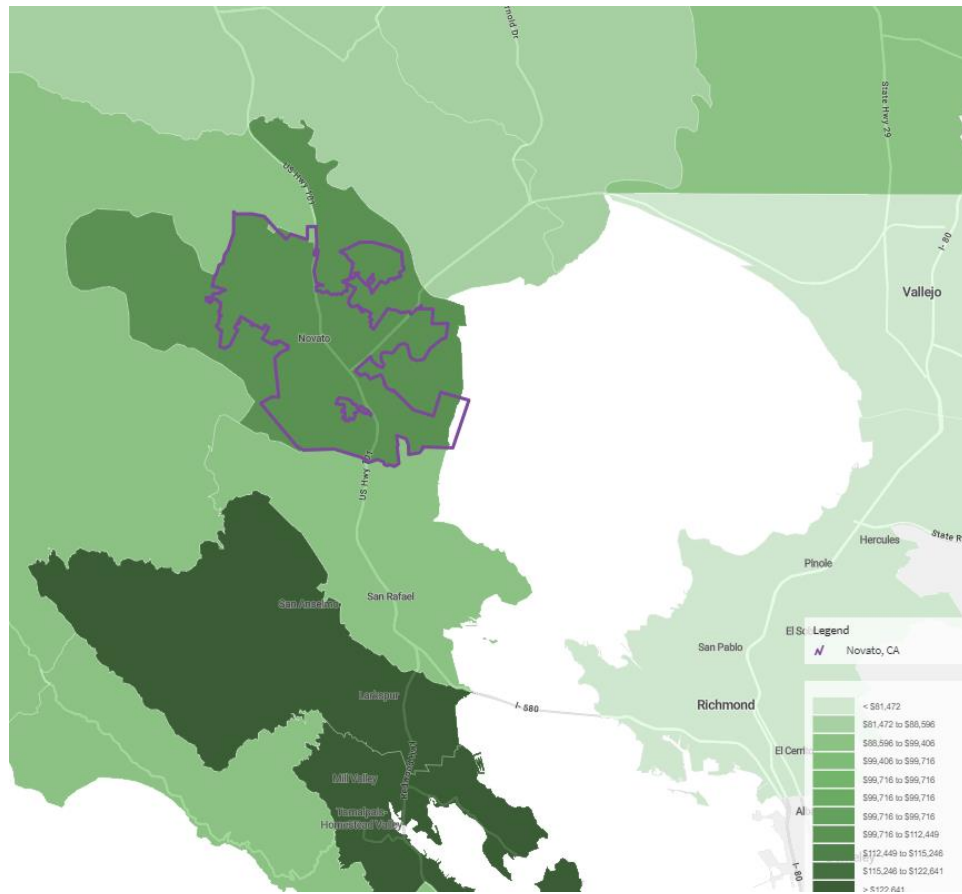
Source: ACS 2019 5-Year Estimates, Table S1901; [Bay Area Equity Atlas](#)

~~Figure F-9~~Figure F-10 displays the estimated median household income of county subdivisions surrounding Novato, with the City outlined in purple and within the polygon representing the Novato Census County Division (CCD). Due to Novato’s affluence relative to the Bay Area and Marin County, various programs encourage housing mobility and promote new affordable housing opportunities. These include:

- [Program 1.A: Rezone for RHNA Shortfall;](#)
- [Program 1.B: Streamline the production of Accessory Dwelling Units \(ADUs\).](#)
- [Program 2.G: Amend and monitor Inclusionary Housing Ordinance.](#)
- [Program 6.E: Housing mobility.](#)



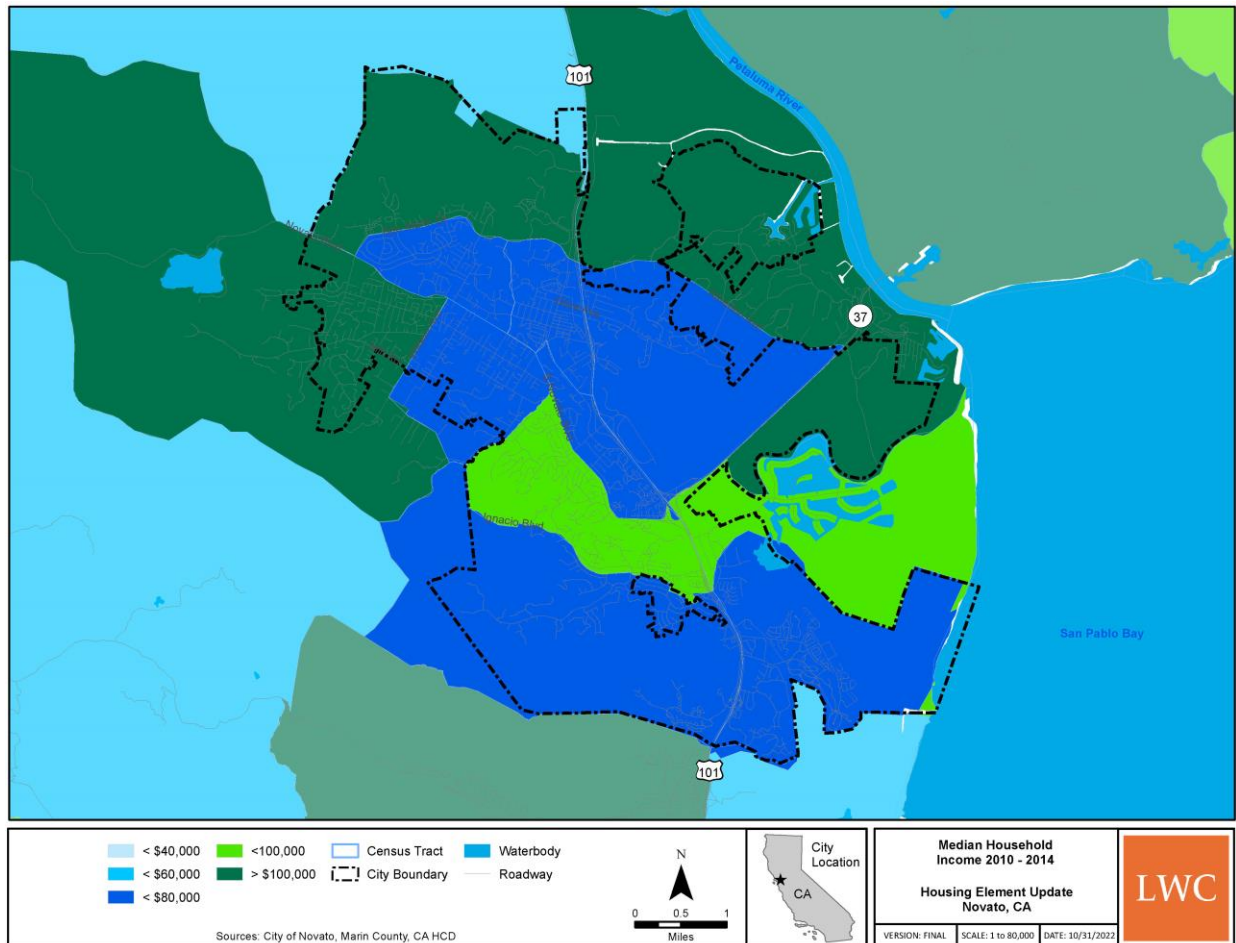
**Figure F-10: Median Household Income County Subdivisions, North Bay Region (2019)**



*Source: Social Explorer; U.S. Census Bureau, 2019 ACS 5-Year Estimates, Table 14006*

**Figure F-11** displays the distribution of median household income by Census tract in Novato in 2014, the earliest year provided as part of HCD's Geospatial Data. Households earning over \$100,000 per year were concentrated in the City's northern periphery, with all other tracts predominantly populated by households earning between \$60,000 to \$100,000 per year.

Figure F-911: Median Household Income by Tract (2014)



The 2019 ACS recorded median household income differently, reporting figures by block group and slightly different income categories, as shown in Figure F-4012. This smaller geographic scale also allows for more exact identification of higher- and lower-income neighborhoods. Higher-income households earning over \$125,000 per year continued to be concentrated in the City's northern neighborhoods, as well as two eastern bayside Census tracts (one encompassing unincorporated Bel Marin Keys, the other containing the redeveloped Hamilton Air Force Base) and one containing parts of unincorporated Ignacio. All other tracts were populated predominantly by households earning incomes between \$55,000 to \$125,000 per year, with lower-income households concentrated near Downtown and along the southern extent of the Highway 101 corridor.

Figure F-1012: Median Household Income by Block Group (2019)

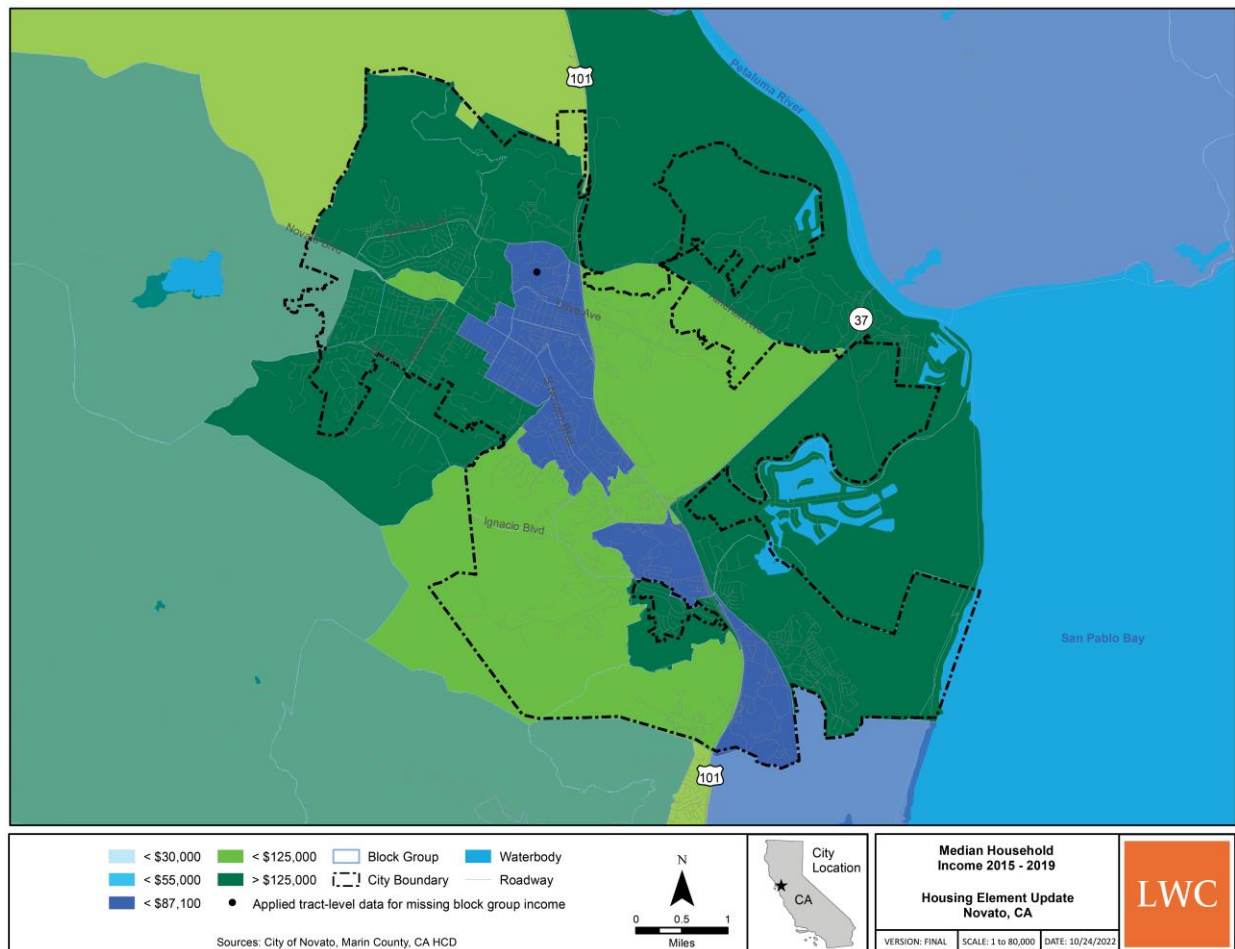
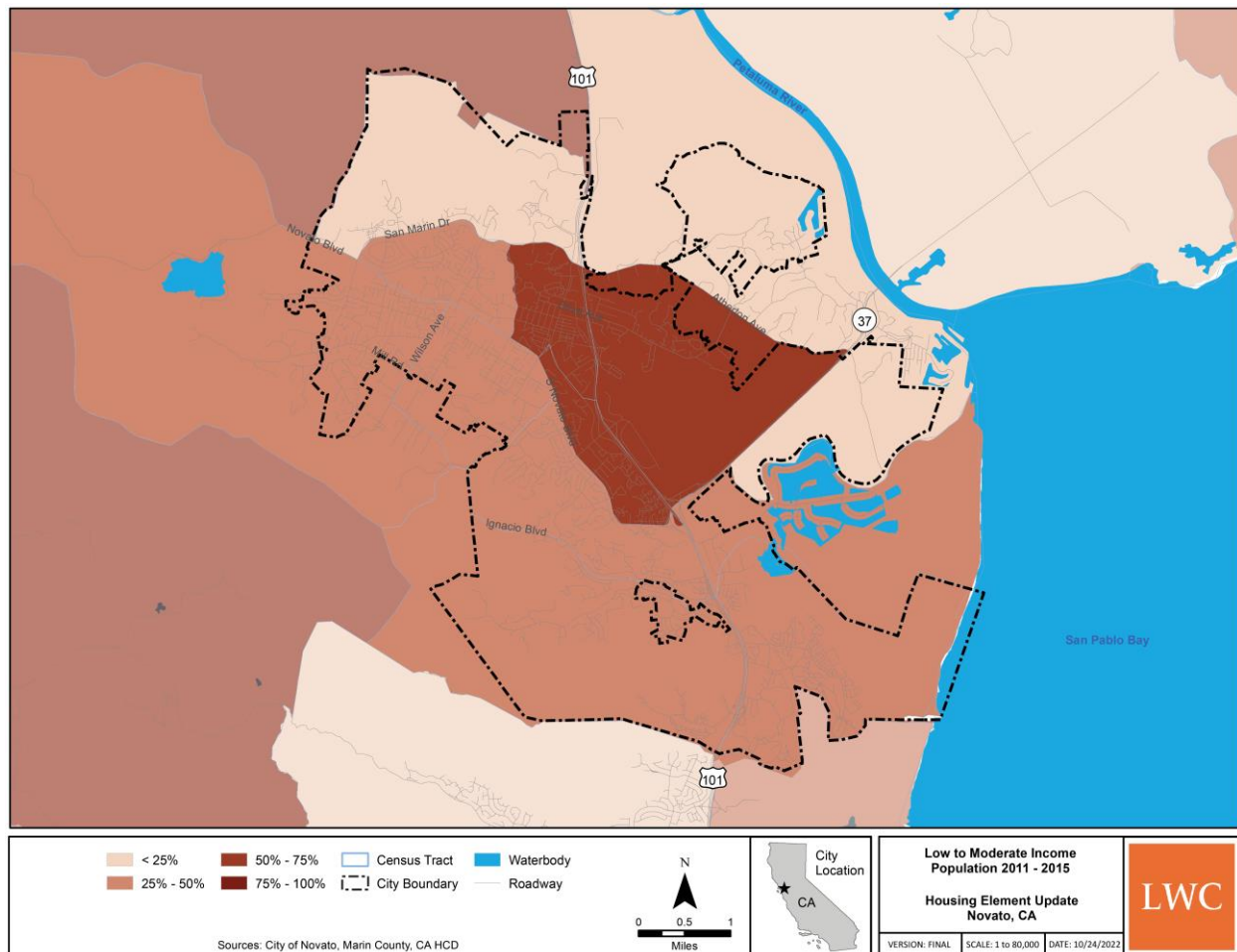


Figure F-1113 presents the distribution of low- to moderate-income (LMI) households in the City in 2015, the earliest year provided as part of HCD's Geospatial Data. The LMI income designation is designed for the purposes of distributing Community Development Block Grant (CDBG) funding, which requires that the activities it funds principally benefit households making below 120 percent of area median income (AMI). In Novato, LMI households are distributed in a regular pattern across the City, with the lowest concentration in the northern periphery, the highest (50 to 75 percent) in central tracts (including Downtown), and moderate concentrations (25 to 50 percent) in all remaining tracts.

Figure F-4113: Low- to Moderate-Income (LMI) Population by Tract (2015)



Income can also be disaggregated by race and ethnicity to further understand local patterns of segregation and integration. Table F-5 presents household income distribution by race (using 2013-2017 CHAS data) and poverty levels by race (using 2014-2019 ACS data). The former indicates that an estimated 15.2 percent of Novato housing units contain households which make zero to 30 percent of AMI. Within this income bracket, 70 percent of housing units were home to white residents alone. However, as shown in 2019 ACS data, Black, Asian, and individuals from other or multiple races experience poverty at higher rates than their portion of the City's total population and are concentrated in the Downtown area and along Highway 101 on the western and eastern Census tracts.

Though comparisons between these measurements are imperfect due to differences between the datasets (year, population) and regional AMI vs. federal poverty level, their results broadly concur. For example, per 2017 CHAS data, 13.2 percent of Hispanic or Latino households (675 housing units) are estimated to be in the zero to 30 percent AMI bracket. Per 2019 ACS data, Novato's Latino population had an 11 percent poverty rate. In both cases, Hispanic or Latino residents experienced low-income/poverty status at lower rates relative to their share of the population (18.9

percent). For further analysis, see Appendix A, Section A.3.4 (Residents Living Below the Poverty Level).

**Table F-5: Household Income and Poverty Rate by Race/Ethnicity**

Racial/ Ethnic Group	Housing Units by % AMI (2017)					Poverty Rate (2019)	% Total Population (2019)
	0-30%	31-50%	51-80%	81-100%	> 100%		
Below Poverty Level Estimate						6.4%	
White alone	2,330	2,160	2,645	1,590	7,685	4.6%	63.5%
Black or African American alone	95	99	40	65	90	13.5%	3.4%
American Indian and Alaska Native alone	0	15	0	20	40	8.6%	0.2%
Asian alone	160	135	335	105	680	12.6%	7.8%
Other race or multiple races	65	100	85	30	164	11.9%	6.2%
Hispanic or Latino origin (of any race)	675	845	485	310	770	11.0%	18.9%
Total	3,325	3,354	3,590	2,120	9,429		

Source: HUD CHAS ACS Tabulation (2017); ACS 2019 5-Year Estimates, Table B17001 (A-I)

### **Patterns and Trends – Income**

Between 2014 to 2019, Novato's median household income increased, significantly increased, or remained consistent in nearly all Census tracts. While part of this reason may be attributed to the transition from ACS data being reported at the block group level rather than the Census tract level, a trend towards higher incomes persisted between 2014 and 2019 (Figures F-11 and F-12). However, in Downtown Novato and along the northern and southern block groups adjacent to the western section of Highway 101, median household income remained nearly the same during this time period. Furthermore, the Downtown Novato and northern Census tracts adjacent to Highway 101 held the highest percentage of low- to moderate-income residents in 2015 (Figure F-13). These figures indicate that while Novato experienced increased incomes in nearly all Census tracts between 2014 to 2019, this increase was not distributed across the entire City. Instead, Downtown Novato and the northern and southern block groups adjacent to Highway 101 saw stagnant changes in income. These block groups are also home to larger percentages of non-white residents. Thus, on the whole, the increase in median household income disproportionately benefited white households in Novato.

### **Segregation Report**

The AFFH Segregation Report for Novato has been prepared by the University of California Merced Urban Policy Lab in cooperation with ABAG and MTC. The key findings from the report include observations that white residents are the most segregated compared to other racial groups, but that they have become less segregated from 2000 to 2020. According to one measurement, neighborhood racial segregation increased overall from 2010 to 2020. In terms of

economic segregation, very low-income households are the most segregated compared to other income groups, and they became more segregated between 2010 to 2015. According to one measurement, income segregation between lower-income households and other residents was lower than average value for Bay Area jurisdictions. These findings are consistent with figures provided in this section, and the report is attached to this Appendix.

#### **F.2.4 Racially or Ethnically Concentrated Areas of Poverty**

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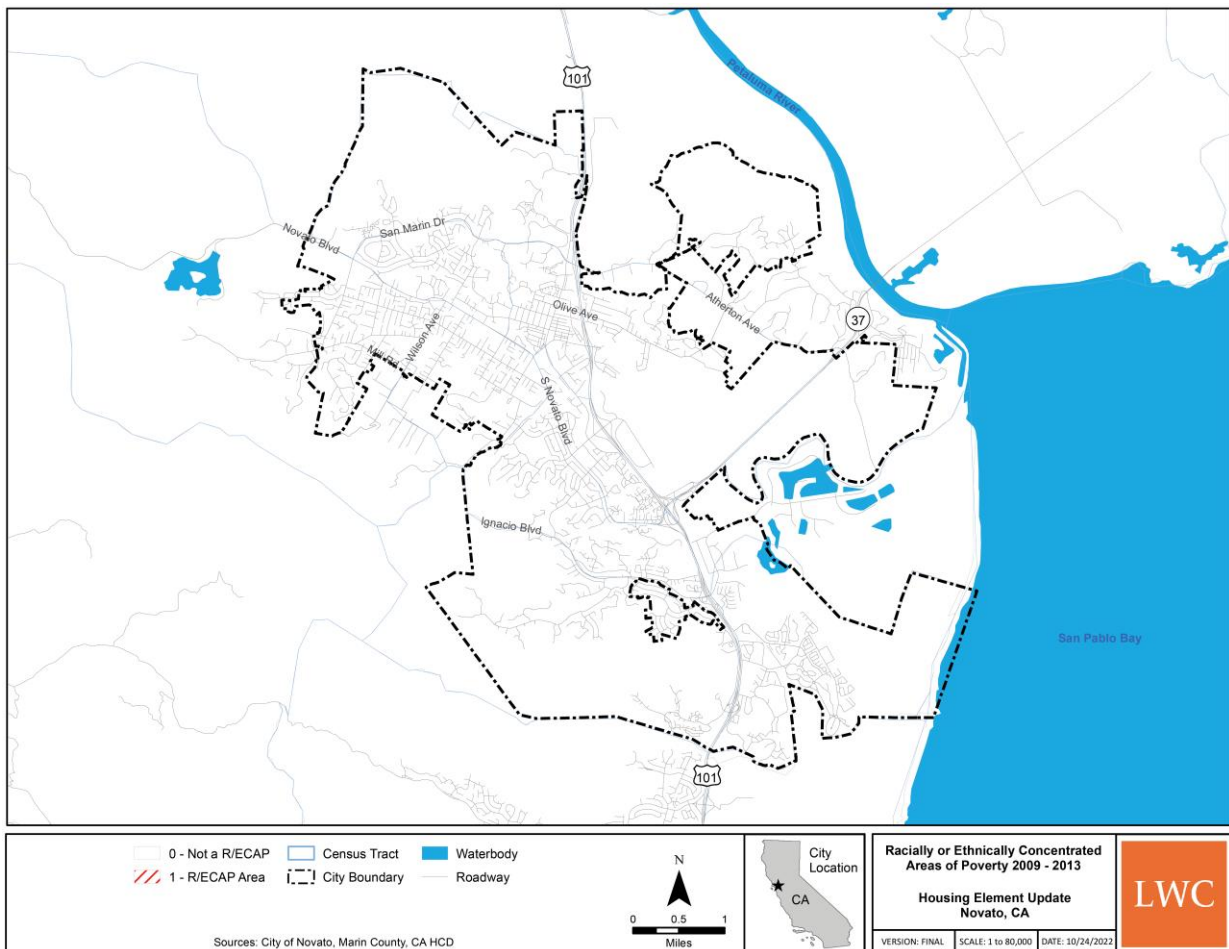
##### **Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs)**

Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) are areas that exhibit both high racial/ethnic concentrations and high poverty rates. HUD defines R/ECAPs as Census tracts with a majority non-white population (50 percent or more) and a poverty rate that exceeds 40 percent or is three times the average poverty rate for the county, whichever is lower.

R/ECAPs may indicate the presence of disadvantaged households facing housing insecurity and need. They identify areas whose residents may have faced historical discrimination and who continue to experience economic hardship, furthering entrenched inequities in these communities. As shown in Figure F-~~12~~14, no R/ECAPs have been identified in Novato or in the surrounding area.



**Figure F-4214: Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) (2013)**



### **Patterns and Trends – R/ECAPS**

As indicated above, no patterns and trends related to R/ECAPS are identified in Novato or in the surrounding area.

### **Racially or Ethnically Concentrated Areas of Affluence (RCAAs)**

Racially or Ethnically Concentrated Areas of Affluence (RCAAs) are neighborhoods in which there are both high concentrations of non-Hispanic white households and high household income rates. Based on research from the University of Minnesota Humphrey School of Public Affairs, RCAAs are defined as Census tracts where 80 percent or more of the population is white, and the median household income is \$125,000 or greater (which is slightly more than double the national median household income in 2016). However, HCD adjusted the RCAA methodology to track more closely with California's higher levels of diversity by setting the white population threshold to 50 percent.

According to 2019 data available from HCD (Figure F-4315), seven of Novato's 12 Census tracts were considered RCAAs. This finding aligns- with others summarized in this Appendix, including

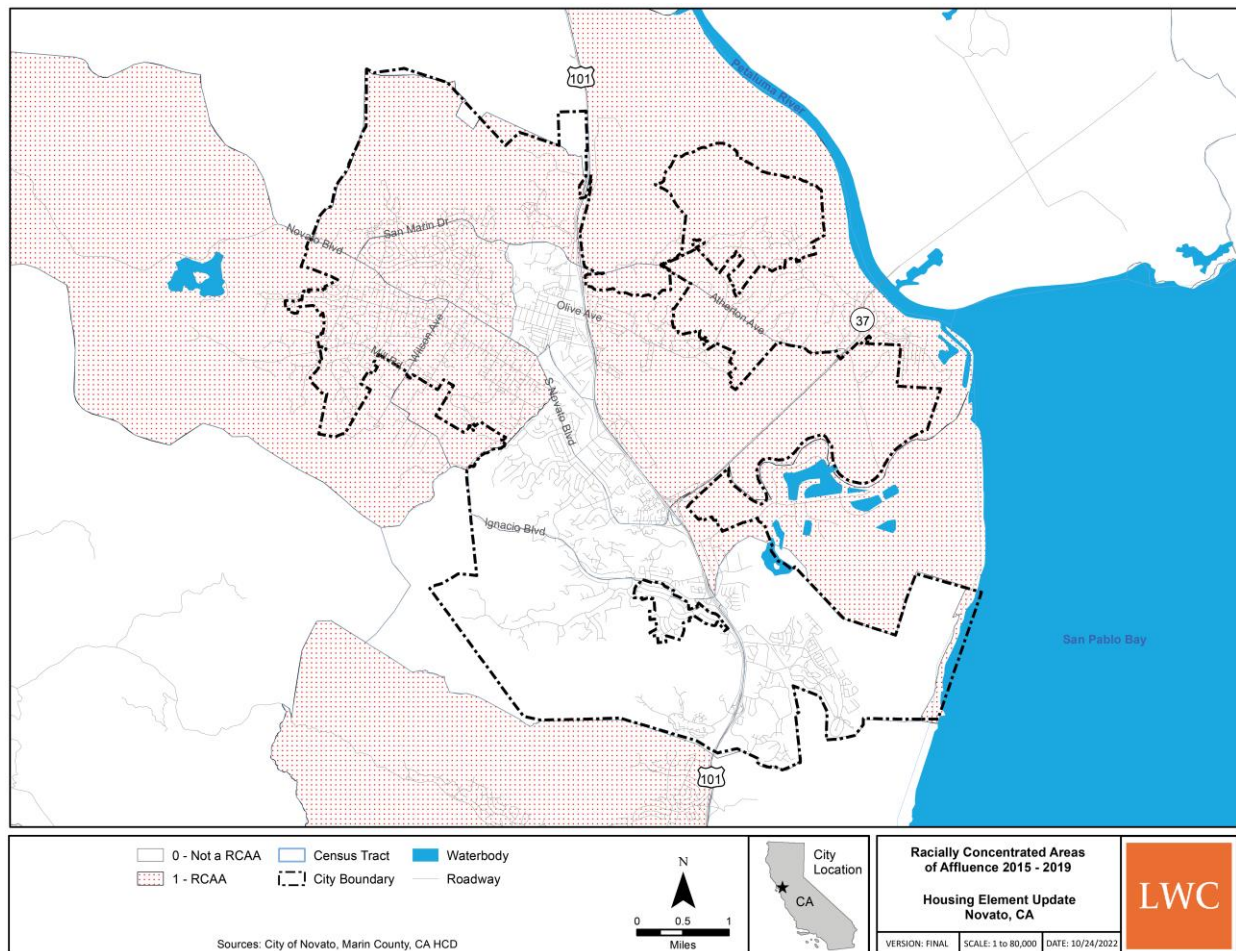


the observation that Novato's non-white residents are concentrated in block groups adjacent to Highway 101 (Figure F-4) and that northern/shoreline tracts are home to predominantly higher-income households (Figure F-40, 12). This observation from Figure F-4 corresponds to the history of residential growth by non-white residents to the Bay Area as discussed in Section F.2.1 (History of Fair Housing Issues). As discussed in Section F.2.1, the construction of Highway 101 in 1974 and mobility of non-white residents saw population growth in Novato and across the Bay Area. While Novato and the Bay Area overall has a low percentage of non-white residents, the period of the late 1970's and early 1980's of population growth provided concentrated housing opportunities around Highway 101. The legacy of economic, education, and environmental factors contribute to segregation patterns and practices and causes disproportionate impacts across non-white populations to receive opportunities for mobility in Novato and the Bay Area.

RCAAs are not only correlated to fair housing factors such as race and highest resource areas (based on economic, educational, and environmental factors) such as in the case of Novato (see Section F.2.5 below), but RCAAs often exist given a lack of zoning for multi-family housing and a lack of publicly assisted housing. The City's current efforts in this Housing Element to adopt intentional housing mobility strategies (i.e., to remove barriers to housing and strategically enhance housing access at all income levels), as well as to actively provide a diversity of new housing choices and affordability (i.e., to promote housing supply diversity, more choices for owners and renters, and improve affordability for people who live and work in and near Novato) include several programs targeting housing for lower- and moderate-income households such as:

- Program 2.B: Maintain long-term housing affordability controls
- Program 2.C: Maintain and develop local sources of funding for affordable housing
- Program 2.D: Seek outside funding for affordable housing that leverages local resources
- Program 5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units
- Program 5.K: Continue to assist in the rehabilitation and production of housing for lower-income households

Figure F-4315: Racially Concentrated Areas of Affluence (RCAA) by Tract (2019)



### Patterns and Trends – RCAAs

As discussed above, the findings that the seven Census tracts in Novato are considered RCAAs as of 2019 align with the observations discussed in Sections F.2.3 and F.2.4. These Census tracts are found at both the Census tract and block group levels to be home to a higher percentage of non-white residents and high-income household. In Section F.2.5, economic, educational, and environmental factors, and proximity to jobs will be discussed to further demonstrate implications of segregation found present in Novato.

### F.2.5 Access to Opportunity

One important component of fair housing is a neighborhood's access to opportunity, which correlates relative place-based characteristics of an area, such as education, employment, safety, and the environment, with critical life outcomes, such as health, wealth, and life expectancy. Ensuring access to opportunity means both investing in existing low-income and underserved communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

In February 2017, the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task Force to provide research and evidence-based policy recommendations to further HCD's fair housing goals of (1) avoiding further segregation and concentration of poverty, and (2) encouraging access to opportunity through land use policy and affordable housing, program design, and implementation. HCD and TCAC prepared opportunity maps to identify Census tracts with the highest and lowest concentration of resources.

High resource areas are areas with high index scores for a variety of opportunity indicators, including high employment rates, low poverty rates, proximity to jobs, high educational proficiency, and limited exposure to environmental health hazards. High resources tracts are areas that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health. Census tracts in the City that are categorized as moderate resource areas have access to many of the same resources as the high resource areas, but may have fewer job opportunities, lower performing schools, lower median home values, or other factors that lower their index scores across the various economic, educational, and environmental indicators. Low resources areas are characterized as having fewer opportunities ~~to~~<sup>for</sup> employment and education, or a lower index for other economic, environmental, and educational indicators. These areas have greater quality of life needs and should be prioritized for future investment to improve opportunities for current and future residents.

The opportunity maps inform TCAC, which oversees the Low-Income Housing Tax Credit (LIHTC) Program, to distribute funding more equitably for affordable housing in areas with the highest opportunity. The analysis evaluates total access to opportunity (e.g., high, moderate, low), but also individually assesses opportunity access across more specific indicators, such as education, transportation, economic development, and environment.

### **TCAC Opportunity Areas – Composite Score**

The 2022 TCAC Opportunity Areas Composite Score provides an aggregate index of three domains: economic, education, and environmental. Census tracts with higher composite scores indicate higher resource areas overall. As shown in Figure F-~~14~~<sup>16</sup>, nearly all tracts in Novato are considered Moderate Resource, with the exception of three High Resources tracts in the northwest. Outside the City, (in unincorporated Marin County), one adjacent northern tract is categorized as displaying high segregation and poverty, while another to the south is categorized as being exceptionally Highest Resource.

Figure F-4416: TCAC Opportunity Areas – Composite Score by Tract (2022)

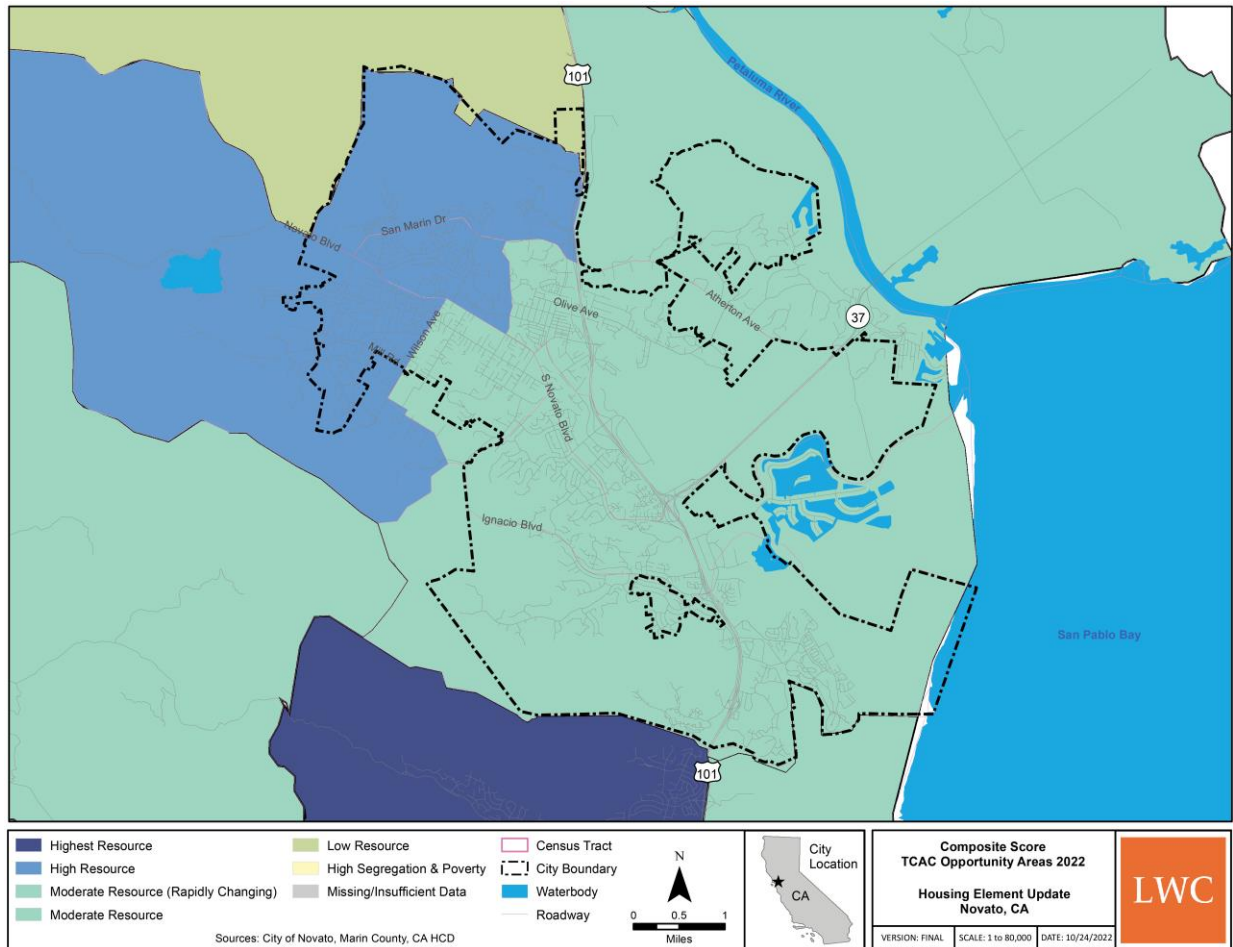
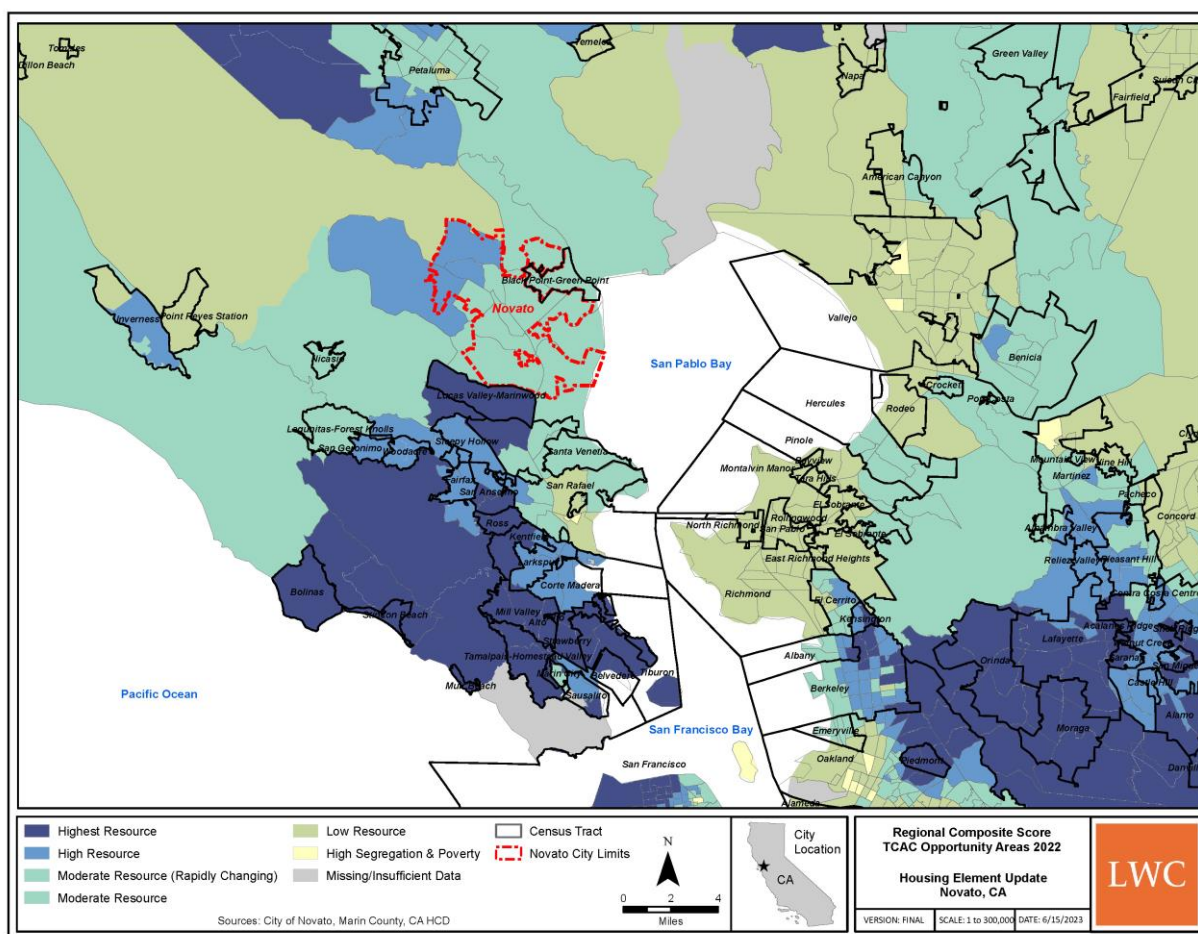


Figure F-17 displays the TCAC Composite Scores for Novato and the wider North Bay region. As noted previously when discussing income, the City of Novato is unique in that it is more affluent than many other Bay Area communities, but less so than other communities within Marin County. In terms of TCAC Composite Scores, Novato's predominantly Moderate Resource tracts indicate a greater similarity with nearby rural unincorporated Marin/Sonoma County or (across the Bay) with Benicia. By contrast, most Census tracts in southern Marin County are classified as High or Highest Resource.



**Figure F-17: Regional TCAC Opportunity Areas – Composite Score by Tract (2022)**



## Patterns and Trends – TCAC Opportunity Areas

The three High Resource Census tracts correlate with having somewhat lower percentages of non-white households by block groups as of 2018 (Figure F-4). Additionally, the three High Resource Census tracts do not include the Census tract with the lowest TCAC Economic Score (Figure F-18). This indicates that even though Novato is generally a higher resource community, non-white and lower-income households are less likely to be located in the higher resource Census tracts, potentially limiting access to economic, educational, and environmental resources which may alleviate disparities across populations.

## Economic Score

The 2022 TCAC Opportunity Areas Economic Score for a Census tract is based on poverty, adult education, employment, job proximity, and median home value indicators. The score is broken up by quartiles, with the highest quartile indicating more positive economic outcomes and the lowest score indicating least positive outcomes. As shown in Figure F-4518, the majority of the City's

Census tracts have a lower economic score in the 0.25 to 0.50 range, with the tract encompassing Downtown having the lowest score and one northern hillside tract having the highest.

Economic scores in nearby unincorporated Marin County are generally similar to Novato. Economic scores generally decrease in the eastern area and increase or remain the same in the north and west areas. The Census tracts that have the lower economic score in the 0.25 to 0.50 range also score in the mid-range for the Jobs Proximity Index compared to the rest of the City (see Figure F-24).

**Figure F-1518: TCAC Opportunity Areas – Economic Score by Tract (2022)**

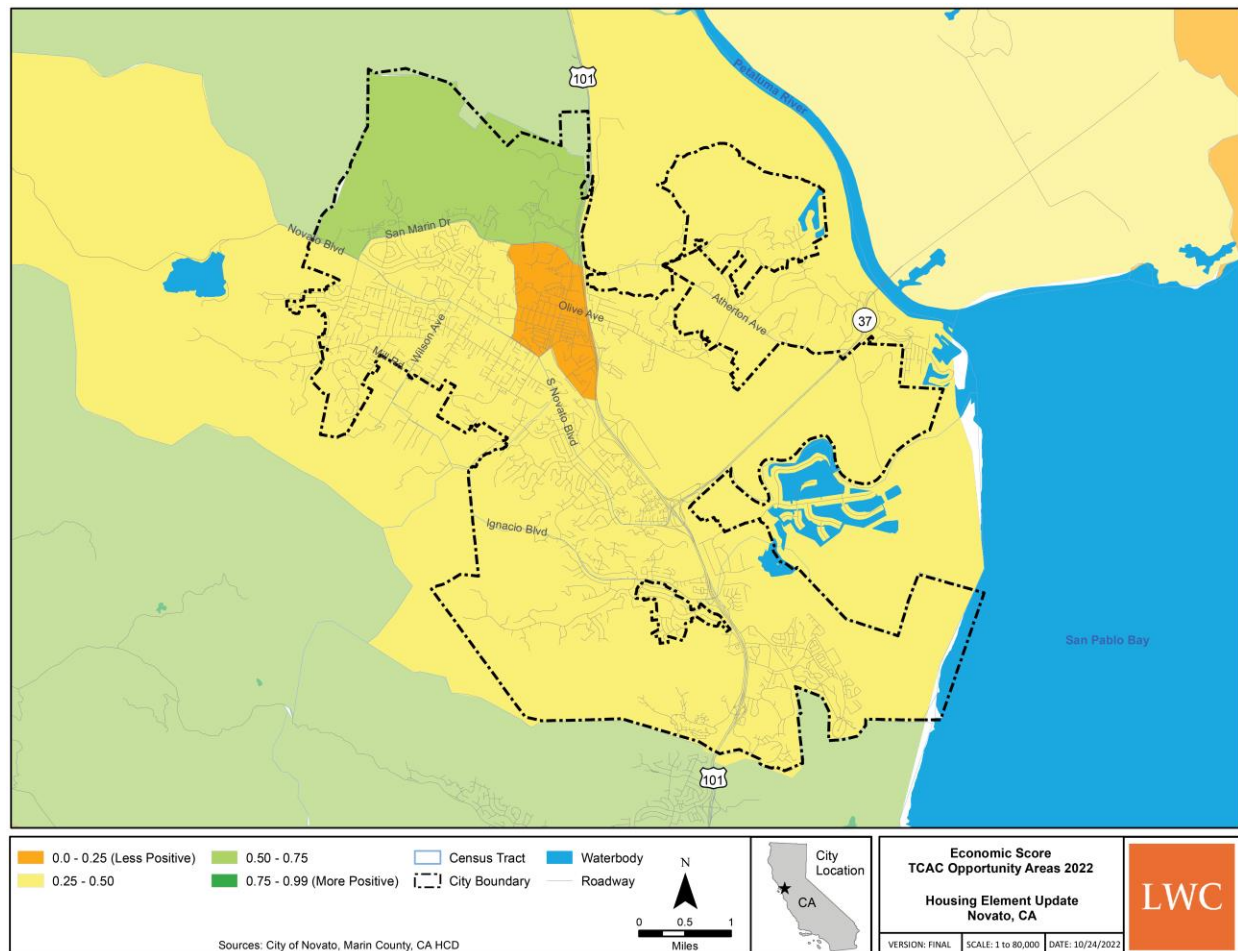
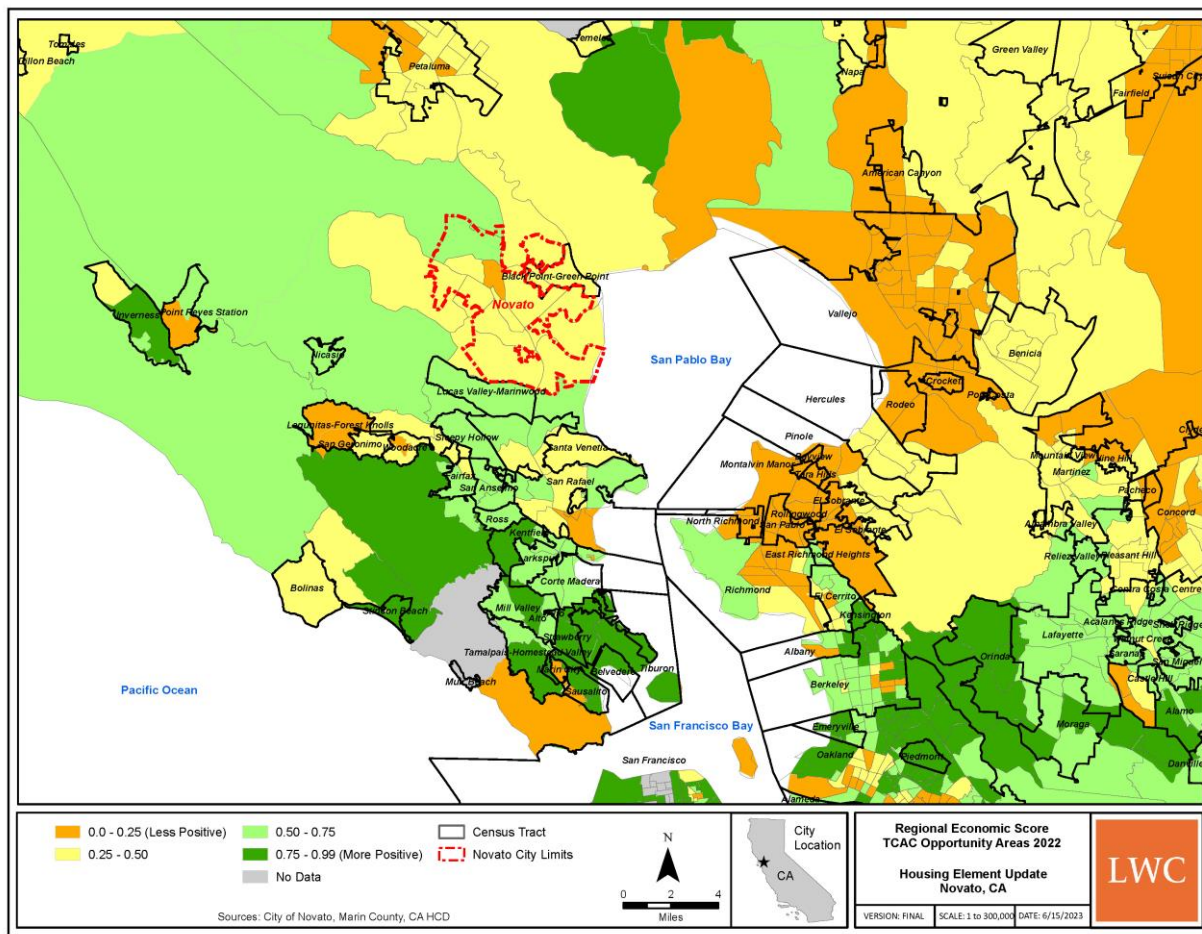


Figure F-19 displays the TCAC Economic Scores for Novato and the wider North Bay region. At this scale, Novato again contrasts with southern Marin County communities and cities like Vallejo east across San Pablo Bay. One visible pattern is Novato’s similarity to Petaluma and San Rafael; all three cities have multiple “core” Census tracts classified in the 0.25 to 0.50 range and distinct neighborhoods where economic outcomes are less positive (0.0 to 0.25). Elsewhere in Marin County, Economic Scores of 0.50 or above are more common.

**Figure F-19: Regional TCAC Opportunity Areas – Economic Score by Tract (2022)**



## Patterns and Trends – Economic Score

The Census tract in Downtown with the lowest Economic Score correlates to the block groups with the highest percentage of non-white households in Novato (Figure F-14). This indicates further evidence that non-white households in Novato are more likely to be lower-income households.

## Education Score

The 2022 TCAC Opportunity Areas Education Score for a Census tract is based on math and reading proficiency, high school graduation rate, and student poverty rate indicators. The score is broken up by quartiles, with the highest quartile indicating more positive education outcomes and the lowest quartile signifying fewer positive outcomes. ~~As shown in Figure F-16, five of Novato's Census tracts have education scores between 0.50 and 0.75, with all other tracts in the 0.25 to 0.50 range.~~ The Novato Unified School District's enrollment zone encompasses the entirety of the City, including a portion of the unincorporated areas immediately to the City's north



and west. As shown in Figure F-20, five of Novato's Census tracts have education scores between 0.50 and 0.75, with all other tracts in the 0.25 to 0.50 range.

**Figure F-4620: TCAC Opportunity Areas – Education Score by Tract (2022)**

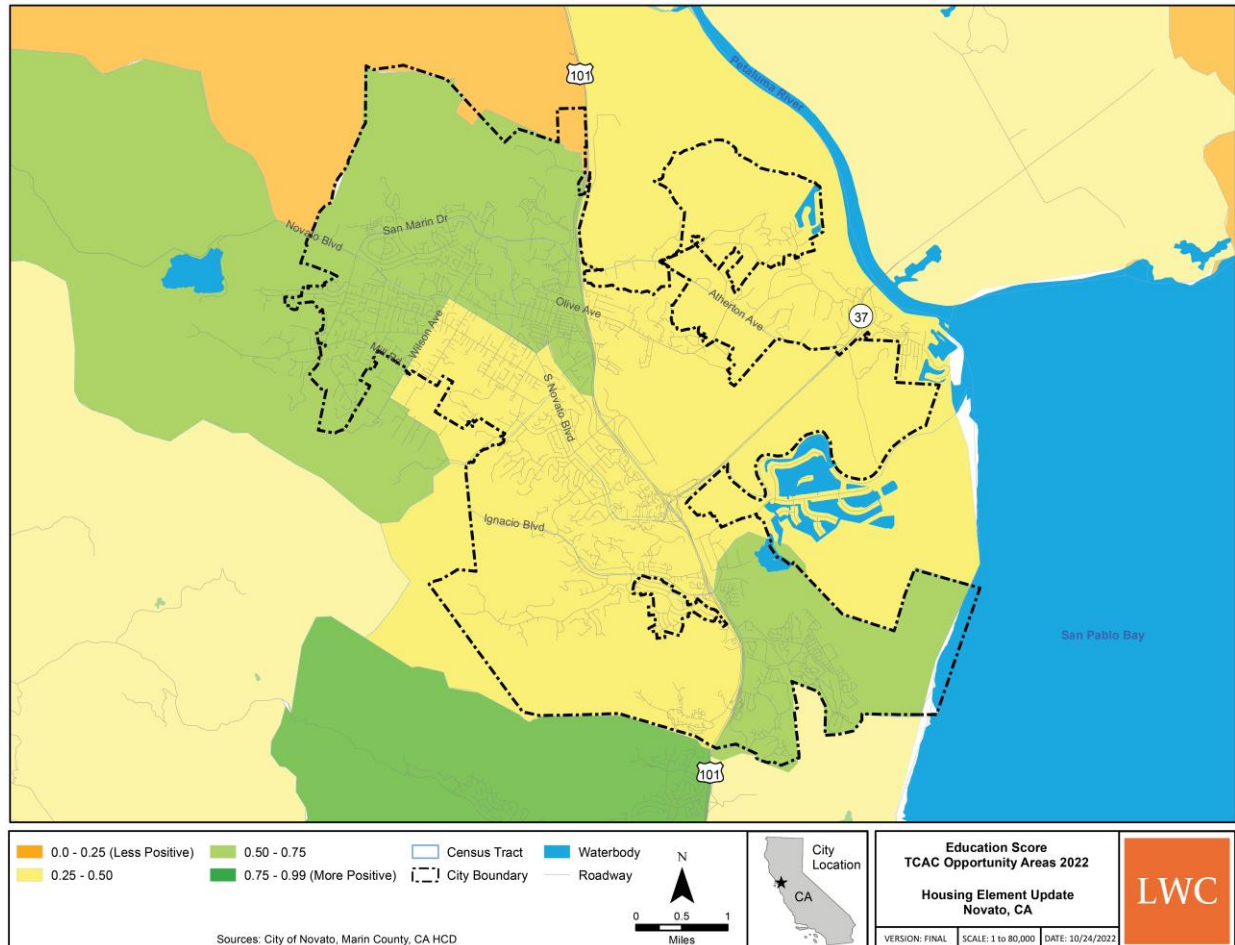
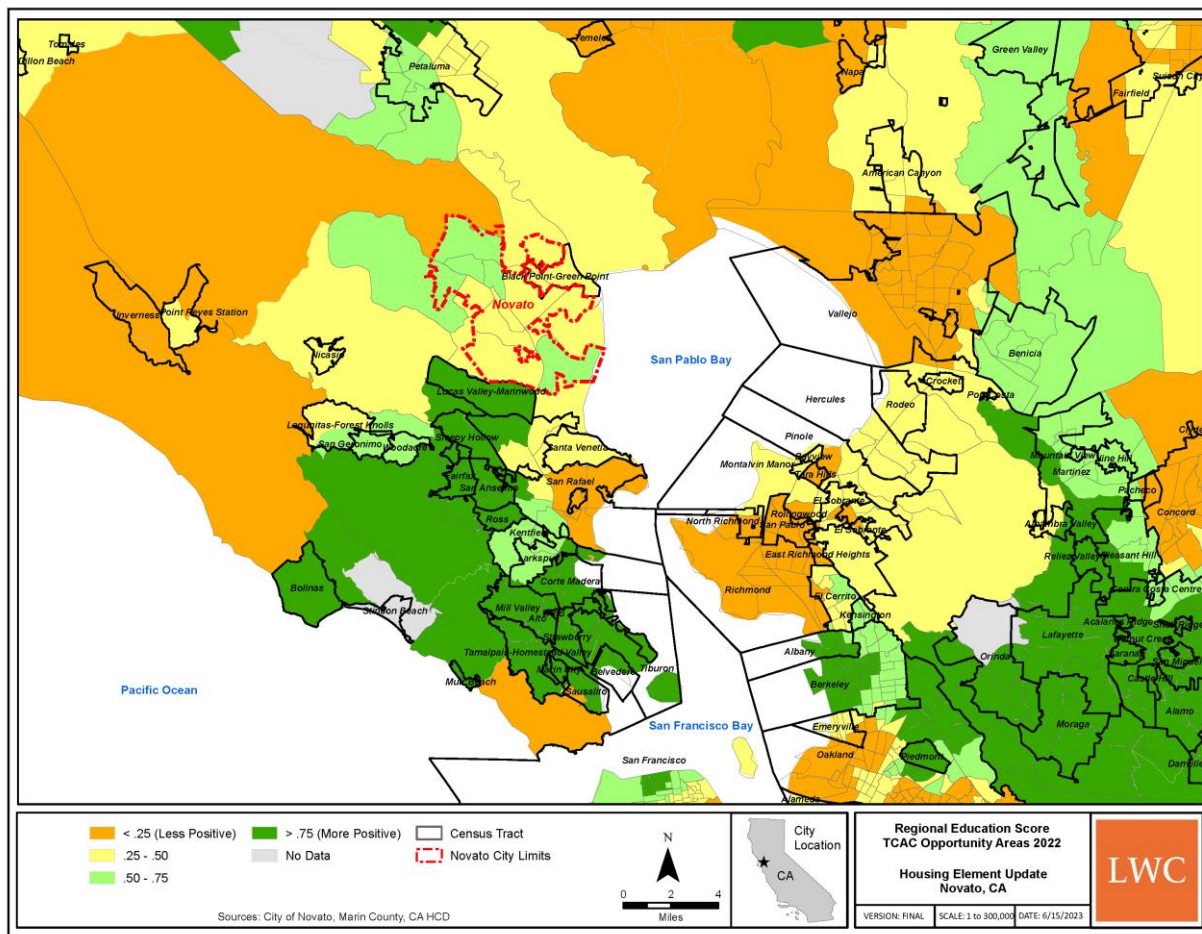


Figure F-21 displays the TCAC Education Scores for Novato and the wider North Bay region. At this scale, Novato appears most similar to Petaluma, with a mix of tracts with Education Scores ranging from 0.25 to 0.75. Education outcomes are, like economic outcomes, more positive farther south in Marin County, with the exception of portions of San Rafael.

**Figure F-21: Regional TCAC Opportunity Areas – Education Score by Tract (2022)**



## Patterns and Trends – Education Score

As shown in Figure F-20 above, the northern Census tracts correlate with the High Resource TCAC Opportunity Area Composite Score (Figure F-16) and the Census tracts with the entirety of both the highest and lowest Economic Score (Figure F-18) in Novato. The northern Census tracts scoring in Novato’s highest Education Score (Figure F-20) indicate the educational system serving these Census tracts provides resources lower-income households may not otherwise receive in the City. All other Census tracts in Novato attain the Education Score of 0.25 to 0.50 (Figure F-20). Consequently, all other Census tracts would benefit from better-serving education institutions and increased resources for students.

## Environmental Score

The environmental score for a Census tract is based on indicators used in the California Office of Environmental Health Hazard Assessment (OEHHA)’s CalEnviroScreen 4.0 tool. These indicators include the “exposures” and “environmental effect” subcomponents of the tool’s “pollution burden” domain. To mirror the CalEnviroScreen 4.0 approach to calculating pollution

burden scores, the exposure indicators are weighed twice as heavily as the environmental effects burden indicators because they are considered to have more of an impact on pollution burden. Examples of exposure indicators include ozone concentrations, traffic density, and drinking water contaminants. Examples of environmental effects indicators include groundwater threats and cleanup sites. The environmental score ranges from 0.0 to 1.0, where a higher score indicates more positive environmental outcomes.

As shown in Figure F-1722, the Census tract on the City's southeast (encompassing the redeveloped Hamilton Airforce Base) has the lowest environmental score in the 0.0 to 0.25 range, indicating poor environmental conditions for residents. Investigating CalEnviroScreen 4.0's [Indicator Maps](#) directly reveals the tract's low score is predominantly attributed to its legacy as a military base (including sites of ongoing environmental remediation and potential groundwater threats from underground storage tanks) and biotechnology companies in the Novato Industrial Park being classified as hazardous waste generators. Though this pollution burden should not be dismissed, the former Hamilton Airforce Base has been safely redeveloped as a residential neighborhood in recent decades and does not represent an acutely environmentally-burdened community.

All other Census tracts in Novato have TCAC environmental scores between 0.25 and 1.0. Contributors to lower scores include other "pollution burden" indicators, such as adjacency to Highway 101 (diesel particulate matter), concentrations of older homes Downtown (lead exposure), proximity to agriculture on the City's southwestern border (pesticide use), and proximity to environmentally hazardous sites (as in the tract discussed above). Compared to the surrounding Marin County area, Novato has a higher environmental score concentrated around Highway 101 and in the central area of the City. The environmental score generally decreases from this area, though remains higher in the southeast area by the San Pablo Bay.

Figure F-4722: TCAC Opportunity Areas – Environmental Score by Tract (2022)

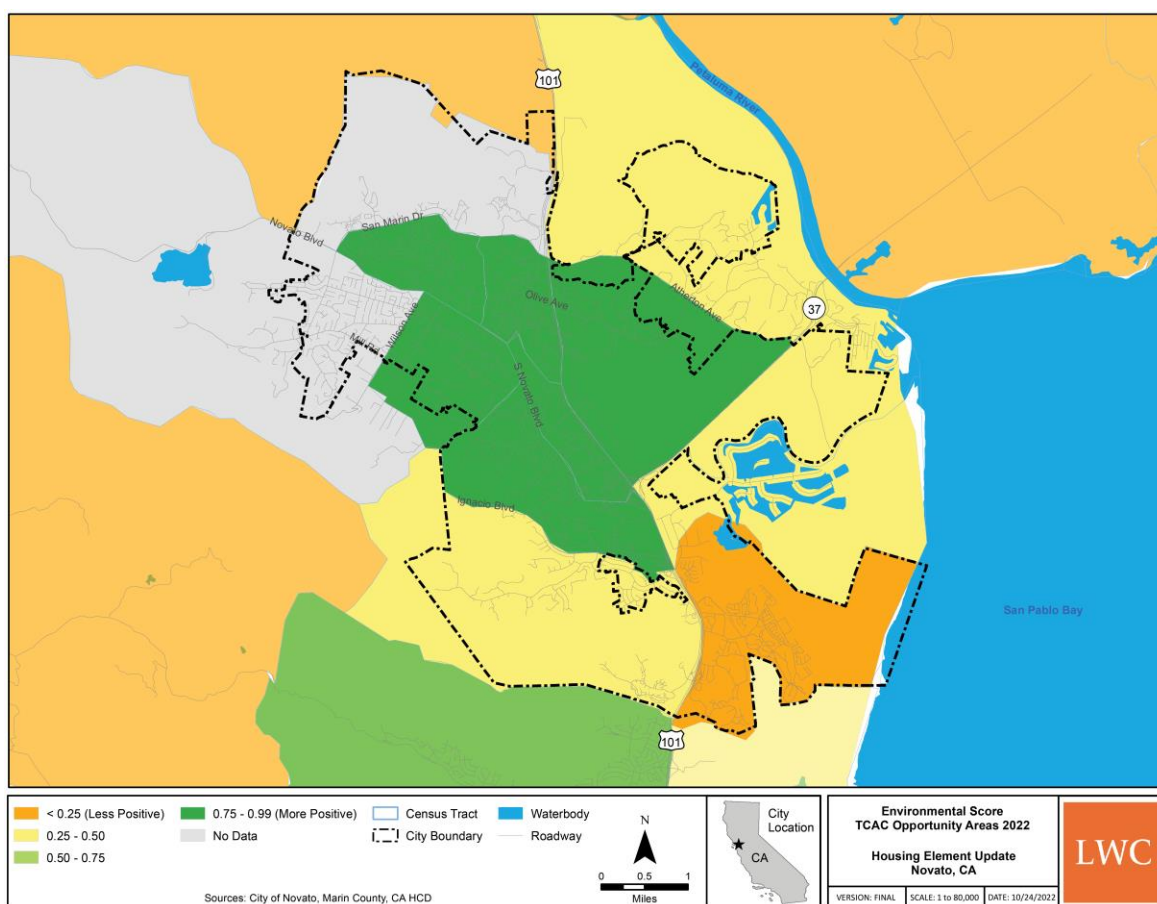
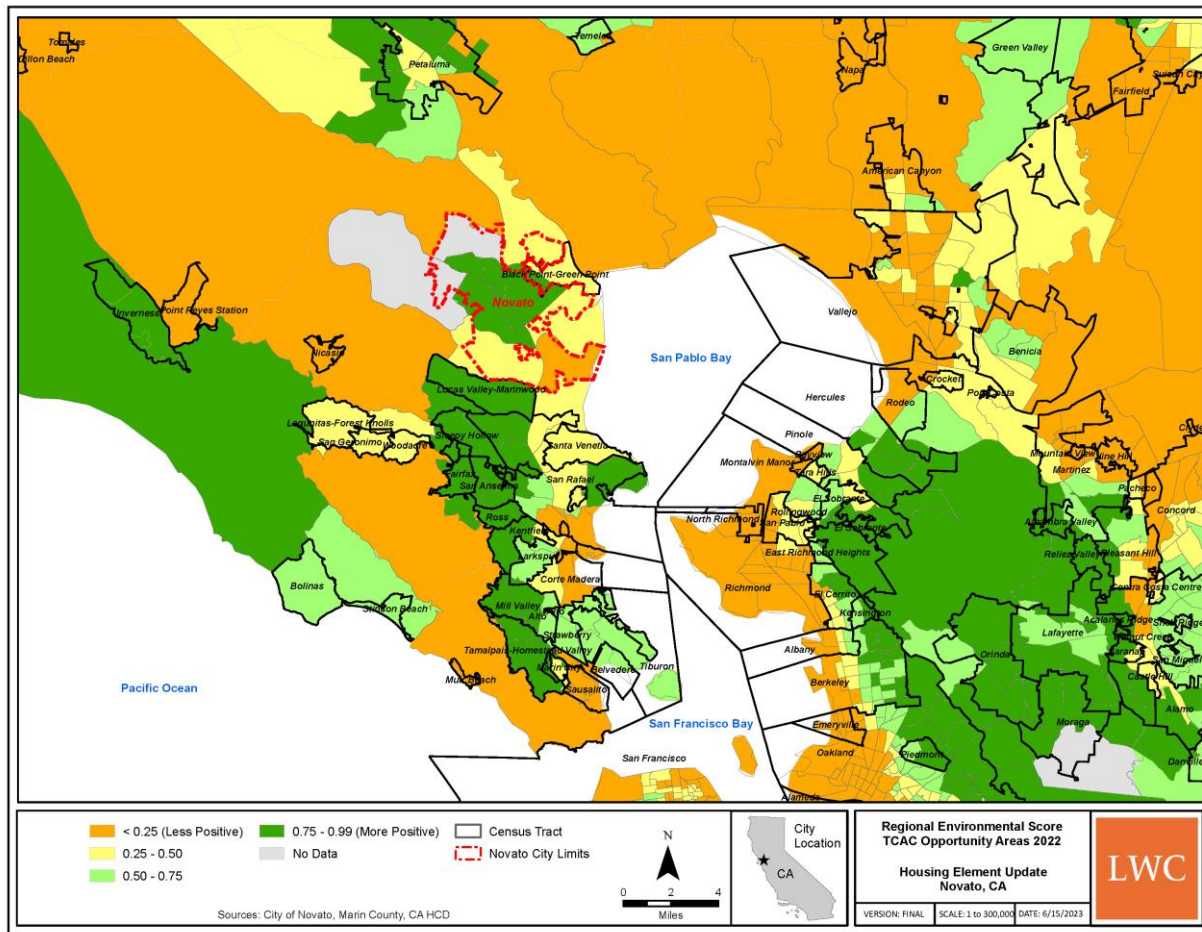


Figure-23 displays the TCAC Environmental Scores for Novato and the wider North Bay region. Lower Environmental Scores observed on Novato's eastern side appear to be part of a pattern for many Bayshore tracts in both southern Marin County (e.g., San Rafael, Corte Madera) and along the northern and eastern edge of San Pablo Bay. Unlike other TCAC indicators, central Novato has more in common with fellow Marin County communities to its south with Environmental Scores in the highest range (0.75 to 0.99).



**Figure F-23: Regional TCAC Opportunity Areas – Environmental Score by Tract (2022)**



### **Patterns and Trends – Environmental Score**

As shown in Figure F-22 above, the southeastern Census tract correlates with the lowest environmental score of less than 0.25 in Novato. The northeastern, central eastern, and southwestern Census tracts score in the middle to lowest category with an environmental score of 0.25 to 0.50, while the centermost Census tracts have the highest possible environmental score of 0.75 to 0.99.

As discussed above, the southeastern Census tract with the 0.25 or lower score encompasses the site of the redeveloped Hamilton Airforce Base, which has had sufficient environmental remediation programs. However, the southeastern Census tract with the lowest environmental score has a moderately high percentage of non-white residents (Figure F-4) and a moderate percentage of low- to moderate-income residents as of 2015 who may also experience higher rates of overpayment (Figures F-13 and F-27). There are no clear patterns or trends of fair housing issues currently identified in the southeastern Census tract given the environmental remediation activities in the area.

Regionally, Novato follows a pattern present across Marin County in which more inland communities and Census tracts are calculated at higher TCAC Environmental Score levels than those closer to the Bay. However, this does not clearly track with median household income (Figure F-10) or RCAA status (Figure F-15), possibly due to the value and desirability of waterfront homes.

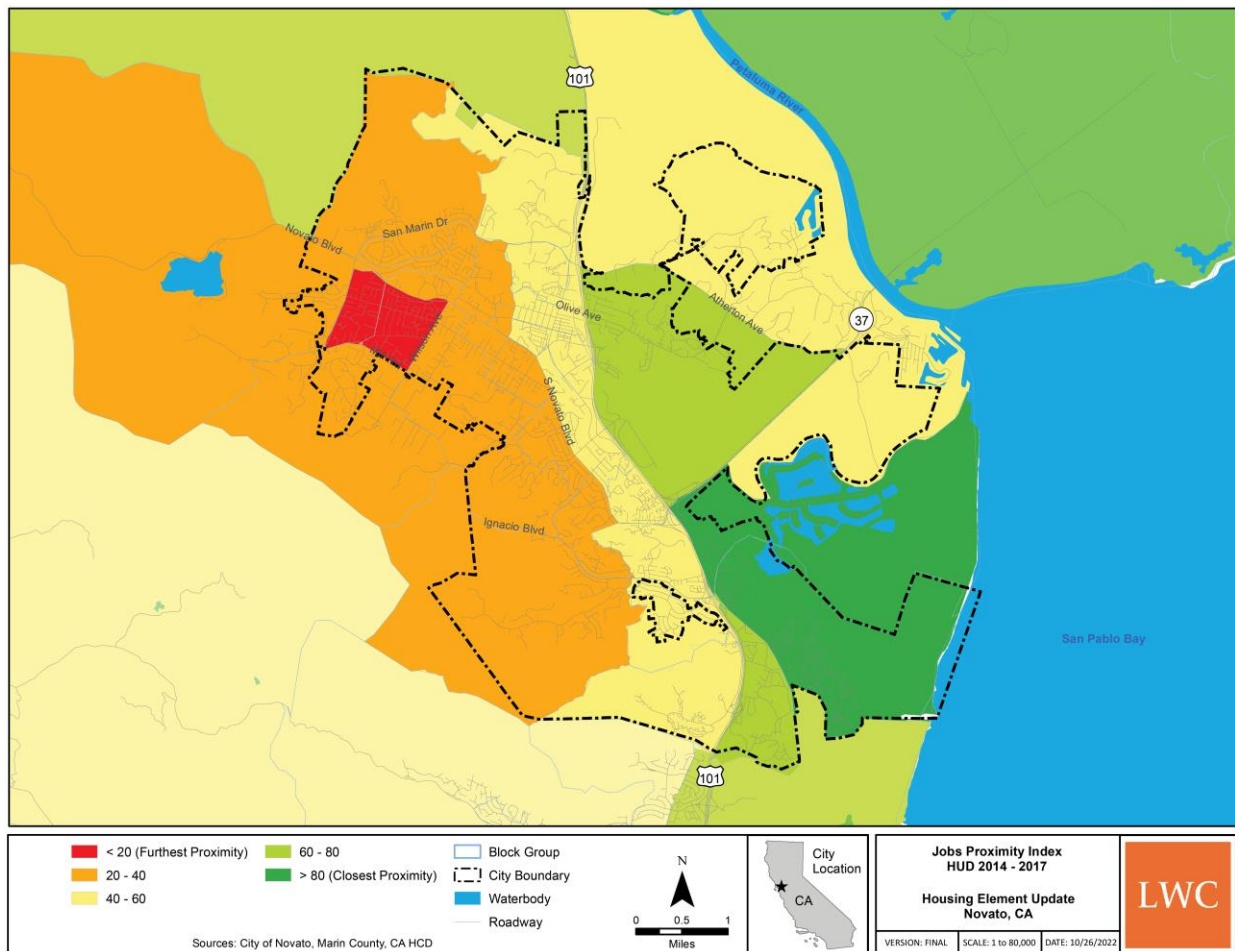
### **Jobs Proximity Index**

HUD's Jobs Proximity Index quantifies the accessibility of a given residential neighborhood (at the block group level) to all job locations in its region, with larger employment centers weighted more heavily. This index can be used as a proxy to indicate relative transportation needs in a community. The score ranges from 0 to 100, with higher scores representing closer proximity to job centers.

As shown in Figure F-~~48~~24, Novato neighborhoods on the east side of Highway 101 have the highest scores (in the 60 to 80+ range), likely due to their proximity to large auto-oriented commercial developments, biotech/pharmaceutical firms, and institutional employers. Scores are consistently lower the farther block groups are from these employment centers, with predominantly residential neighborhoods on the City's east side having the lowest scores in the 0 to 20 range.

According to 2019 ACS data, approximately 18.6 percent of residents are both employed and live in Novato. The onset of the Covid-19 pandemic may have increased this percentage based on remote work capabilities. For further analysis, see Appendix A, Section A.2.4 (Employment).

Figure F-4824: Jobs Proximity Index (2017)

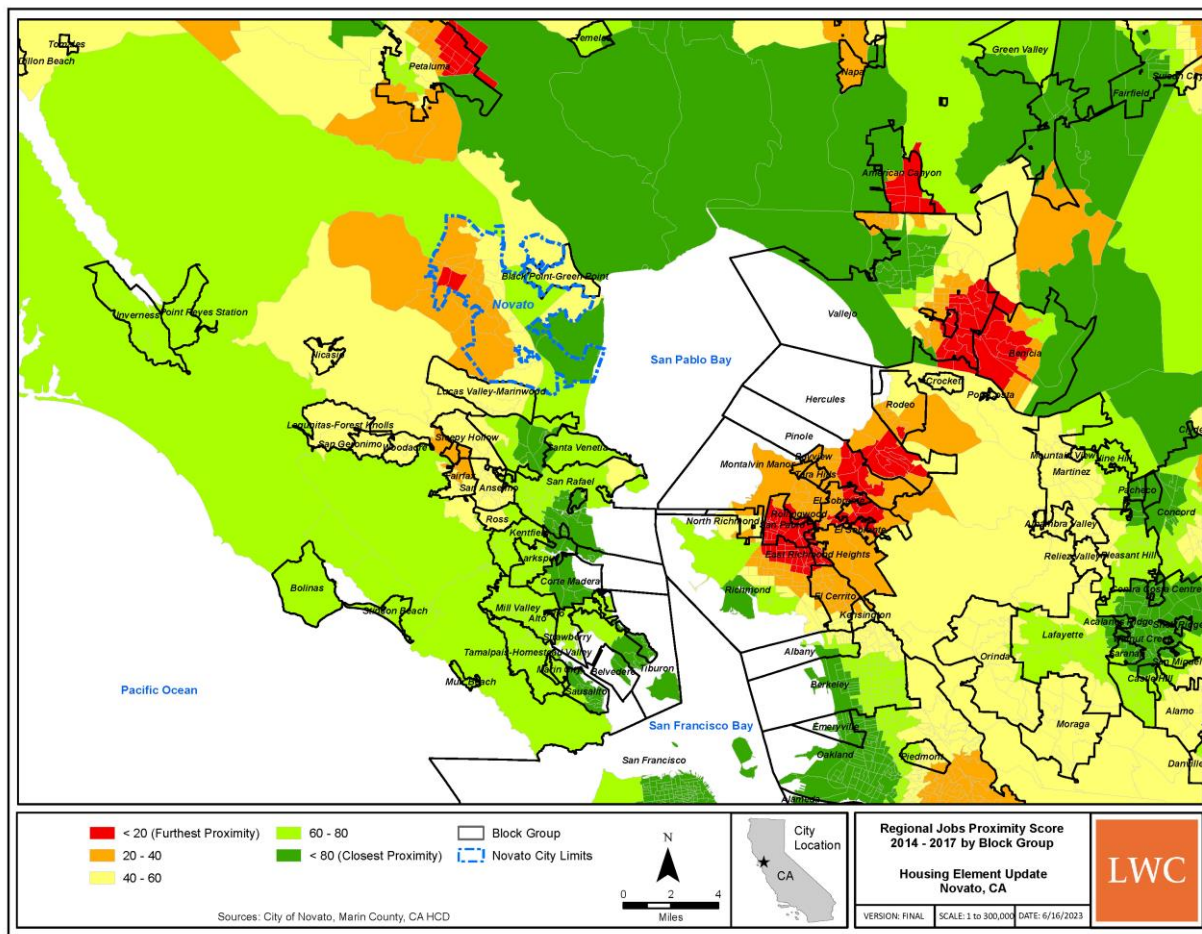


The land use pattern of downtowns and commercial centers clustering along the north-south Highway 101 corridor is common throughout Marin County, with lower-density neighborhoods extending westward into the foothills of Mount Tamalpais and the wider Coastal Ranges. In many cases, this greater distance from activity centers is the appeal of many suburban Marin County neighborhoods, but as noted elsewhere in this Appendix, the region's overall land use pattern is in a state of change as communities address fair housing concerns, climate change, etc.

However, a regional view of the Jobs Proximity Index (Figure F-25) does not indicate this land use pattern impacts other portions of Marin County as acutely as it does western Novato. Lower scores in 0 to 40 range are not as common elsewhere in Marin County, even in communities with similarly suburban land use patterns. Comparatively, these scores are more similar to portions of Petaluma or communities on the eastern side of San Pablo Bay.



**Figure F-25: Regional Jobs Proximity Index (2017)**



### **Patterns and Trends – Jobs Proximity Index**

No clear patterns and trends of HUD's Jobs Proximity Index are identified in Novato or in the surrounding area in relation to other analyses in this Appendix.

### **Disparities in Access to Opportunity for Persons with Disabilities**

People with disabilities often experience challenges with accessibility, discrimination, and housing choice that make it difficult to find suitable housing to meet their needs. According to the Needs Assessment (Appendix A, Figure A-24), the most common types of disabilities in Novato in 2019 were ambulatory disabilities, followed by independent living and cognitive disabilities.

The California Department of Developmental Services (DDS) currently provides community-based services to approximately 350,000 persons with developmental disabilities and their families through a statewide system of regional centers, developmental centers, and community-based facilities. The Golden Gate Regional Center serves individuals and families in Marin, San Francisco, and San Mateo counties. DDS provides data on developmental disabilities by age and type of residence. According to DDS and as shown in the Needs Assessment (Appendix A, Table

A-8), there are about 460 residents with a development disability in Novato, with most of them (228) able to live in a home with their parent or guardian.

There are a variety of housing types appropriate for people with disabilities, such as licensed and unlicensed single-family homes, group homes, and transitional and supportive housing. The design of housing-accessibility modifications, proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group. The Housing Constraints Appendix (Appendix C) discusses how the City permits various housing types, including the allowance for reasonable accommodations.

Additionally, the Marin County Health and Human Services agency operates the In-Home Supportive Services (IHSS) program for low-income seniors or people with disabilities. This program provides support for individuals such as meal preparation, laundry, house cleaning, and personal care to enable them to live at home.

### **Patterns and Trends – Disparities in Access to Opportunity for Persons with Disabilities**

As shown in Figure F-6, the population of Novato residents with a disability is distributed in the central Census tracts of the City. When considering HUD's Job Proximity Index (Figure F-24), Novato residents living in the westernmost and central Census tracts are located in areas further away from job centers. This indicates for those Novato residents with a disability either working or seeking a job, there can be a disparity in access to opportunity for job access compared to other residents.

### **Disparities in Access to Transportation Opportunities**

The HUD Low Transportation Cost Index is based on estimates of transportation costs for a family that meets the following description: a three-person single-parent family with income at 50 percent of the median income for renters for the region. These estimates originate from the Location Affordability Index (LAI). Transportation costs are modeled for Census tracts as a ~~percent~~percentage of income for renters in these households. Index values are inverted, and percentile ranked nationally, with values ranging from 0 to 100. Higher index values indicate lower transportation costs in that neighborhood. Transportation costs may be low within a tract for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in that area.

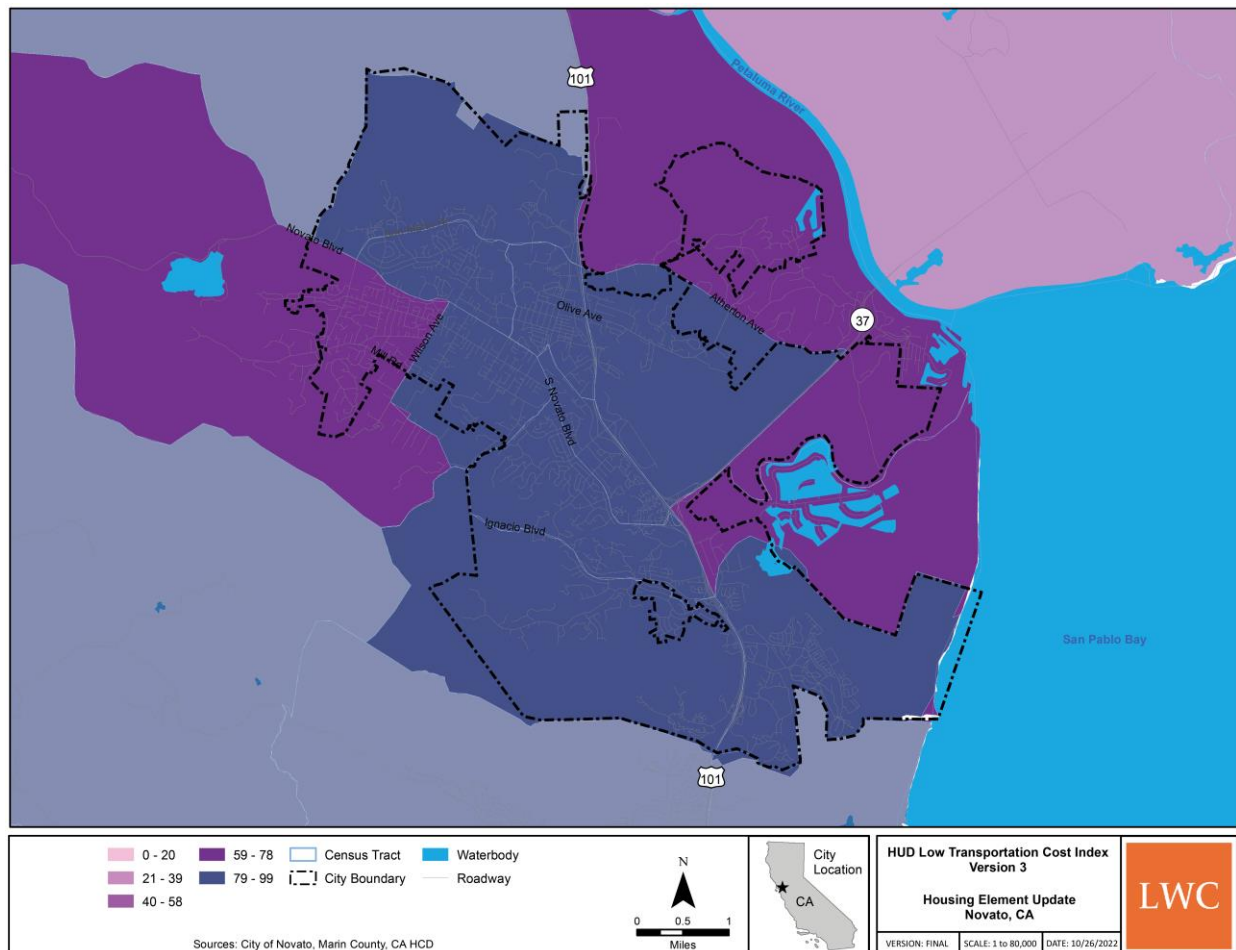
Figure F-~~49~~26 displays the Transportation Cost Index ranges in Novato. The index values are in the 59 to 99 range for all Census tracts, indicating that Novato has lower transportation costs than the national average. Residents have access to a variety of transportation options, including 33 miles of bike paths connecting the community internally and to surrounding jurisdictions. The City participates in Marin County's Safe Routes to Schools program and has 11 public and private schools participating. Marin Transit is the regional agency providing local transit service, with 134 bus stops located within the City. Novato is also served by three Sonoma-Marín Area Rail Transit (SMART) stations.

The transportation cost index values in the westernmost and easternmost areas of the City (59 to 78) are lower than the remaining parts of the more central area of the City (Figure F-26). Novato in the top Transportation Cost Index range for areas not considered RCAAs in the City and areas with the lowest economic scores, suggesting the City provides low transportation cost options for residents of different backgrounds and incomes (Figure F-15; Figure F-18).

### Patterns and Trends – Disparities in Access to Transportation Opportunities

No clear patterns and trends of disparities in access to transportation opportunities are identified in Novato or in the surrounding area. This conclusion is based on Figures F-13 and F-26, demonstrating that the top Transportation Cost Index range indicating fair transportation costs are in the same Census tracts of households earning low to moderate-incomes. Thus, it is concluded lower-income households in Novato generally have good access to low-cost transportation options.

Figure F-4926: HUD Low Transportation Cost Index by Tract



## F.2.6 Disproportionate Housing Needs

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### Overpayment

HUD defines overpayment, or “housing cost burden,” as households paying 30 percent or more of their gross income on housing expenses, including rent or mortgage payments and utilities. Housing cost burden is considered a housing need because households that overpay for housing costs may have difficulty affording other necessary expenses, such as childcare, transportation, and medical costs. Spending large portions of income on housing places low-income households at higher risk of displacement, eviction, and homelessness.

Renters are typically more likely to overpay for housing costs than homeowners. In Novato, 22 percent of households are cost-burdened, and 19 percent are severely cost-burdened, a total of 41 percent of total households experiencing some level of overpayment (See Appendix A, Figure A-45). These rates are only one percent higher compared to rates of overpayment in Marin County (18 and 21 percent, respectively), though several percent higher compared to the Bay Area as a whole (16 and 20 percent, respectively).

When evaluating overpayment by household tenure, 54 percent of renters are cost-burdened (26 percent) and severely cost-burdened (29 percent) compared to 35 percent of homeowners being cost-burdened (20 percent) and severely cost-burdened (15 percent) (See Appendix A, Figure A-46).

When evaluating overpayment among lower-income households in Novato, 30 percent of low-income households (earning 50-80% of AMI) are cost-burdened and 10 percent are severely cost-burdened (total of 40 percent), 28 percent of very-low income households (earning 30-50% of AMI) are cost-burdened and 38 percent are severely cost-burdened (total of 56 percent), and 16 percent of extremely-low income households (earning 0-30% of AMI) are cost-burdened and 58 percent are severely cost-burdened (total of 74 percent) (See Appendix A, Figure A-50). This indicates that as household income decreases in Novato, households are more likely to experience overpayment.

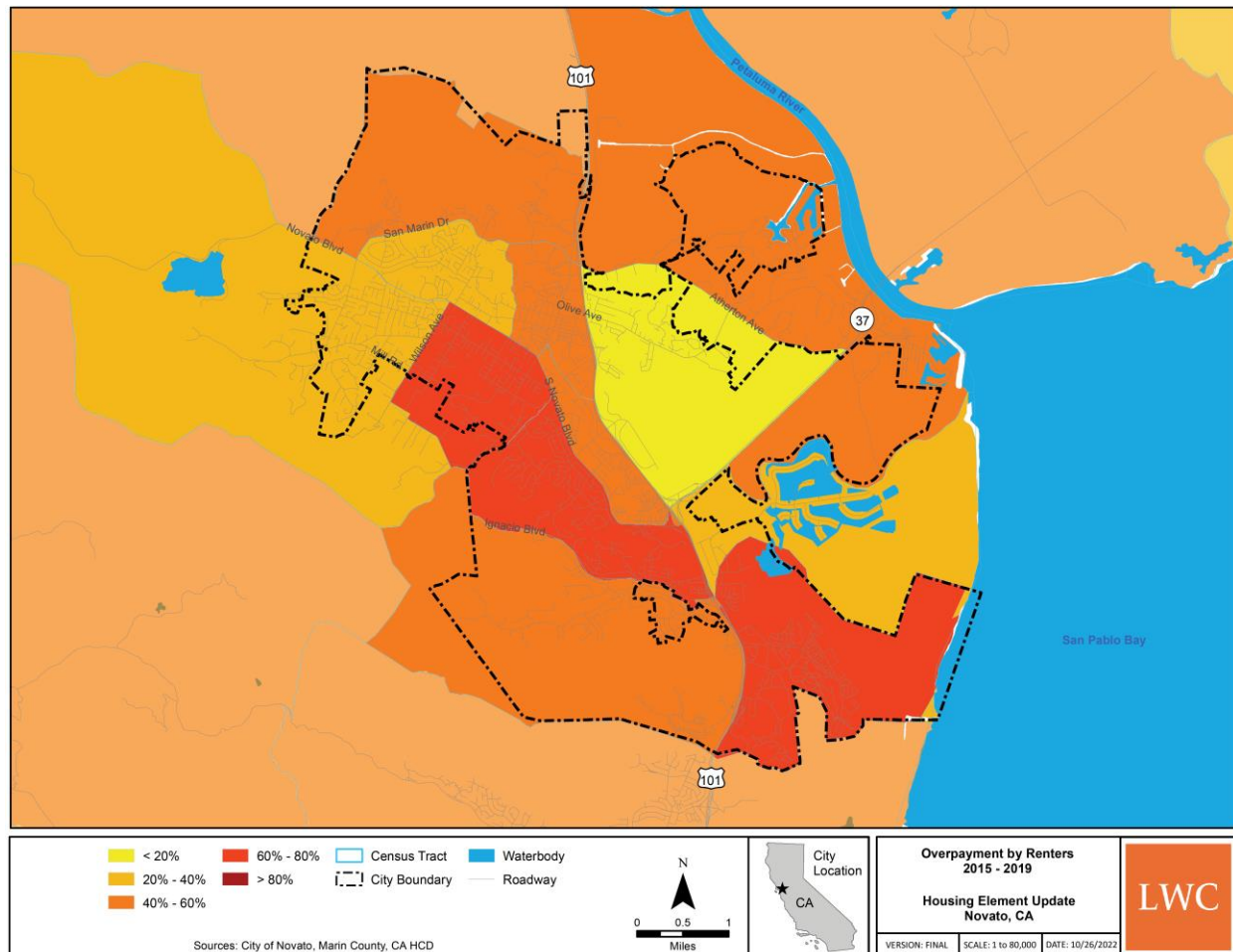
When evaluating overpayment by household size in Novato, 17 percent of larger families (5 or more persons) are cost-burdened compared to 21 percent of all other household types, and 20 percent of households for both household size categories are severely cost-burdened (See Appendix A, Figure A-49). Some stakeholders shared during the community outreach process that rent increases are unsustainable for families already experiencing a housing cost-burden because they cannot address other essential needs, such as food insecurity. During the COVID-19 pandemic, some non-profit social service providers shared that they experienced an increase in program applicants who qualified as housing cost-burdened (Public Participation Summaries, Appendix E, Section E.2.2) The disproportionate experience of Novato residents experiencing overpayment for housing limits the ability for upward economic mobility for households. This data points to the need for more affordable housing units in Novato to meet the needs of lower-income households. As discussed above, renters are typically more likely to overpay for housing costs

than homeowners (see Appendix A, Figure A-43). While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. According to 2019 ACS data, the percentage of renter households experiencing a cost burden varies across the City (Figure F-2027), with the highest renter overpayment percentage is between 60 to 80 percent in the central western and southeastern ~~areas~~ Census tracts of the City. ~~The figures provided~~ Figure F-13 above provides the low-to moderate income population by Census tract for both renters and homeowners combined. As shown in Figure F-13, the highest concentration of low- to moderate-income households in the 50 to 75 percent of the population range do not live in the two Census tracts in Figure F-27 below showing overpayment by renter households. Overpayment in these two Census tracts do not indicate any obvious patterns. ~~The central western area provides a mix of residential and commercial uses and the southeastern area of the City is zoned as a planned development by renters in Novato.~~

The remaining higher rate of renters experiencing overpayment is found in Downtown Novato, in the central area of Highway 101 in the City, and in the northernmost, easternmost, and southwestern most Census tracts. Of these Census tracts, part of Downtown Novato has the highest non-white population in the City at the block group level, and part of the Census tract has a lower percentage of overpayment by renters at 20 to 40 percent of the population (Figure F-4). This data indicates that at least part of the geographic area of Novato is home to a higher percentage of non-white renters experiencing overpayment at higher rates than other areas of the City. The central western area provides a mix of residential and commercial uses, and the southeastern area of the City is zoned as a planned development.

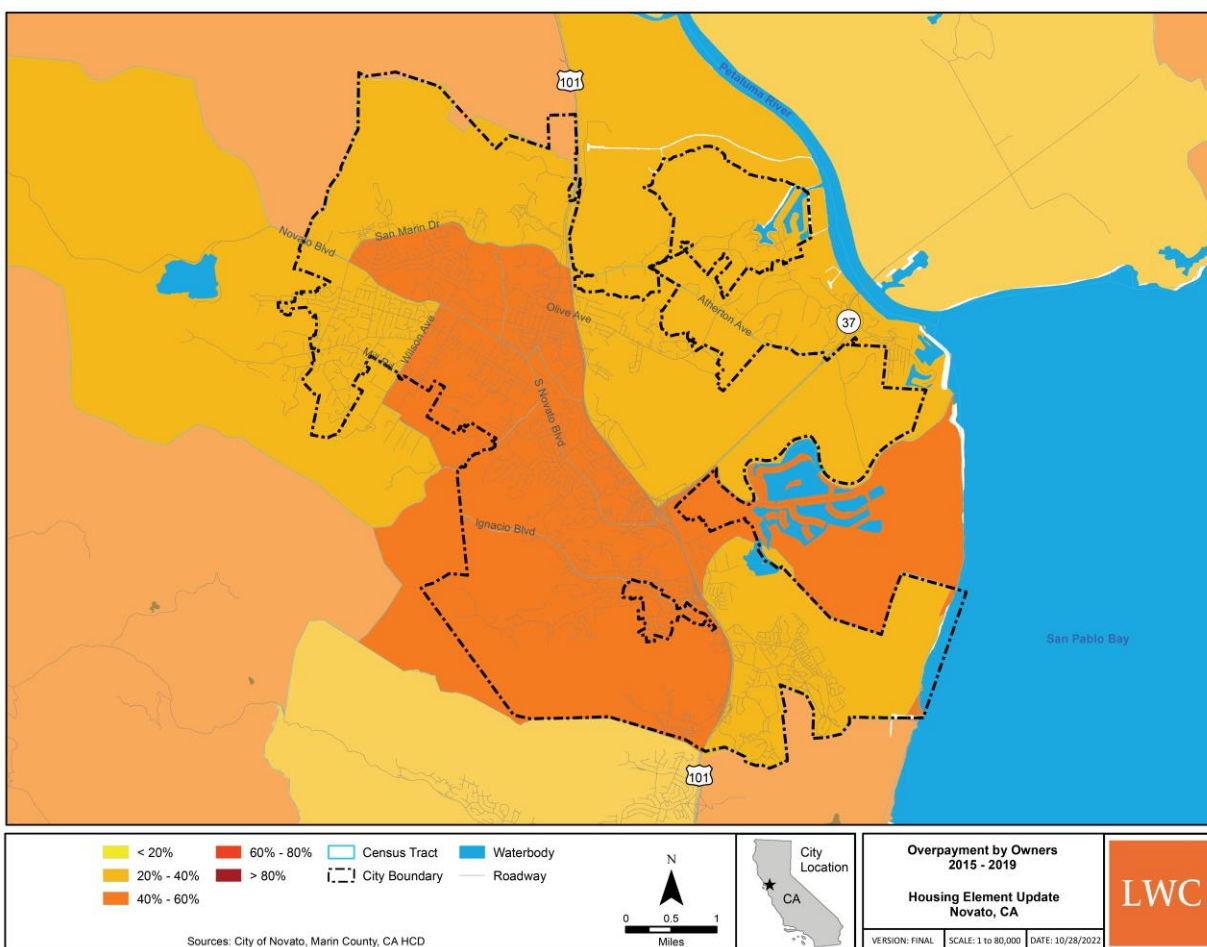


Figure F-2027: Overpayment by Renters by Tract (2019)



Homeowners generally In contrast to renter overpayment, homeowners experience a lower rate of cost burden than renters in Novato (See Appendix A, Figure A-43). Figure F-2428 shows the percentages of homeowners experiencing overpayment according to 2019 ACS data. Homeowners experiencing a cost burden range from approximately 20 percent to 60 percent across the City, indicating Novato homeowners are relatively less cost burdened than renters. Overpayment by homeowners is experienced in approximately half of the same Census tracts are renters experiencing overpayment. This may indicate that generally the cost of housing exceeds household income in the areas where both a high percentage of renters and homeowners experience overpayment.

Figure F-28: Overpayment by Owners by Tract (2019)



## Patterns and Trends – Overpayment

Although Novato has a slightly lower proportion of cost-burdened households compared to the county and the Bay Area (Housing Needs Assessment, Appendix A, Section A.5.3), housing affordability was a key issue raised throughout the Housing Element update process. Housing in Novato is unaffordable to many households, including essential workers (e.g., teachers, firefighters, service industries, etc.), and not just lower income households. This was also reflected in responses to the community feedback form/questionnaire distributed to non-profit social service providers, where limited availability of affordable units and a lack of resources to find affordable housing were identified as barriers.

According to community feedback and the experience of City staff, Novato has historically been considered a relatively affordable community in Marin County, with median home prices and household incomes generally increasing regionally from south to north. However, as shown in the



2020 County of Marin Analysis of Impediments to Fair House Choice (Marin County AI)<sup>28</sup>, the annual wage needed to rent an average housing unit in the County was \$184,000 in 2017, a figure that is unaffordable compared to median household income for both Novato and the County as a whole.

## Overcrowding

Overcrowding is defined by the Census as a unit in which more than one person occupies a room (excluding bathrooms and kitchens), while severe overcrowding occurs when more than 1.5 people occupy a room. Overcrowding is often related to the cost of housing and can occur when demand in a City or region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. Overcrowded households are an indicator of housing needs, as lower income families or individuals may choose to live together in smaller spaces to save money on housing costs. In addition to the strain on residents' mental and physical health, overcrowding can also lead to more rapid deterioration of the property due to increased usage.

As shown in Table F-6, in Novato, one percent of owner-occupied households experienced overcrowding and 0.5 percent experienced severe overcrowding according to ACS 2019 data. For Novato renter-occupied households, 9.8 percent experienced overcrowding and 3.7 percent experienced severe overcrowding. TheIn Novato, the overcrowding and severe overcrowding rates for renter households waswere significantly higher than those for homeowners. Novato has a significantly higher percentage of total households experiencing overcrowding (10.8 percent) than Marin County (2.6 percent), and a slightly higher percentage of total households experiencing overcrowding (4.2 percent) compared to Marin County (2 percent).

In Novato, the distribution of overcrowding by income level and severity is distributed relatively evenly across income levels and severity (See Appendix A, Figure A-14). For further analysis, see Appendix A, Section A.3.2 (Overcrowding).

**Table F-6: Overcrowding and Severe Overcrowding Rates**

Tenure	Novato		Marin County	
	1.01 – 1.5 Occupants/Room	1.5+ Occupants/Room	Total % 1.01 – 1.5 Occupants/Room	Total % 1.5+ Occupants/Room
Owner Occupied	1.0%	0.5%	2.6%	2.0%
Renter Occupied	9.8%	3.7%		

Source: ACS 2019 5-Year Estimates, Table DP04

<sup>28</sup> County of Marin, Analysis of Impediments to Fair Housing Choice (January 2020).

To meet the needs of larger (and potentially overcrowded) families in Novato, 66 percent of all units in the City have three or more bedrooms (see Appendix A, Figure A-20). Approximately 85.4 percent of these larger units are owner-occupied, comprising 82.6 percent of all owned homes. Of the total rental stock in Novato, 30.3 percent of the units have three or more bedrooms, which is 14.6 percent of total larger units in the city. Compared to the number of large households, the housing mix of Novato is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a potential constraint on the alleviation of overcrowding, underscoring the need for multifamily housing with a variety of unit sizes.

### **Patterns and Trends – Overcrowding**

Estimated percentages of overcrowded households in Novato by Census tract are shown in Figure F-~~2229~~. Only one tract is estimated to experience overcrowding higher than ~~that~~the State average (8.2 percent), located in the residential areas surrounding Downtown. All other tracts have 8.2 percent or less of their residents living in overcrowded households, and overcrowding levels in adjacent areas are similar to the City. The Census tract that experiences overcrowding higher than the State average includes part of the block groups where 61 to 80 percent of the population is home to non-white residents (Figure F-4). This Census tract also includes block groups where the non-white population is comprised of 21 to 40 percent and 41 to 60 percent of the population. The Census tract with the highest rate of overcrowding in Novato includes the block group category with the lowest median household income in the City (Figure F-12). Households experiencing overcrowding in Novato are more likely to be home to non-white and lower-income residents, which may exacerbate the risk for displacement.

Statewide spatial data for severe overcrowding did not contain any values in the vicinity of Novato, as shown in Figure F-~~2330~~.

Figure F-2229: Overcrowded Households (2015)

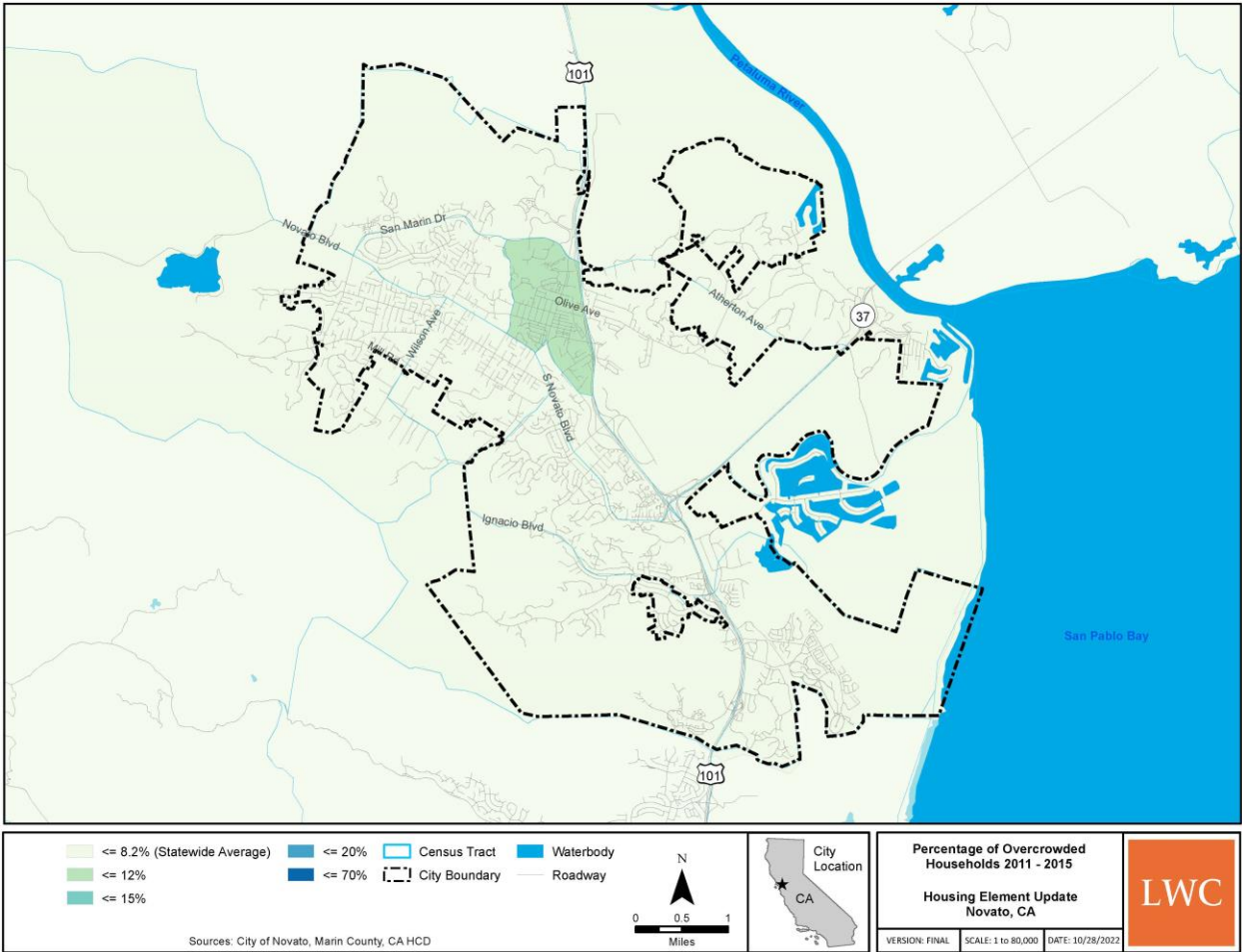
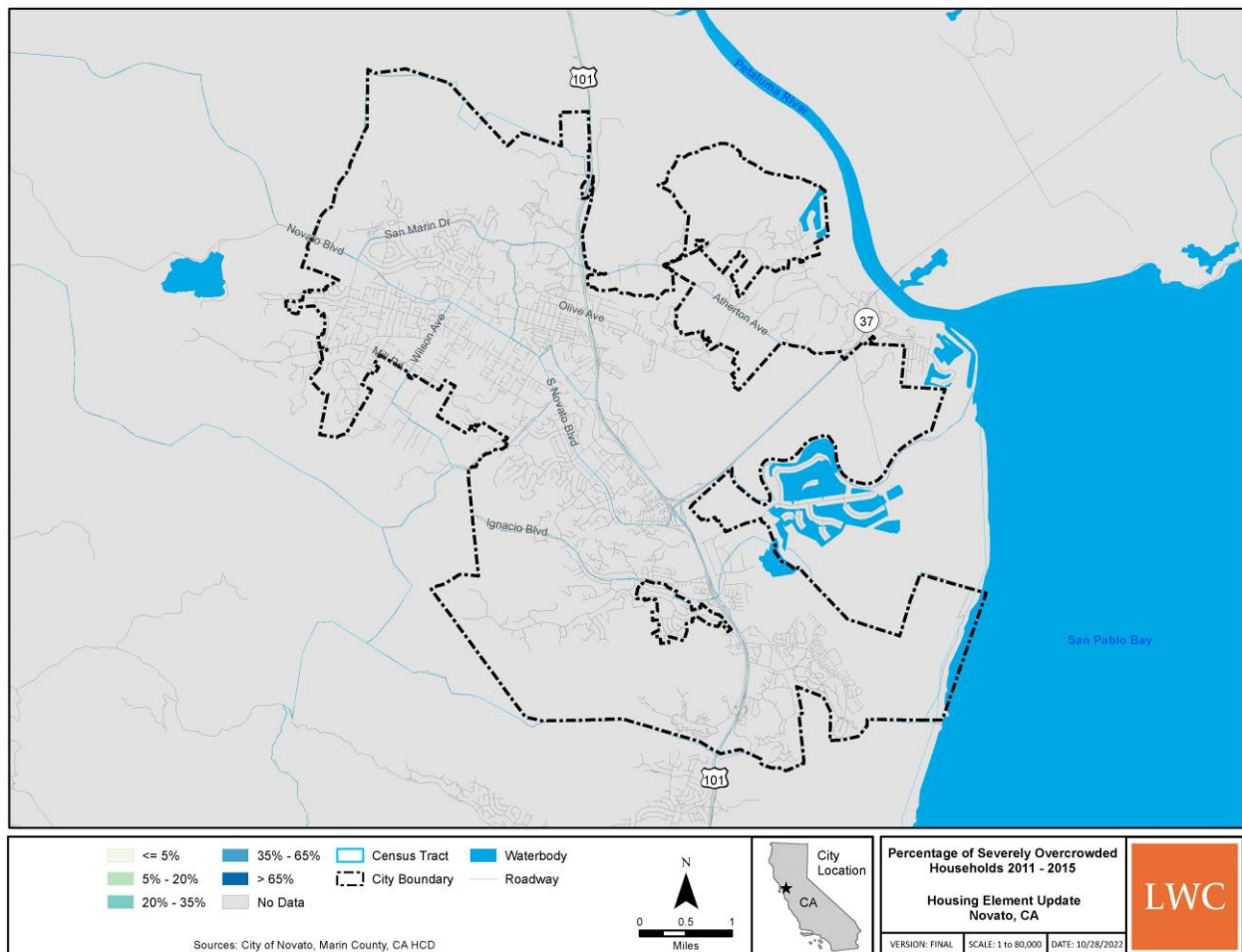


Figure F-2330: Severely Overcrowded Households (2015)



In Novato, rates of overcrowding are disproportionately highest for Hispanic or Latino households, followed by those of other/multiple races (regardless of Hispanic heritage) (Table F-7). As with disability status, age likely plays a role in explaining racial and ethnic disparities in overcrowding. Relatively younger adults, around the age of the median-age Hispanic households, are more likely to have minor children in their households, which in turn increases the likelihood of overcrowding. Conversely, older adults, closer to the median age of white households, are more likely to reside in one- or two-person households.

A small percentage of overcrowded units is not uncommon, and often includes families with children who share rooms or multi-generational households. However, higher rates of overcrowding identified for specific populations may indicate a fair housing issue resulting from situations such as two families or households occupying one unit to reduce housing costs (sometimes referred to as “doubling up”). Situations such as this may indicate a shortage of appropriately sized and affordable housing units as overcrowding is often related to the cost and availability of housing and can occur when demand in a jurisdiction or region is high.

In Novato, it is evident Hispanic or Latino households and households of other/multiple races (regardless of Hispanic heritage) face an overcrowding rate which may be deemed a fair housing issue. These quantitative findings corroborate what was heard during outreach to local social service providers during this Housing Element update process. As noted above, rates of overpayment are particularly high amongst renters, who are also disproportionately Hispanic or Latino and lower-income. Some social service providers reported that in an effort to avoid disruption to their livelihood and community connection, lower-income Hispanic or Latino households will choose to live in more overcrowded conditions rather than move outside Marin County or the Bay Area altogether. This underscores the need for appropriately-sized affordable housing, as well as culturally-sensitive outreach to these households to connect them with available resources.

**Table F-7: Overcrowding Rates in Novato**

Race or Ethnicity	% in Overcrowded Units*
White Alone, Not Hispanic or Latino	2.1%
White (Hispanic and Non-Hispanic)	0.9%
Black or African American Alone	8.1%
Asian Alone	9.3%
Hispanic or Latino (of any race)	29.2%
Other Races or Multiple Races (Hispanic and Non-Hispanic)	28.9%
* Overcrowded units defined as 1.01 or more occupants per room.	

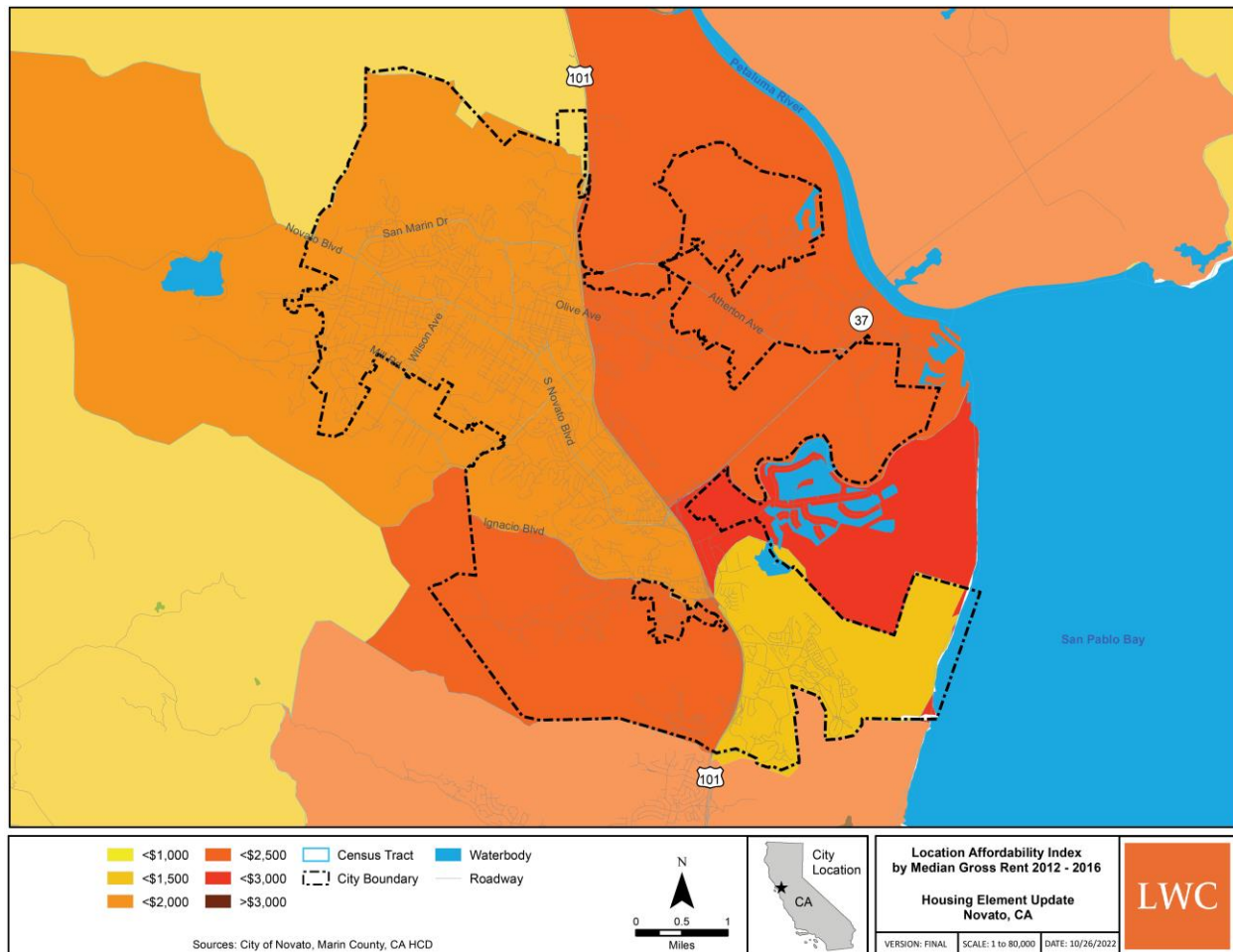
*Source: ACS 2019 5-Year Estimates (2015-2019)*

## Location Affordability Index

Figure F-2431 shows the median gross rent across Novato per HUD's Location Affordability Index using 2016 ACS data, which estimates household housing and transportation costs on a neighborhood scale. The least affordable tract is predominantly outside City limits, encompassing unincorporated Bel Marin Keys, likely due to the car-dependent nature of the planned community, lack of public transportation access, and few renter households. Tracts covering Novato's core fall within the middle range of the Index, indicating moderate housing and transportation costs. The most affordable tract was located in the City's southeast, possibly due to higher-than-average public transportation access and greater housing density due to the redevelopment of Hamilton Air Force Base. Overall, this range concurs with Appendix A, Section A.5.2 (Rental Costs), which shows the median monthly rent paid in Novato in 2019 was \$1,950, a 25.1 percent increase from 2009. These rents are primarily affordable to moderate-income households, but would be considered a cost burden for many lower-income households.



Figure F-2431: Location Affordability Index by Median Gross Rent by Tract (2016)



### Patterns and Trends – Location Affordability Index

No clear patterns and trends of HUD's Location Affordability Index are identified in Novato or in the surrounding area in relation to other analyses in this Appendix. For example, the westernmost Census tract where a small fragment of Novato is experiencing the highest location affordability index also has the highest scoring Census tract for HUD's Jobs Proximity Index (Figure F-24). Presumably, this Census tract should have these two indexes receiving similar scores.

### Substandard Housing

Incomplete plumbing or kitchen facilities can be used ~~to~~ as a proxy to indicate substandard housing conditions. According to 2019 ACS data, 3.4 percent of renter-occupied households in Novato lacked complete kitchen facilities and 0.3 percent lacked complete plumbing facilities, relatively higher than that of owner-occupied households (see Appendix A, Section A.4.5). In Novato, since non-white residents and younger residents are a higher share of renter-occupied units (Table A-17; Figure A-36), it is likely non-white residents and younger residents experience substandard housing conditions at a higher rate than white and older residents.

**Table F-8: Substandard Housing Rates**

	Renters	Owners
Substandard Condition	Percent of Occupied Housing Units	
Lacking complete plumbing facilities	0.3%	0.1%
Lacking complete kitchen facilities	3.4%	0.1%

Source: ACS 5-Year Estimates (2015-2019), Table DP04

The age of housing stock can also be an indicator of substandard housing. As homes get older, there is a greater need for maintenance and repair. If not properly addressed, an aging housing stock can result in poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

According to ~~the~~ Appendix A, Section A.4.4 (Housing ~~Needs~~Age and Condition), Novato's housing stock is relatively new compared to Marin County, with 24.1 percent of all units in Novato ~~are~~ older than 60 years old, compared to 37.9 percent of units in Marin County. The greatest share of Novato's housing units ~~were~~was built between 1960 to 1979, which is consistent with Marin County. In Novato, only 0.8 percent of the total housing stock was built after 2010, compared to 1.4 percent throughout Marin County. ~~Novato's housing stock is generally newer than that of Marin County overall.~~

Generally, property owners are motivated to keep housing in good condition because of the high value of houses and rents, and minor to extensive remodeling is common throughout the City. Additionally, City Code Enforcement staff conduct the Multi-Family Inspection program for all properties consisting of three units or more; recent experience indicates that substandard conditions in renter-occupied housing units are quickly identified and addressed. Furthermore, a windshield survey conducted in May 2023 did not identify any one neighborhood with chronic substandard housing issues, a finding corroborated by the local knowledge of City staff.

## Displacement Risk

UC Berkeley's Urban Displacement Project (UDP) uses data-driven research to produce maps identifying sensitive communities that are at-risk of displacement. UDP defines sensitive communities as currently having "populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost." Vulnerability was determined based on the following characteristics:

- The share of very low-income residents is above 20 percent; and,
- The tract meets two of the following criteria:
  - Share of renters is above 40 percent
  - Share of people of color is above 50 percent



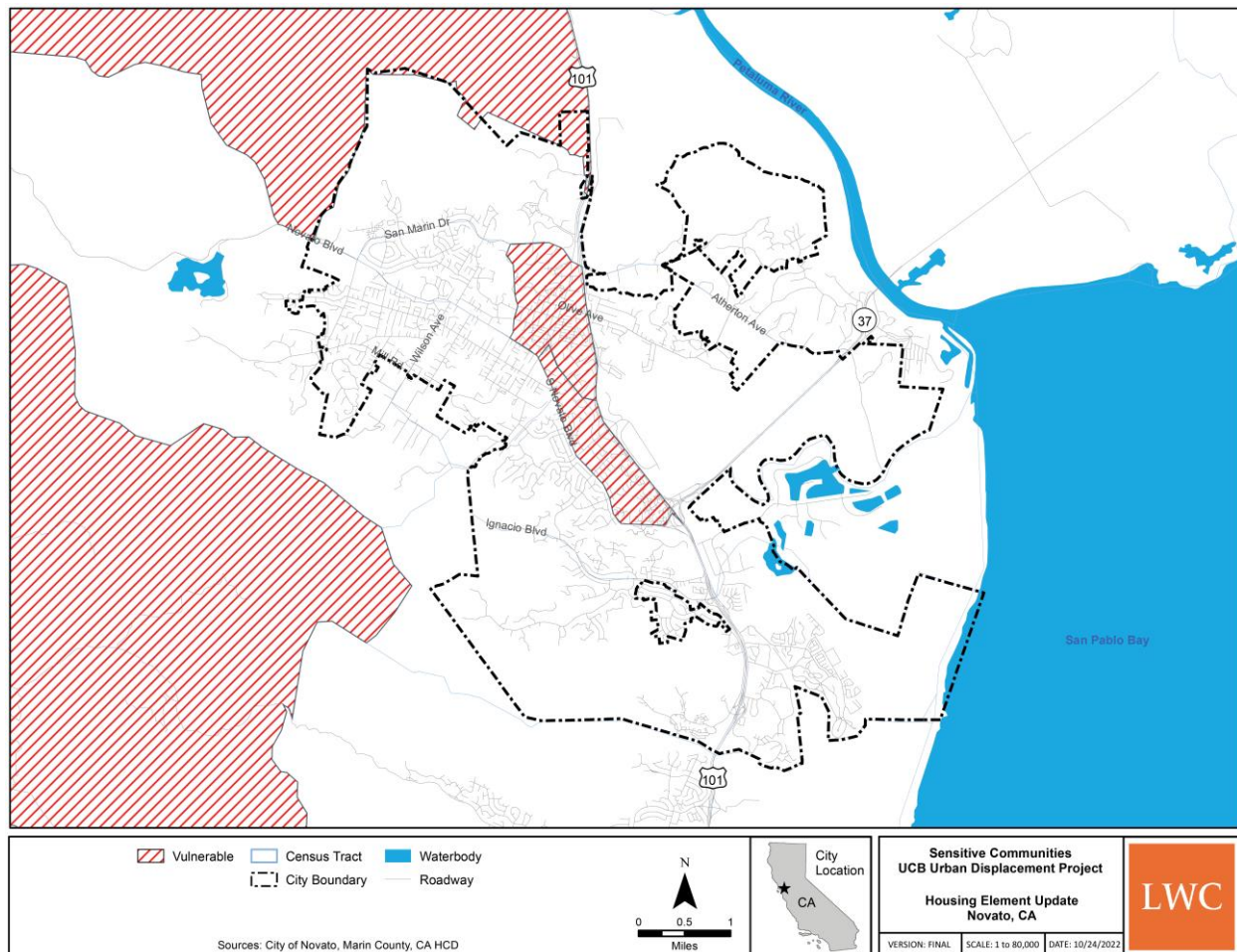
- Share of very low-income households that are severely rent burdened households is above the county median
- Percent change in rent is above county median rent increase
- Rent gap, which is the difference between tract median rent and median rent for surrounding areas

UDP has identified vulnerable communities in two Census tracts in the central portion of the City, located west of and adjacent to Highway 101 (Figure F-~~2532~~). These vulnerable tracts have higher concentrations of LMI households and are more racially diverse. The northern tract is also more likely to experience overcrowding (as shown in Figure F-~~2229~~), indicating a greater need for more affordable housing for lower-income households to meet demand. More housing options can provide greater access to housing ~~opportunity~~opportunities and stability for these residents.

Based on the above information, this area is likely to have a greater need for more affordable housing to alleviate housing demand. Also, downtown Novato is an increasingly desirable place to live due to its concentration of shopping and dining, historic character, walkability, transit, and services, suggesting there may be greater risk of displacement for lower-income residents.

The AFFH-related programs in this Housing Element include strategies to preserve and improve the existing housing stock, provide fair housing resources and support for tenants, and continue to implement strategies that encourage investment and provision of additional housing opportunities in this area.

Figure F-2532: Vulnerable Communities



## Homelessness

Marin County's history of racial and economic segregation (see Section F.2.1) exacerbates the already complex nature of California's widespread homelessness crisis. Matters of jurisdiction, funding, and legality complicate the task of addressing homelessness against the backdrop of high and ever-rising housing costs (see preceding subsections on Overpayment). Homelessness in Marin County is in some ways very similar to other Bay Area counties. For example, 78 percent of homeless residents in Marin County resided in Marin County prior to becoming homeless, similar to figures observed in neighboring San Francisco (71 percent)<sup>29</sup> and Sonoma County (68

<sup>29</sup> San Francisco Department of Homelessness and Supportive Housing (HSH) and Applied Survey Research (ASR), [San Francisco Homeless Count and Survey 2022 Comprehensive Report \(August 2022\)](#).

percent)<sup>30</sup>. However, the scale of the homelessness crisis differs in each county, as do geographic patterns of need and access to services.

The Marin County 2022 Point-in-Time (PIT) Count is a census and survey that identifies the sheltered and unsheltered homeless population. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. The 2022 PIT Count was conducted on February 17, 2022, by the Marin County Department of Health & Human Services, the Marin County Continuum of Care (CoC), and social research firm Applied Survey Research (ASR). Results of this survey predominantly relate to Marin County as a whole, with only limited data as to the nature of homelessness within local jurisdictions like the City of Novato. Below, results of the 2022 PIT Count are described at both the County and City level to reflect regional nature of the homelessness crisis and joint efforts to address it across jurisdictions. Local data and knowledge are provided where available or relevant.

### **Marin County**

The 2022 PIT Count identified a total of 1,121 sheltered and unsheltered homeless adults and children ~~countywide~~in Marin County, an increase of 8.4 percent from the 2019 Count. Compared to 2019, the shelter count decreased by almost 11 percent (326 to 291), while the unsheltered count increased 17 percent (708 to 830).<sup>31</sup> Approximately 74 percent of Marin County’s homeless population is unsheltered. There was a significant increase in families experiencing homelessness (35.2 percent) between 2019 and 2022. However, Marin County was likely able to avoid an anticipated sharp increase in homelessness in the past three years due in part to the implementation of system-wide Housing First approach to ending homelessness and the utilization of COVID-19 emergency housing solutions to limit the impact of the pandemic on homeless residents.

Table F-9 reports the demographic characteristics of the homeless population as reported in the 2022 PIT Count. These characteristics can be compared to the County’s total population to identify whether a particular protected characteristic is disproportionately represented as part of the homeless population and thus represents a fair housing concern. The percentages for a demographic characteristic in **bold** indicate overrepresentation in the unhoused population.

<u>Demographic Characteristic</u>	<u>Count (2022)</u>		<u>Share (2022)</u>	
	<u>Unhoused</u>	<u>County</u>	<u>Unhoused</u>	<u>Total</u>
<u><b>Total Persons</b></u>	<u>1,121</u>	<u>256,018</u>	<u>100%</u>	<u>100%</u>
<u>Sheltered</u>	<u>291</u>	<u>n/a</u>	<u>26%</u>	<u>n/a</u>
<u>Unsheltered</u>	<u>830</u>	<u>n/a</u>	<u>74%</u>	<u>n/a</u>

<sup>30</sup> Sonoma County Continuum of Care (CoC) and Applied Survey Research (ASR), County of Sonoma 2022 Point-in-Time Count Results (September 2022).

<sup>31</sup> Marin County Continuum of Care (CoC) and Marin County Department of Health & Human Services, 2022 Homeless Point-in-Time Count and Survey (May 2022).

<b><u>Age</u></b>	-	-	-	-
<u>0-17</u>	<u>81</u>	<u>48,404</u>	<u>8%</u>	<u>19%</u>
<u>18-24</u>	<u>142</u>	<u>15,718</u>	<b><u>14%</u></b>	<u>6%</u>
<u>25-59</u>	<u>506</u>	<u>110,378</u>	<b><u>50%</u></b>	<u>43%</u>
<u>60+</u>	<u>283</u>	<u>81,518</u>	<u>28%</u>	<u>32%</u>
<b><u>Gender</u></b>	-	-	-	-
<u>Male</u>	<u>661</u>	<u>124,273</u>	<b><u>59%</u></b>	<u>49%</u>
<u>Female</u>	<u>437</u>	<u>131,745</u>	<u>39%</u>	<u>52%</u>
<b><u>Race</u></b>	-	-	-	-
<u>White</u>	<u>729</u>	<u>201,684</u>	<u>65%</u>	<u>79%</u>
<u>Black</u>	<u>247</u>	<u>9,768</u>	<b><u>22%</u></b>	<u>4%</u>
<u>Multi-Race/Other</u>	<u>56</u>	<u>43,024</u>	<u>5%</u>	<u>17%</u>
<u>Asian</u>	<u>22</u>	<u>24,874</u>	<u>2%</u>	<u>10%</u>
<u>American Indian or Alaska Native</u>	<u>45</u>	<u>6,967</u>	<b><u>4%</u></b>	<u>3%</u>
<u>Native Hawaiian or Pacific Islander</u>	<u>-</u>	<u>611</u>	<b><u>2%</u></b>	<b><u>&lt;1%</u></b>
<b><u>Ethnicity</u></b>	-	-	-	-
<u>Hispanic or Latino (of any race)</u>	<u>258</u>	<u>43,801</u>	<b><u>23%</u></b>	<u>17%</u>
<u>Not Hispanic or Latino</u>	<u>863</u>	<u>212,217</u>	<u>77%</u>	<u>83%</u>

**Table F-9: Demographic Composition of Marin County Homeless Population by Shelter Status, City of Novato, 2019(2022)**

<u>Demographic Characteristic</u>	<u>Count (2022)</u>		<u>Share (2022)</u>	
	<u>Unhoused</u>	<u>County</u>	<u>Unhoused</u>	<u>Total</u>
<b><u>Total Persons</u></b>	<u>1,121</u>	<u>256,018</u>	<u>100%</u>	<u>100%</u>
<u>Sheltered</u>	<u>291</u>	<u>n/a</u>	<u>26%</u>	<u>n/a</u>
<u>Unsheltered</u>	<b><u>Sheltered</u></b> <u>830</u>	<b><u>n/a</u></b> <u>Total</u>	<u>74%</u>	<u>n/a</u>
<b><u>2015Age</u></b>	<u>442</u>			
<b><u>20170-17</u></b>	<u>469</u> <u>81</u>	<u>484</u> <u>48,404</u>	<u>35</u> <u>08%</u>	<u>19%</u>
<b><u>201918-24</u></b>	<u>447</u> <u>142</u>	<u>463</u> <u>15,718</u>	<u>34</u> <u>014%</u>	<u>6%</u>
<u>25-59</u>	<u>506</u>	<u>110,378</u>	<b><u>50%</u></b>	<b><u>43%</u></b>
<u>60+</u>	<u>283</u>	<u>81,518</u>	<u>28%</u>	<u>32%</u>
<b><u>Gender</u></b>				
<u>Male</u>	<u>661</u>	<u>124,273</u>	<b><u>59%</u></b>	<b><u>49%</u></b>
<u>Female</u>	<u>437</u>	<u>131,745</u>	<u>39%</u>	<u>52%</u>
<b><u>Race</u></b>				
<u>White</u>	<u>729</u>	<u>201,684</u>	<u>65%</u>	<u>79%</u>
<u>Black</u>	<u>247</u>	<u>9,768</u>	<b><u>22%</u></b>	<b><u>4%</u></b>
<u>Multi-Race/Other</u>	<u>56</u>	<u>43,024</u>	<u>5%</u>	<u>17%</u>
<u>Asian</u>	<u>22</u>	<u>24,874</u>	<u>2%</u>	<u>10%</u>
<u>American Indian or Alaska Native</u>	<u>45</u>	<u>6,967</u>	<b><u>4%</u></b>	<b><u>3%</u></b>
<u>Native Hawaiian or Pacific Islander</u>	<u>=</u>	<u>611</u>	<b><u>2%</u></b>	<b><u>&lt;1%</u></b>
<b><u>Ethnicity</u></b>				
<u>Hispanic or Latino (of any race)</u>	<u>258</u>	<u>43,801</u>	<b><u>23%</u></b>	<b><u>17%</u></b>
<u>Not Hispanic or Latino</u>	<u>863</u>	<u>212,217</u>	<u>77%</u>	<u>83%</u>

Source: Marin County Homeless Count and Survey Comprehensive of Marin PIT Report (2019 on Homelessness (2022); ACS 1-Year Estimates (2022)

According to In 2022, the 2019 following populations were overrepresented in Marin County's unhoused population: individuals aged 18-59; men; those identifying as Black, American Indian or Alaska Native, and Native Hawaiian or Pacific Islander; and those identifying as Hispanic or Latin (of any race). The greatest overrepresentation in comparison with the general population of Marin County was those identifying as Black (22 percent vs. four percent).

The 2022 PIT Count, the number of also recorded other protected characteristics and "select populations," including veterans and families with children, as well as whether they are sheltered or unsheltered. Table F-10 identifies these sub-populations by shelter status and indicates what proportion of the total unhoused population they represent.

**Table F-10: Select Populations of Marin County Homeless Population (2022)**

<u>Select Population</u>	<u>2022</u>	
	<u>Count</u>	<u>% of Total Unhoused Pop.</u>
<b><u>Chronically Homeless</u></b>	<b><u>284</u></b>	<b><u>25%</u></b>
<u>Sheltered</u>	<u>77</u>	<u>7%</u>
<u>Unsheltered</u>	<u>207</u>	<u>18%</u>
<b><u>Veterans</u></b>	<b><u>65</u></b>	<b><u>6%</u></b>
<u>Sheltered</u>	<u>14</u>	<u>1%</u>
<u>Unsheltered</u>	<u>51</u>	<u>5%</u>
<b><u>Families with Children</u></b>	<b><u>73</u></b>	<b><u>7%</u></b>
<u>Sheltered</u>	<u>45</u>	<u>4%</u>
<u>Unsheltered</u>	<u>28</u>	<u>2%</u>
<b><u>Unaccompanied Children and Transition-Age Youth</u></b>	<b><u>126</u></b>	<b><u>11%</u></b>
<u>Sheltered</u>	<u>120</u>	<u>11%</u>
<u>Unsheltered</u>	<u>6</u>	<u>1%</u>
<b><u>Older Adults Age 60+</u></b>	<b><u>280</u></b>	<b><u>25%</u></b>
<u>Sheltered</u>	<u>56</u>	<u>5%</u>
<u>Unsheltered</u>	<u>224</u>	<u>20%</u>
<b><u>Sexual Orientation and Gender Identity</u></b>		
<u>LGBTQ</u>	<u>235</u>	<u>21%</u>
<u>Not LGBTQ</u>	<u>886</u>	<u>79%</u>
<b><u>Disability or Other Chronic Health Condition</u></b>	<b><u>340</u></b>	<b><u>30%</u></b>

Source: County of Marin PIT Report on Homelessness (2022)

These results indicate some improvements for select populations amidst an overall increase in homelessness driven by skyrocketing rents, inflation, and widening income inequality. The 2022 PIT Count also reports that Marin County housed 285 of the most vulnerable chronically homeless residents of Marin in supportive housing. Additionally, there are fewer veterans experiencing homelessness, down 34 percent from 2019, and more veterans are being sheltered: 22 percent in 2022, up from 19 percent in 2019.

### **City of Novato**

The City of Novato's local experience of the homelessness crisis has shifted significantly in recent years amidst the COVID-19 pandemic, its aftermath, and drastic changes to the capacity and funding of relevant social services.

In 2022, the PIT Count identified 265 persons experiencing homelessness in Novato—was estimated at 130 individuals, an 11.4, a 14.5 percent decrease from 2017-2019. This represents 24 percent of Marin County's total unhoused population. Of these individuals in-2019, 147 were unsheltered and 163 were sheltered, 150 were unsheltered and 115 were sheltered. Data are not available on protected characteristics at the jurisdictional level. Overall, homelessness in the City has been consistently trending downwards over the past five years, due in part to significant local efforts to connect the unhoused with services, extend the efficacy of existing programs, and develop new strategies as part of a collaborative, Countywide strategy.

**Table F-11 City of Novato Homeless Population (2017-2022)**

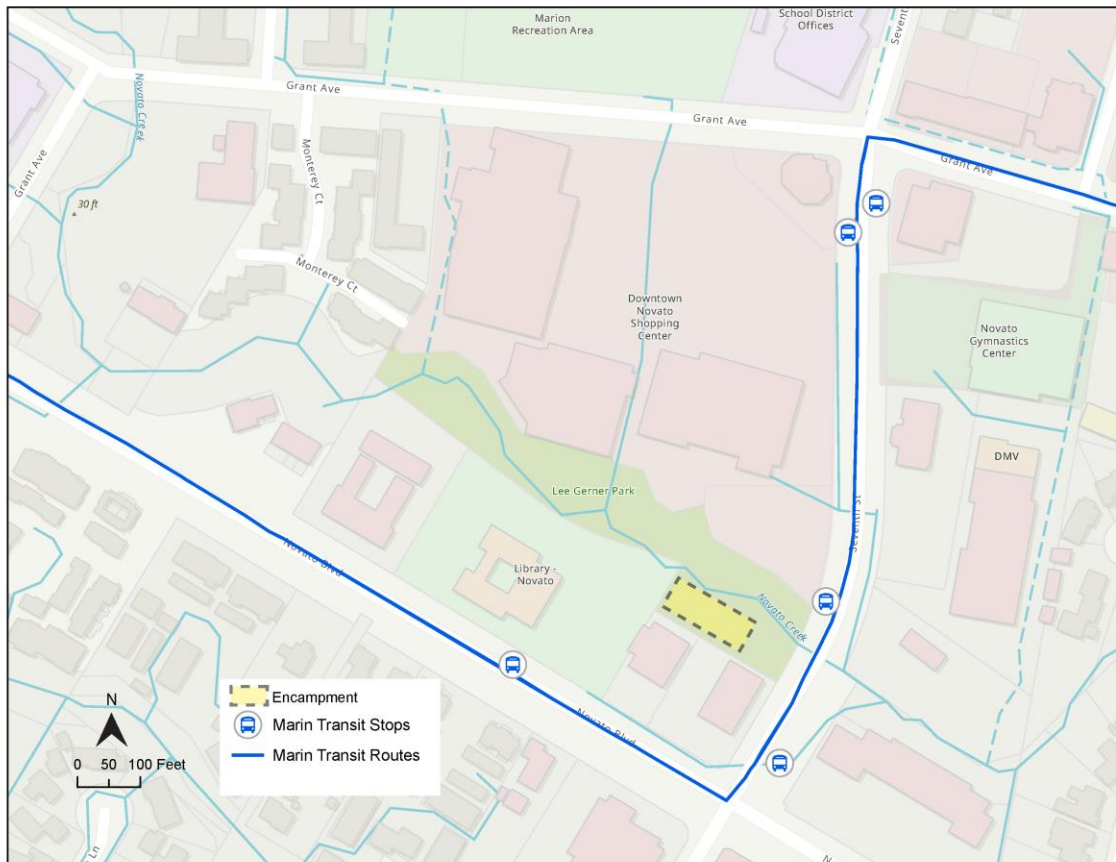
Year	Sheltered			Unsheltered			Total		
	Marin Co.	Novato		Marin Co.	Novato		Marin Co.	Novato	
		Count	% of County		Count	% of County		Count	% of County
<b>2017</b>	<u>409</u>	<u>181</u>	<u>44%</u>	<u>708</u>	<u>169</u>	<u>24%</u>	<u>1,117</u>	<u>350</u>	<u>31%</u>
<b>2019</b>	<u>326</u>	<u>163</u>	<u>50%</u>	<u>708</u>	<u>147</u>	<u>21%</u>	<u>1,034</u>	<u>310</u>	<u>30%</u>
<b>2022</b>	<u>291</u>	<u>115</u>	<u>40%</u>	<u>830</u>	<u>150</u>	<u>18%</u>	<u>1,121</u>	<u>265</u>	<u>24%</u>

*Source: County of Marin PIT Report on Homelessness (2022)*

Though the 2022 PIT Count does not report on the geographic location of homeless individuals or encampments within jurisdictions, local data and knowledge can indicate patterns of need within the City and access to transportation and homelessness services. These observed patterns have informed this HEU's programs related to serving homeless residents and extremely low-income households, including Program 4.G (Support programs to address homelessness) and Program 5.K (Continue to assist in the rehabilitation and production of housing for Special Needs and lower-income households).



**Figure F-33: Lee Gerner Park Encampment and Nearby Transportation Services**



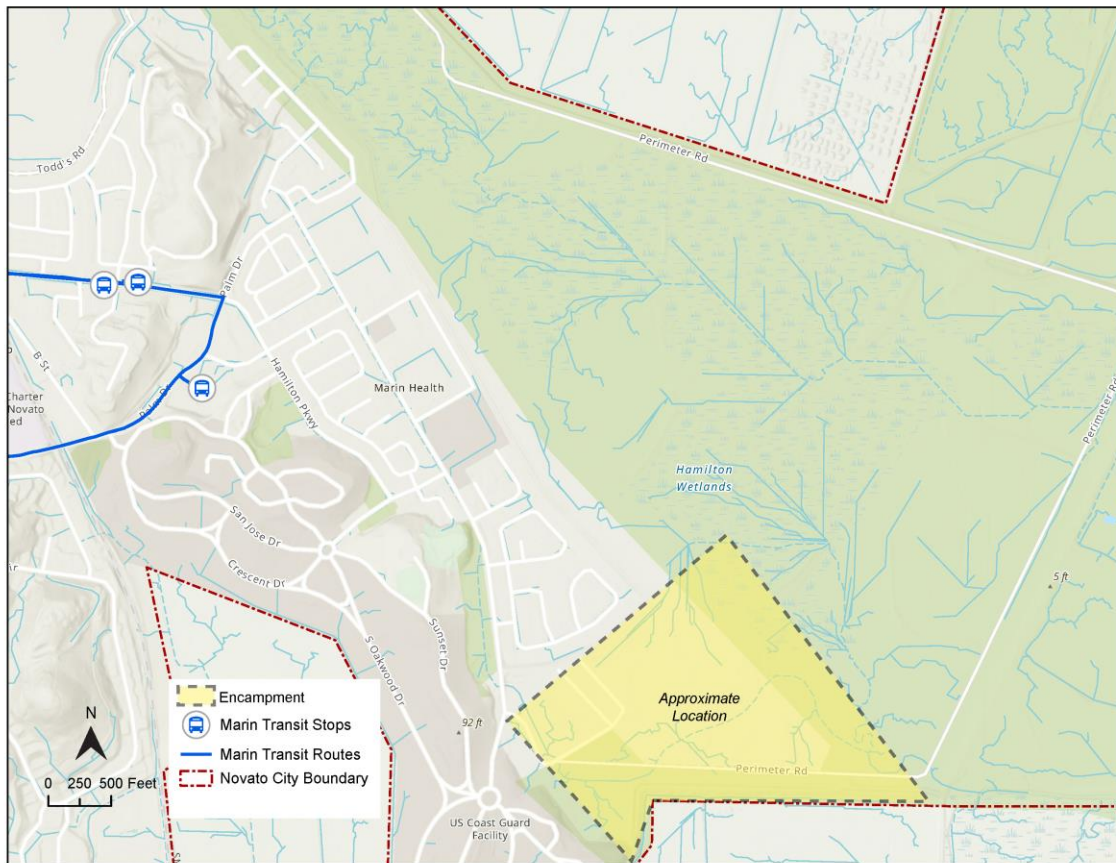
### Lee Gerner Park

In March of 2020, the City collaborated with Marin County Health and Human Services to develop an outreach strategy to address the needs of approximately 30 unsheltered homeless individuals residing at “Camp Compassion,” an encampment established in a section of Lee Gerner Park. The mission of this project was to help find housing, provide outreach, and offer services to those experiencing homelessness. In June 2021, the City enacted amendments to the Municipal Code to restrict daytime camping near Stream Protection Zones, which include portions of the Park. The enforcement of these ordinances was challenged by a lawsuit brought by Camp residents and the California Homeless Union. In October 2021, a settlement was reached which authorized the City to establish a Temporary Camp for those residing in the Park and established a Housing and Homeless Committee.

By January 2022, the City had designed and constructed the Temporary Camp, which features established camping spaces, sanitizer/handwashing stations, waste receptacles, and toilets. The Camp is located one block away from the Novato DMV, a Goodwill Store, and a CVS. Transportation services include three adjacent Marin Transit bus stops (Routes 49 and 654) along Novato Blvd. and 7<sup>th</sup> St. (see Figure F-33).

Since its establishment, the City has facilitated offers of case management, outreach services, security, showers, and bathrooms in partnership with the County of Marin Health and Human Services (Homelessness & Whole Person Care). As of March 2024, 12 people reside in the camp and 22 former residents have been housed.<sup>32</sup>

**Figure F-34: Hamilton Wetlands Encampment and Nearby Transportation Services**



### Hamilton Wetlands

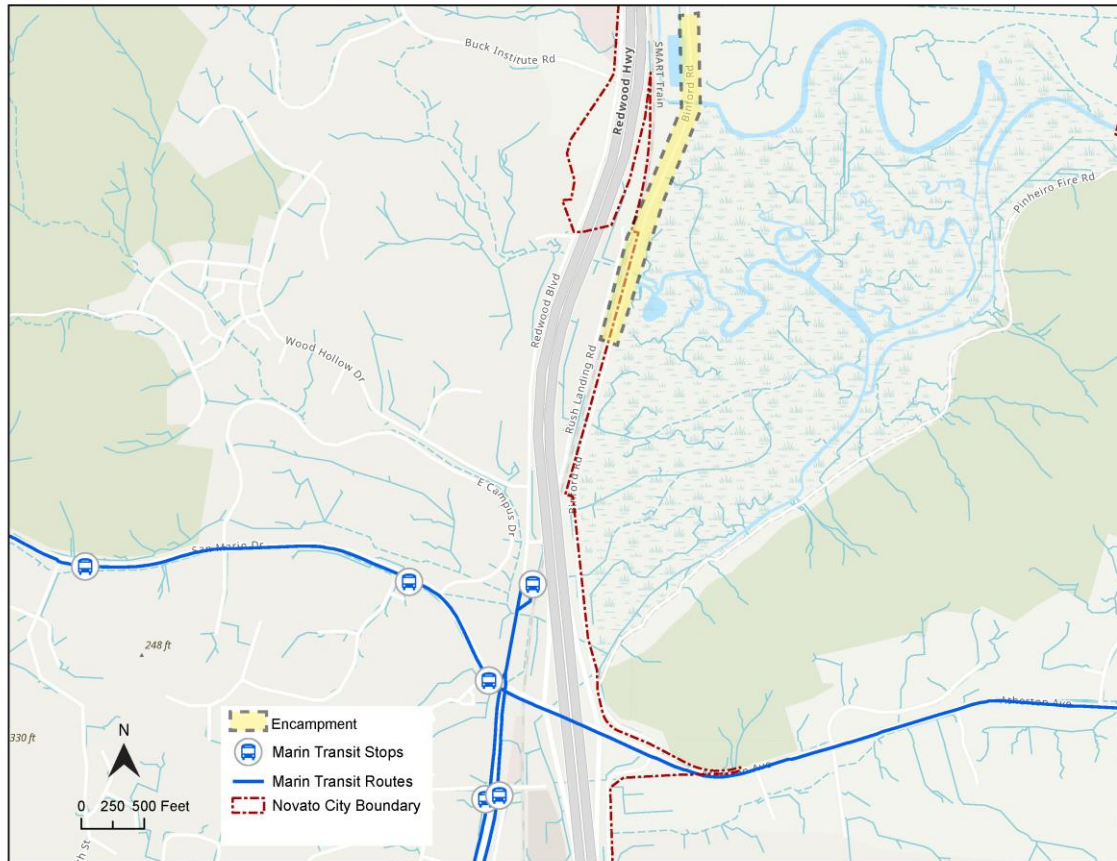
Another encampment is located near the Hamilton Wetlands, adjacent to the City's Hamilton neighborhood. This encampment is within one mile of the South Novato Library and a mile and a half of a grocery store. In terms of transportation services, it is within one mile of a Marin Transit bus stop (Routes 49 and 57) and the Novato Hamilton SMART rail station (see Figure F-34).

Due to this encampment's greater distance from existing resources, it is a priority target for supportive services and relocation into housing. In FY 22/23, with the County of Marin Health and

<sup>32</sup> Houston, Will. Novato sets new criteria for homeless camp at park. Marin Independent Journal. July 30, 2023.

Human Services (HHS) as the lead applicant and support from the City, HHS was awarded \$1.1 million in State Encampment Resolution Funds to serve 45 people at the City’s Hamilton Marsh encampment. Funds will support outreach & case management, client engagement & direct assistance, mobile showers, portable toilets & handwashing stations, and motel vouchers.<sup>33</sup>

**Figure F-35: Binford Rd. Encampment and Nearby Transportation Services**



### Binford Rd.

Another significant vehicle encampment is just outside Novato city limits, along Binford Rd. between the Rush Creek Open Space Preserve and Highway 101. As the encampment is predominantly within Marin County’s jurisdiction, HHS has led efforts to serve the its residents with support from the Downtown Streets Team, which provides support and hygiene services at encampments, churches, medical facilities, and other places in need. In terms of transportation

<sup>33</sup> Halstead, Richard. *Marin awarded \$2.9M to aid homeless campers*. Marin Independent Journal. June 19, 2023.



services, the encampment is located within roughly half a mile of the Novato San Marin SMART rail station and associated bus routes (see Figure F-35).

Though relatively close to Downtown Novato and services, numerous health and safety concerns have also made this encampment a priority target for supportive services. Marin County was awarded \$1.6 million in State Encampment Resolution Funds to serve the Binford Road encampment<sup>34</sup> and has recently adopted a plan to utilize \$500,000 to buyback vehicles and connect residents with permanent supportive housing.<sup>35</sup> According to HHS' Homelessness Data Dashboard, as of March 2024, 89 individuals reside in approximately 104 vehicles, with 22 former residents housed and 14 individuals on an identified housing pathway.

Currently, Novato provides 80 emergency shelter beds, 55 transitional housing units, and 101 supportive housing units, a total of 236 beds or units (Appendix A, Table A-18). As shown in Table F-11, this represents 40 percent of the County's sheltered unhoused population. While the gap of the total number of unsheltered and sheltered individuals is greater than the number of emergency and transitional units the City currently provides, in August 2022 the Novato City Council approved the development of 24 one-bedroom apartments of permanent supportive housing for veterans and 26 one-bedroom apartments of workforce affordable housing (Appendix A, Section A.3.4). The City continues to work towards providing housing opportunities for all unsheltered and sheltered individuals in Novato as detailed in Program 4.G (Support Programs to Address Homelessness).

Also as discussed in Appendix A, people of color in Novato are more likely to experience poverty than white residents (Figure A-25). Consequently, these economic disparities also leave people of color at higher risk for housing insecurity, displacement, or homelessness. During the 2019-20 school year, the student population experiencing homelessness increased by 95.6 percent from 90 to 176 students in Novato. The increase is significantly higher than that of Marin County (29.9 percent) during that time.

Novato is part of the Marin County Continuum of Care (CoC), which is a regional planning body funded by HUD that coordinates housing and services funding across Marin County. The CoC provides a list of emergency shelters and services for each district in the County. Homeward Bound of Marin is the primary provider of countywide homeless shelters and services and operates two shelters in Novato, the New Beginnings Center and the Next Key Center. The New Beginnings Center provides 80 emergency shelter beds and Next Key Center provides 29 transitional housing units in Novato. Additionally, Gilead House, a separate non-profit, provides 12 units of transitional housing for homeless single mothers and their children in a Novato apartment complex.

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<sup>34</sup> Ibid.

<sup>35</sup> Halstead, Richard. *Marin supervisors approve vehicle buyback at Novato encampment*. Marin Independent Journal. December 14, 2023.

## F.2.7 Other Relevant Factors

### Rates of Homeownership by Race and Ethnicity

As described in Appendix A, Section A.4.2 (Housing Tenure), there were 22,325 housing units estimated in Novato in 2019, 68 percent of which were owner-occupied, a higher rate than Marin County (64 percent) and the Bay Area as a whole (56 percent). Homeownership rates often vary considerably across race/ethnicity, and these disparities reflect not only differences in income and wealth, but also stem from federal, State, and local policies that limited access to homeownership to communities of color while facilitating it for white residents. While many of these policies have been outlawed, their impacts are still evident today.

Table F-4012 presents 2019 ACS data for housing tenure by race in Novato. Homeownership is far more predominant among white residents (73.7 percent) than the next-largest racial/ethnic group, Hispanic or Latino residents (40.5 percent). However, despite their higher-than-average poverty rate described above in Table F-5, other racial/ethnic groups own homes at rates higher than Hispanic or Latino residents, including Asian residents (62.5 percent), Black residents (47.7 percent), and residents other or multiple races (43.3 percent).

**Table F-4012: Housing Tenure by Race of Householder (2019)**

Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non-Hispanic)	31	0.1%	51	0.4%	82
Asian / API (Hispanic and Non-Hispanic)	1,015	3.5%	608	4.6%	1,623
Black or African American (Hispanic and Non-Hispanic)	218	0.8%	239	1.8%	457
Hispanic or Latino	1,152	4.0%	1,689	12.8%	2,841
Other Race or Multiple Races (Hispanic and Non-Hispanic)	928	3.2%	1,213	9.2%	2,141
White (Hispanic and Non-Hispanic)	13,021	45.3%	5,001	37.8%	18,022
White, Non-Hispanic	12,405	43.1%	4,417	33.4%	16,822
<b>Total</b>	<b>28,770</b>	<b>100.0%</b>	<b>13,218</b>	<b>100.0%</b>	<b>41,988</b>
Universe: Occupied housing units For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.					

Source: ACS 5-Year Estimates (2015-2019), Table B25003(A-I)

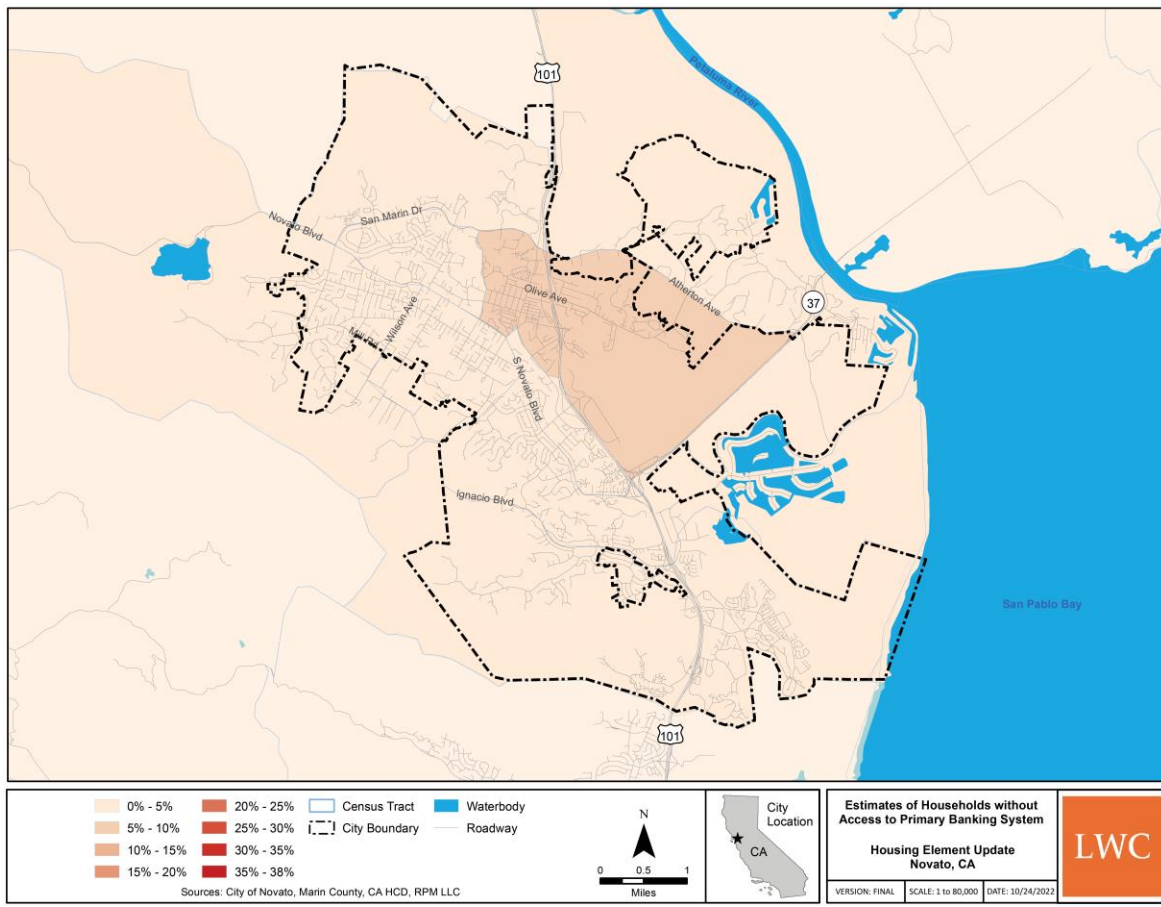
One obstacle to home ownership is lack of access to the first tier of the financial system to obtain banking services and loans. The Federal Financial Institutions Examination Council's (FFIEC)

provides the Community Reinvestment Act (CRA) July 2021 Census tract spatial data known as the [CRAMap 2021](#). Included in the CRAMap 2021 spatial data is the Unbanked Index (developed by RPM Consulting) which provides an estimate of households lacking access to the primary banking system. This index estimates the likelihood of a household will lack both a savings and checking account with a bank, thrift, or credit union.

Figure F-~~26~~36 presents estimates for the percentages of households that lack access to banking and credit from the Unbanked Index. Identifying areas with relatively high levels of residents without access to the primary banking system can facilitate the process of providing them with first-tier financial services. This may aid lower-~~income~~ residents in avoiding a dependency on second-tier services, particularly predatory lenders.

In Novato, two central Census tracts are recorded as containing five to 10 percent of households without primary banking access, with lower rates throughout the rest of the City. One of these two Census tracts also record the lowest 2022 TCAC Opportunity Areas Economic Score in Novato (Figure F-33), demonstrating a correlation between lower income levels and lower access to banking or credit systems. Additionally, the Census tract which includes Downtown Novato correlates to having higher percentages of non-white (Figure F-4) and lower-income households (Figure F-12). These issues can compound and continue a cycle of lower incomes, rates of ownership, and access to opportunities.

**Figure F-2636: Percentage of Households without Access to Banking or Credit by Tract (2021)**



## F.2.8 Summary of Fair Housing Issues

Access to opportunity in Novato is distributed relatively evenly across the City, as ~~evidenced~~evidenced by fairly consistent TCAC scores citywide. However, many hillside and Bayshore Census tracts meet the criteria of Racially or Ethnically Concentrated Areas of Affluence (RCAA), indicating that non-white residents experience significantly different economic conditions in these neighborhoods than white residents. Meanwhile, the west-central area of the City, encompassing Downtown and adjacent to Highway 101, was identified by the UC Berkeley Urban Displacement Project (UDP) as a Vulnerable Community, a finding corroborated by lower TCAC Economic Scores, the highest overcrowding rate, and some of the highest concentrations of LMI and non-white households in the City. These demographic and economic findings indicate conditions that may exacerbate local inequitable outcomes for communities already impacted by fair housing issues across the region.

The need for more affordable housing is the primary fair housing issue in Novato. Housing affordability impacts nearly all residents, but is disproportionately felt by a wide range of protected classes. For example, ~~overpayment is experienced by both~~ renters and homeowners alike experience overpayment, but renters are more likely to be cost-burdened overall.



Furthermore, overpayment impacts both higher- and lower-income households, though non-white racial/ethnic groups are more likely to be below the poverty line or earn lower-than-average incomes. The contributing factor to this issue is land use and zoning laws either limiting where multi-family housing can be built or procedures resulting in a protracted entitlement effort. The data indicate that both higher- and lower-income households, encompassing various household sizes and characteristics, may choose more affordable housing if it was available.

A second fair housing issue is disproportionate housing needs due to the contributing factor of a lack of available affordable units in a range of sizes. A combination of very high Location Affordability Index rates and high levels of overpayment indicate the need for more affordable housing, which could be provided through smaller unit sizes and a mix of housing types. Additionally, higher overcrowding rates among renter households, especially Hispanic or Latino and other/multiple race households, indicate that many residents are struggling to afford housing costs which can lead to increased homelessness rates for at-risk populations.

A third fair housing issue is segregation and integration, as evidenced by a concentration of whiter, wealthier households in hillside residential neighborhoods and Bayshore planned communities, with lower-income communities of color concentrated in and around Downtown and along the Highway 101 corridor. Comments received during the Housing Element Update process corroborate these findings, indicating that the availability of affordable housing is a critical issue and housing affordable to low- and moderate-income households, young families, essential workers, and seniors is needed. New residential development throughout Novato would provide housing in high and highest resources areas, as well as in Racially or Ethnically Concentrated Areas of Affluence (RCAA).

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## Section F.3 Sites Inventory

State law requires potential new housing sites to be analyzed and evaluated in a manner consistent with the City's duty to affirmatively further fair housing (AB 686). The framework for this analysis utilizes fair housing indicators used throughout this Appendix to see if the sites identified will improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity in Novato. Where the analysis indicates that the City does not have sufficient sites available to meet its RHNA goals in a manner that affirmatively furthers fair housing, the Housing Element must include strategies to address this, such as making additional sites available.

### F.3.1 Entitled and Proposed Development Pipeline

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Because Novato's housing development pipeline is central to satisfying the majority of the City's RHNA obligation, it is discussed here first (and separately from the sites inventory and rezone sites) to examine potential effects on access to opportunity, segregation, and displacement risk and disproportionate housing needs.

As identified in Appendix B ~~(Housing Capacity Analysis, Table B-8 (Residential Development Potential and Methodology RHNA))~~, the City has satisfied the majority of its RHNA through the following:

1. **Accessory Dwelling Units (ADUs):** The City issued an average of 14.75 ADU permits per year during a 4-year period from 2018 through 2021. Based on this annual average, the City is projecting that 118 ADUs will be permitted over the eight-year planning period, **105** of which will be affordable to lower- or moderate-income households.
2. **Entitled and Proposed Development Pipeline:** Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have received a certificate of occupancy between July 1, 2022 and January 31, 2031 can be credited toward the RHNA. This includes housing developments that are ~~proposed~~already entitled (approved) or ~~received entitlement and are expected to be issued a certificate of occupancy no later than January 31, 2031~~currently under review. The City is anticipating ~~2,451~~459 net new units, ~~1,452~~163 of which will be affordable to lower- or moderate-income households.
  - a. Based on these sources (ADU projections and approved/entitled projects), the City has excess capacity in the lower and above moderate- income categories, but a shortfall in the moderate-income category of ~~197~~ units.
3. ~~**Sites Inventory:** The City has specifically identified two rezoning sites in order to make up and exceed its moderate-income RHNA shortfall and to ensure a surplus or buffer to help maintain its inventory to satisfy its “no-net loss” obligations under SB 166 throughout the planning period. The owners of both rezone sites have indicated interest in redeveloping these parcels for housing during the planning period (i.e., prior to January 31, 2031). In addition, the City has taken a conservative approach in estimating realistic capacity at each rezone site given unique parcel size, shape, slope, and other geographic characteristics, as well as the density and capacity assumptions described in Appendix B, Section B.2.3 (Density and Capacity Assumptions).~~

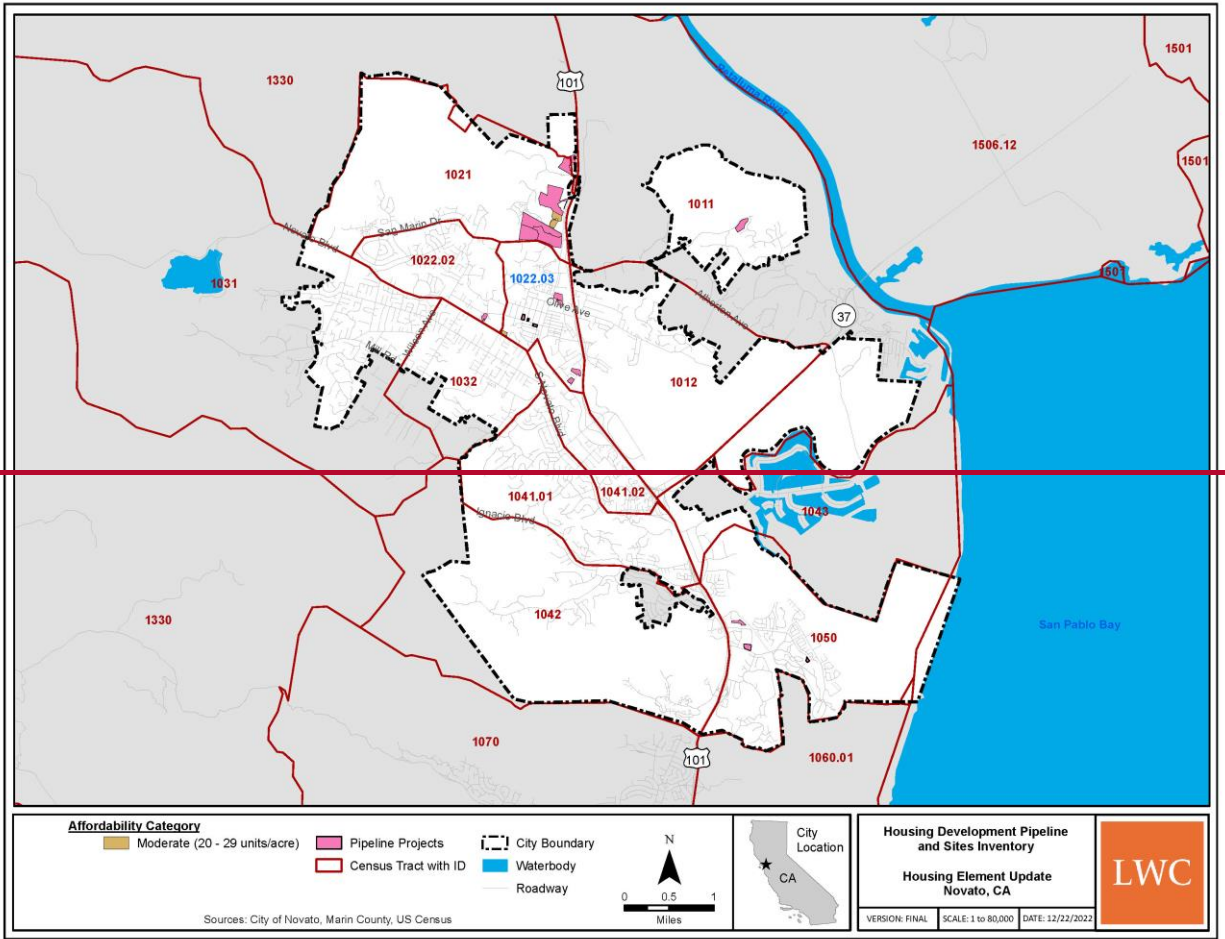
### **F.3.2 Identified Sites and AFFH Sub-Area Analysis**

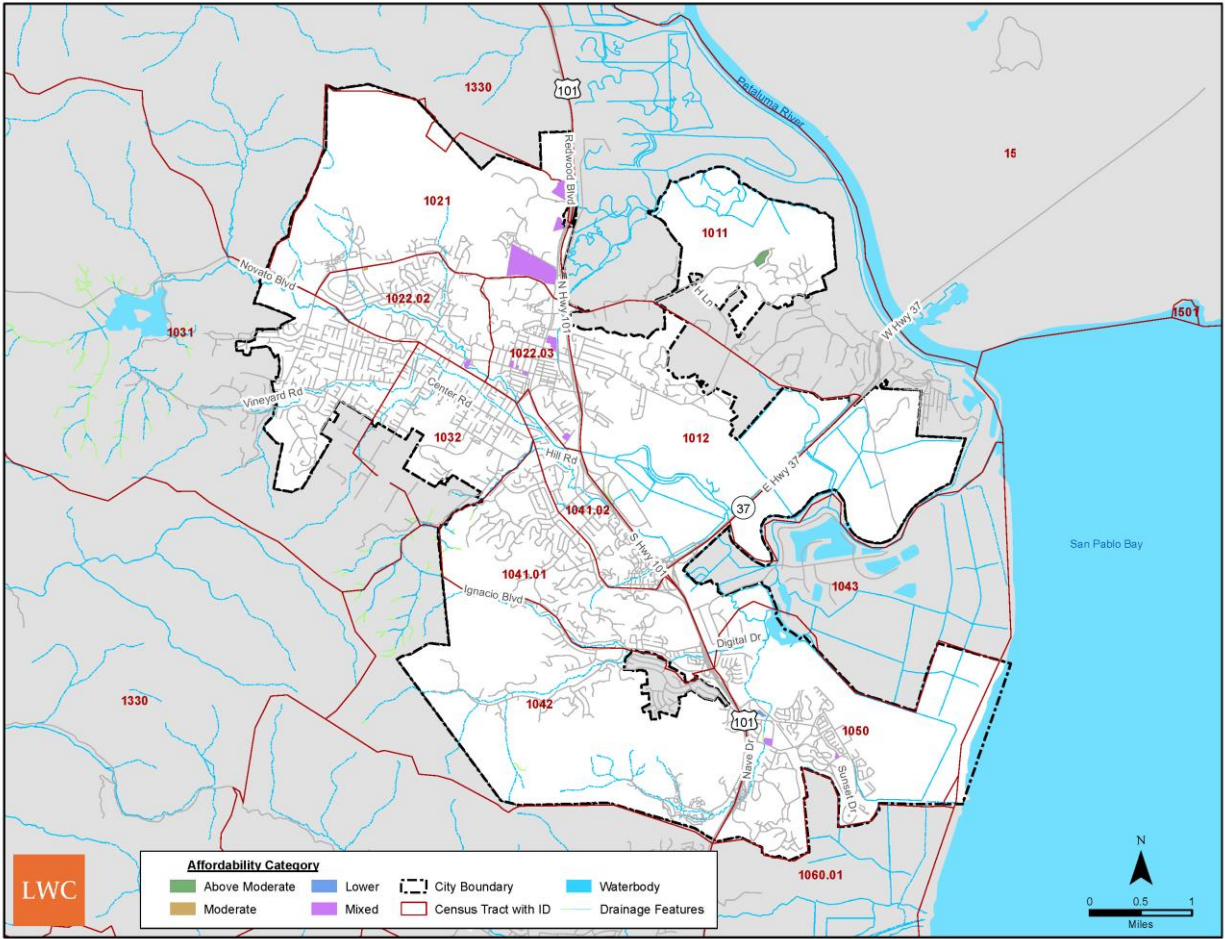
This section analyzes Novato by Census tract to analyze the potential effect identified RHNA sites (i.e., the entitled and proposed development pipeline, the sites inventory, and rezone sites) may have on access to opportunity, segregation, displacement risk, and disproportionate housing needs. The goal is to ensure that the City’s housing policies do not contribute to existing fair housing challenges at the neighborhood level.<sup>5</sup>

Figure F-27 displays 37 illustrates the locations of all entitled and proposed developments and sites inventory rezone sites by anticipated income affordability categories group, with Census tracts labelled. For a complete list, see Appendix B, Table B-3 (Entitled and Proposed Development Pipeline).

Figure F-11 provides a tract-level summary of 38 illustrates all RHNA units relative to a variety of characteristics that impact fair housing choice sites inventory and rezone sites by anticipated income affordability group, with Census tracts labelled. For a complete list, see Appendix B, Table B-7 (Sites Inventory) and Table B-10 (Rezone Sites).

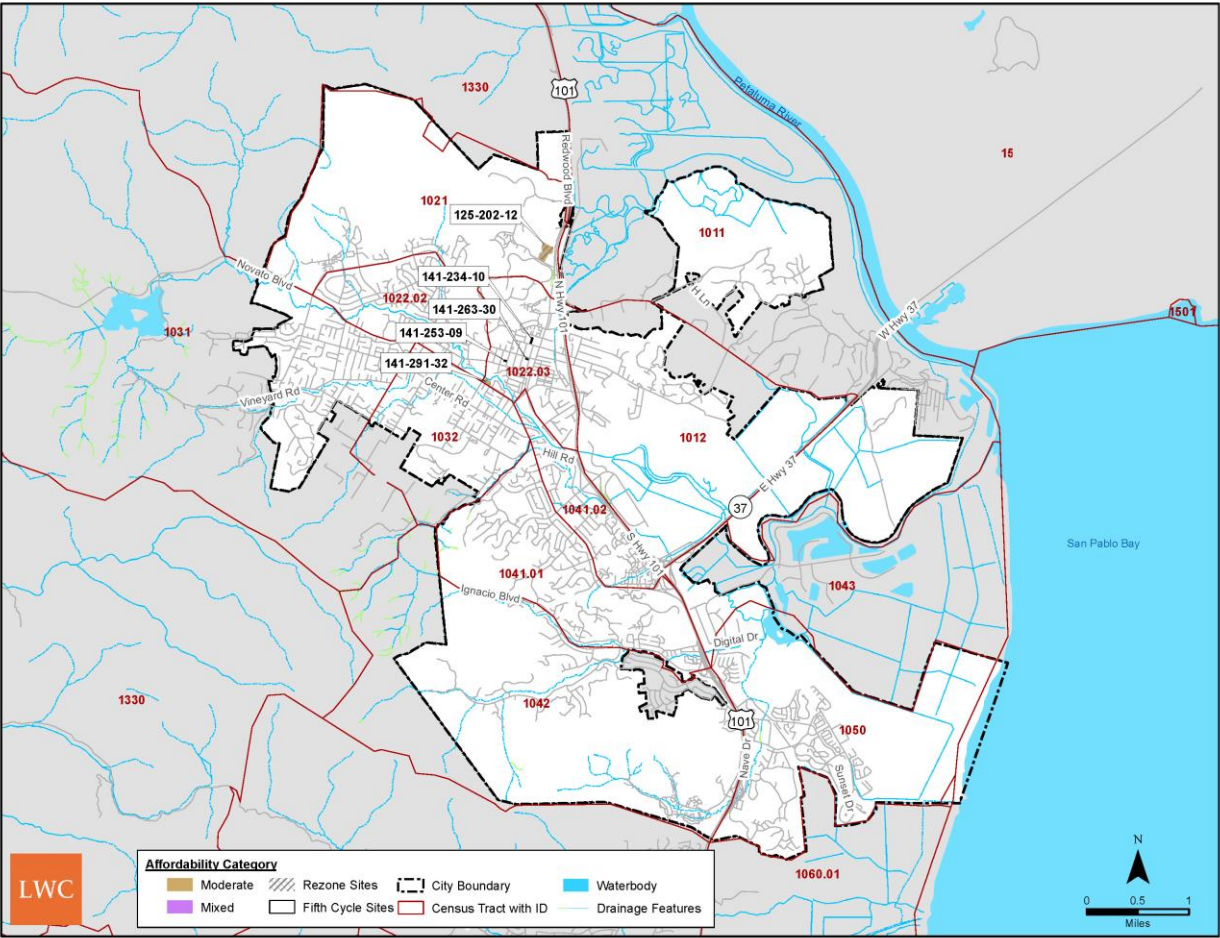
**Figure F-27: ~~RHNA Distribution~~37: Entitled and Proposed Developments by Income Affordability Category**







**TableFigure F-44: Entitled and Proposed Development Pipeline and38: Sites Inventory Summary Tableand  
Rezoning Sites by Income Affordability Category**





## Key Findings

~~The following are key findings based on neighborhood (Census tract) level analysis of development pipeline projects that consider the potential effects on access to opportunity, segregation, and displacement risk and disproportionate housing needs.~~

~~The housing development pipeline includes sites across the City, but~~

- Identified RHNA sites are concentrated in five Census tracts: 1021, 1022.02, 1022.03, 1011, and 1050. These represent several distinct neighborhoods:
  - **Tract 1021:** A higher-income, predominantly single-family neighborhood north of San Marin Dr., following the foothills of Mount Burdell. San Marin High School and a multi-family development are located on the western side of the tract, and large office parks are located on the eastern side. Designated as an RCAA and High Resource area.
  - **Tract 1022.02:** A higher-income, predominantly single-family neighborhood on flat ground between low hills. Novato Creek runs through the southern half of the tract. Commercial, multifamily, and public uses, including the Novato Public Library, are concentrated along Novato Blvd. Though predominantly white at the tract level, the neighborhood also contains the block group with the highest proportion of non-white households in the City (73.1 percent). Designated as an RCAA and High Resource area.
  - **Tract 1022.03:** This tract encompasses the entirety of Downtown Novato and its adjacent residential areas, including the [Northwest Quad Neighborhood](#), and is home to one of City's SMART rail stations. Homes are a mix of older, smaller single-family residences and mid-size apartments buildings added in the 1960's and 70's, and the majority of households are renters. The neighborhood is one of three predominantly LMI tracts, has the highest proportion of non-white households, has the lowest TCAC Economic Score in the City (0.0 to 0.25 range), and the highest overcrowding rate (9.3 percent). Designated as a Moderate Resource area, and identified as one of two Vulnerable Communities in Novato by the UC Berkeley UDP.
  - **Tract 1011:** A remote, entirely single-family residential neighborhood located on hills adjacent to the mouth of the Petaluma River, also known as Bahia. Designated as an RCAA and Moderate Resource area.
  - **Tract 1050:** This tract encompasses the entirety of the former Hamilton Airforce Base and, due to significant redevelopment, now features a wide variety of residential uses – single-family homes, multi-family complexes, senior housing, affordable housing, and the City's only emergency shelter. The neighborhood also contains many public amenities, including parks, a library, and a SMART rail station. Households are economically and racially mixed, and the neighborhood

has the highest Job Proximity Index score (>80) of any tract, as many commercial and light industrial uses are clustered adjacent to Highway 101. Despite featuring some of the highest rates of renter overpayment (69.3 percent), it also has the lowest (i.e., most positive) Location Affordability Index score. Additionally, this neighborhood has the lowest TCAC Environmental Score of any in the City due to ongoing environmental remediation efforts (see discussion above). Designated as a Moderate Resource Area.

- Pipeline projects are slated to occur on vacant land or on parcels which currently feature non-residential uses. The sole exception is the Grant Avenue Mixed-Use Project (APN 141-261-29), which will see one single-family residence demolished. This is a market rate (above moderate-income) home and is not subject to a deed-restriction.
- As described above, Tract 1022.03 (Downtown Novato and environs) presents some of the most –meaningful fair housing issues of any other City neighborhood due to its high proportion of non-white, lower-income, tenant households with a high (9.3 percent) overcrowding rate. Though this neighborhood will see the greatest number of individual development projects (six), over 51 percent of pipeline units affordable to lower- and moderate-income households will be built here. Due to the neighborhood’s walkability and proximity to Downtown restaurants, shopping, services, and transit, this concentration of mixed-income development has the potential to reduce overcrowding and address other fair housing concerns. Program 6.D (Implement General Plan Policies Related to the Northwest Quadrant Neighborhood) directs the City to implement General Plan 2035 policies which seek to improve significant portions of Tract 1022.03 (i.e., Policies LU 28b – LU 28e). These place-based strategies will address fair housing issues in this portion of the City, conserving and improving the existing affordable housing stock without contributing to invest-driven displacement.
- The Fireman’s Fund project (APN 125-202-03, 125-202-04, 125-202-05) will result in the construction of a large number of units in one of the least residential portions of the City. The project’s immediate vicinity is a High Resource area and will not cause displacement or concentrate either above moderate or affordable units in a lower-income area.
- The majority of pipeline projects will provide residential units affordable to a variety of income levels, with no projects proposing a disproportionate number of affordable units in lower-resource or lower-income areas.

Table F-13: Sub-Area Analysis Summary

APN	Census Tract		Units by Income Level					TCAC Composite	% Non-White <sup>1</sup>	% LMI	R/ECAP	% HH with Children		% Disabled	% Overcrowded	% Cost Burden	
	#	Total HH	Very Low	Low	Mod	Above Mod	Net New					Married Couple	Female-Headed			Renter	Owner
Entitled and Proposed Development Pipeline																	
<a href="#">125-180-49</a>	<a href="#">1021</a>	<a href="#">1,005</a>	<a href="#">=</a>	<a href="#">40</a>	<a href="#">40</a>	<a href="#">=</a>	<a href="#">80</a>	<a href="#">High</a>	<a href="#">16.6</a>	<a href="#">18.7</a>	<a href="#">0</a>	<a href="#">89.5</a>	<a href="#">9.0</a>	<a href="#">7.0</a>	<a href="#">0.0</a>	<a href="#">51.1</a>	<a href="#">32.4</a>
<a href="#">125-202-03,</a>																	
<a href="#">125-202-04,</a>																	
<a href="#">125-202-05</a>																	
<a href="#">125-180-23,</a> <a href="#">125-180-38</a>			<a href="#">49</a>	<a href="#">8</a>	<a href="#">12</a>	<a href="#">61</a>	<a href="#">130</a>										
<a href="#">124-282-18</a>	<a href="#">1022.02</a>	<a href="#">2,360</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">6</a>	<a href="#">=</a>	<a href="#">6</a>	<a href="#">High</a>	<a href="#">26.9</a>	<a href="#">45.6</a>	<a href="#">0</a>	<a href="#">68.6</a>	<a href="#">21.2</a>	<a href="#">9.9</a>	<a href="#">4.2</a>	<a href="#">33.1</a>	<a href="#">40.7</a>
<a href="#">141-201-12,</a> <a href="#">141-201-48</a>			<a href="#">4</a>	<a href="#">4</a>	<a href="#">27</a>	<a href="#">=</a>	<a href="#">35</a>		<a href="#">73.1</a>								
<a href="#">141-261-29</a>	<a href="#">1022.03</a>	<a href="#">2,201</a>	<a href="#">23</a>	<a href="#">158</a>	<a href="#">46</a>	<a href="#">=</a>	<a href="#">227</a>	<a href="#">Moderate</a>	<a href="#">62.7</a>	<a href="#">57.6</a>	<a href="#">0</a>	<a href="#">74.6</a>	<a href="#">19.1</a>	<a href="#">9.9</a>	<a href="#">9.3</a>	<a href="#">57.6</a>	<a href="#">40.1</a>
<a href="#">141-262-14,</a> <a href="#">141-262-13</a>			<a href="#">7</a>	<a href="#">46</a>	<a href="#">14</a>	<a href="#">=</a>	<a href="#">67</a>										
<a href="#">143-011-05,</a> <a href="#">143-011-08</a>			<a href="#">18</a>	<a href="#">7</a>	<a href="#">40</a>	<a href="#">113</a>	<a href="#">178</a>										
<a href="#">141-282-07,</a> <a href="#">141-282-04</a>			<a href="#">20</a>	<a href="#">138</a>	<a href="#">40</a>	<a href="#">=</a>	<a href="#">198</a>										
<a href="#">153-162-70</a>			<a href="#">4</a>	<a href="#">3</a>	<a href="#">25</a>	<a href="#">=</a>	<a href="#">32</a>										
<a href="#">153-170-56</a>			<a href="#">=</a>	<a href="#">3</a>	<a href="#">3</a>	<a href="#">22</a>	<a href="#">32</a>										
<a href="#">143-151-06</a>	<a href="#">1011</a>	<a href="#">1,098</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">5</a>	<a href="#">5</a>	<a href="#">Moderate</a>	<a href="#">17.1</a>	<a href="#">24.2</a>	<a href="#">0</a>	<a href="#">89.7</a>	<a href="#">6.7</a>	<a href="#">8.8</a>	<a href="#">4.6</a>	<a href="#">53.2</a>	<a href="#">29.0</a>
<a href="#">157-690-37,</a> <a href="#">157-690-53</a>	<a href="#">1050</a>	<a href="#">2,790</a>	<a href="#">=</a>	<a href="#">36</a>	<a href="#">=</a>	<a href="#">55</a>	<a href="#">91</a>	<a href="#">Moderate</a>	<a href="#">30.6</a>	<a href="#">46.2</a>	<a href="#">0</a>	<a href="#">93.9</a>	<a href="#">5.2</a>	<a href="#">7.6</a>	<a href="#">1.7</a>	<a href="#">69.3</a>	<a href="#">33.5</a>
<a href="#">157-970-07</a>			<a href="#">50</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">50</a>		<a href="#">57.1</a>								
<a href="#">157-162-70</a>			<a href="#">4</a>	<a href="#">3</a>	<a href="#">25</a>	<a href="#">=</a>	<a href="#">32</a>										
Total		9,454	305	576	282	1,296	2,459										
Sites Inventory																	
<a href="#">141-234-10</a>	<a href="#">1022.03</a>	<a href="#">2,201</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">3</a>	<a href="#">=</a>	<a href="#">3</a>	<a href="#">Moderate</a>	<a href="#">62.7</a>	<a href="#">57.6</a>	<a href="#">0</a>	<a href="#">74.6</a>	<a href="#">19.1</a>	<a href="#">9.9</a>	<a href="#">9.3</a>	<a href="#">57.6</a>	<a href="#">40.1</a>
<a href="#">141-253-09</a>			<a href="#">=</a>	<a href="#">=</a>	<a href="#">1</a>	<a href="#">=</a>	<a href="#">1</a>										
<a href="#">141-263-30</a>			<a href="#">=</a>	<a href="#">=</a>	<a href="#">4</a>	<a href="#">=</a>	<a href="#">4</a>										
Total		2,201	<a href="#">=</a>	<a href="#">=</a>	<a href="#">8</a>	<a href="#">=</a>	<a href="#">8</a>										
Rezoned Sites																	
<a href="#">125-202-12</a>	<a href="#">1021</a>	<a href="#">1,005</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">20</a>	<a href="#">=</a>	<a href="#">20</a>	<a href="#">High</a>	<a href="#">16.6</a>	<a href="#">18.7</a>	<a href="#">0</a>	<a href="#">89.5</a>	<a href="#">9.0</a>	<a href="#">7.0</a>	<a href="#">0.0</a>	<a href="#">51.1</a>	<a href="#">32.4</a>
<a href="#">141-291-32</a>	<a href="#">1022.03</a>	<a href="#">2,201</a>	<a href="#">=</a>	<a href="#">=</a>	<a href="#">22</a>	<a href="#">=</a>	<a href="#">22</a>	<a href="#">Moderate</a>	<a href="#">44.1</a>	<a href="#">57.6</a>	<a href="#">0</a>	<a href="#">74.6</a>	<a href="#">19.1</a>	<a href="#">9.9</a>	<a href="#">9.3</a>	<a href="#">57.6</a>	<a href="#">40.1</a>
Total		5,566	<a href="#">=</a>	<a href="#">=</a>	<a href="#">44</a>	<a href="#">0</a>	<a href="#">44</a>										
<sup>1</sup> Non-white population data are reported at the block group level. Where appropriate, the racial demographics of block groups contained within individual tracts are reported.																	

<sup>1</sup> Non-white population data are reported at the block group level. Where appropriate, the racial demographics of block groups contained within individual tracts are reported.

Source: City of Novato, ABAG/MTC, LWC

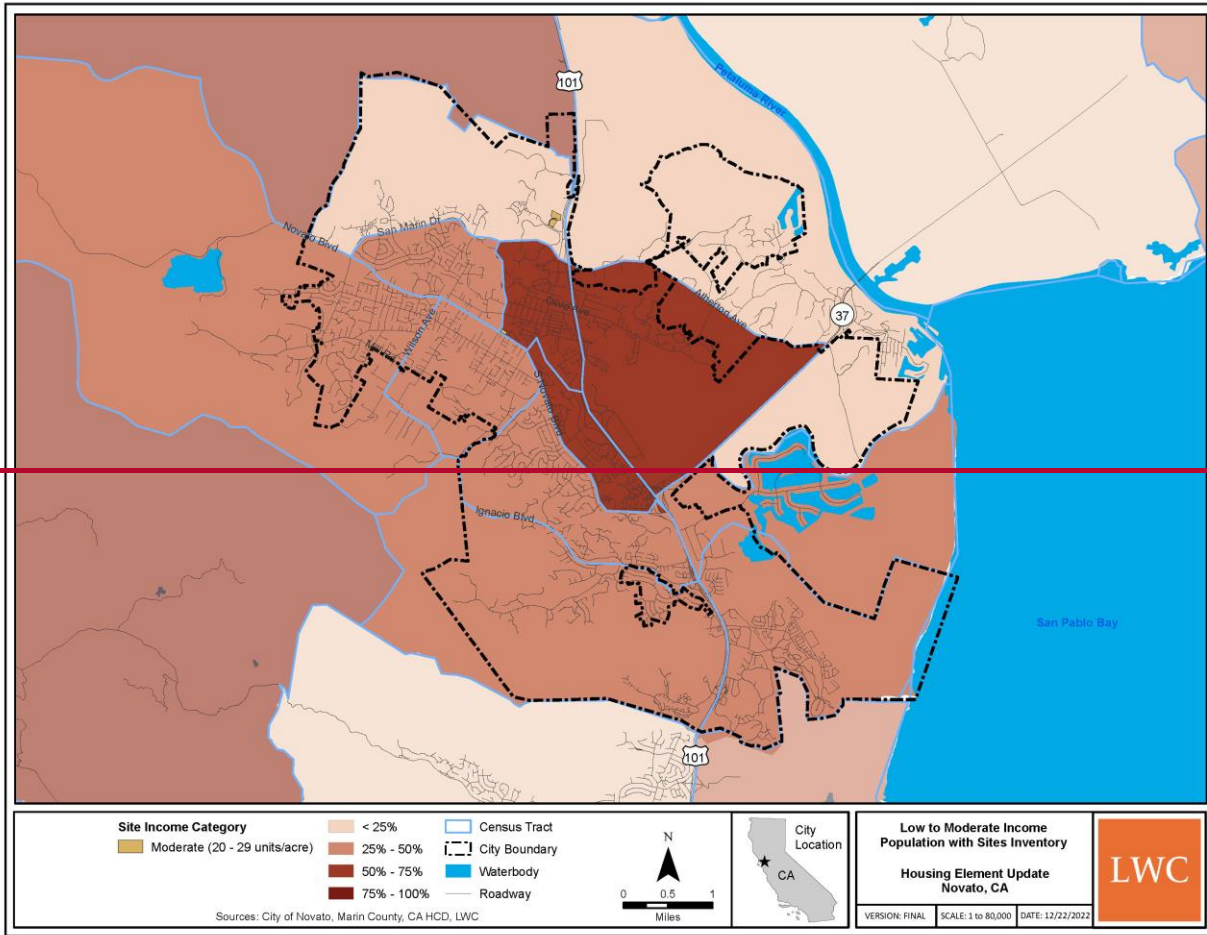
### **F.3.2F.3.3 Potential Effects on Patterns of Segregation**

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A comparison of a jurisdiction's site inventory against its LMI households and R/ECAP area can reveal if the City's accommodation of housing is exacerbating or ameliorating segregation and social inequity. Figure F-28~~39~~ shows the locations of all entitled and proposed developments and LMI population percentages. Figure F-40 shows the locations of the Novato sites inventory relative to~~and~~ rezone sites and LMI concentrations,~~and~~. Figure F-29~~shows~~41 displays the distribution of ~~sites~~entitled and proposed developments, sites inventory, and rezone sites ~~combined~~ area relative to the area of LMI population percentages within the City.

The City contains three LMI percentage quartiles. The City's lowest LMI percentage category (less than 25 percent) encompasses 26 percent of the City. The amount of ~~sites inventory~~future and potential project area within this category is ~~86~~about 72 percent. The second LMI quartile (25 to 50 percent) covers 55 percent of the City and contains ~~none~~about 7 percent of ~~the sites inventory~~future and potential project area. The third LMI category (50 to 75 percent) contains 20 percent of City area and ~~14~~approximately 22 percent of the ~~sites inventory~~future and potential project area. ~~Novato sites inventory~~Future and potential project locations in Novato relative to LMI ~~populations~~population concentrations are not expected to worsen income distributions through further concentration in higher LMI categories due to the relative City and site areas in each LMI category.

Figure F-28: ~~Sites Inventory~~39 Entitled and Proposed Developments and LMI Households by Tract



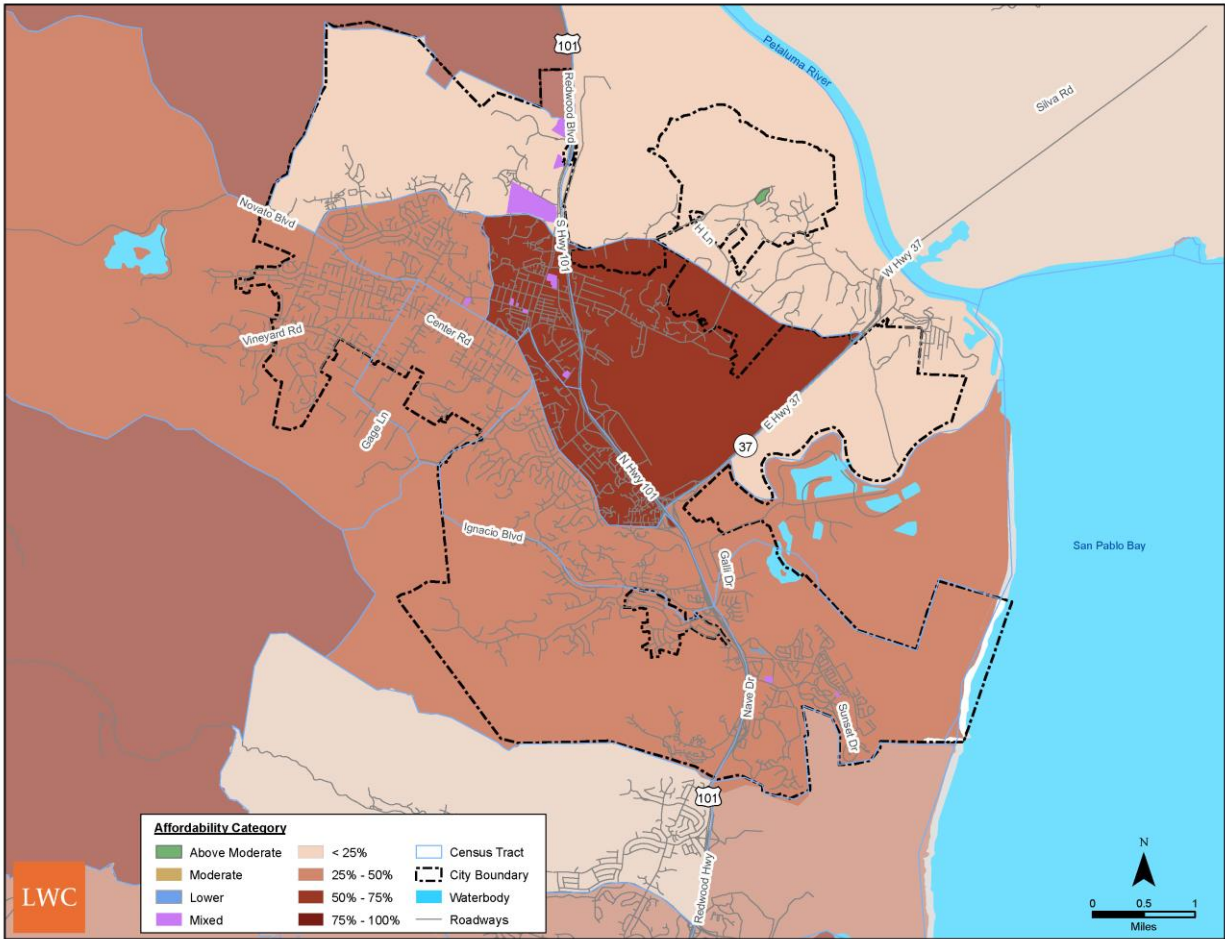
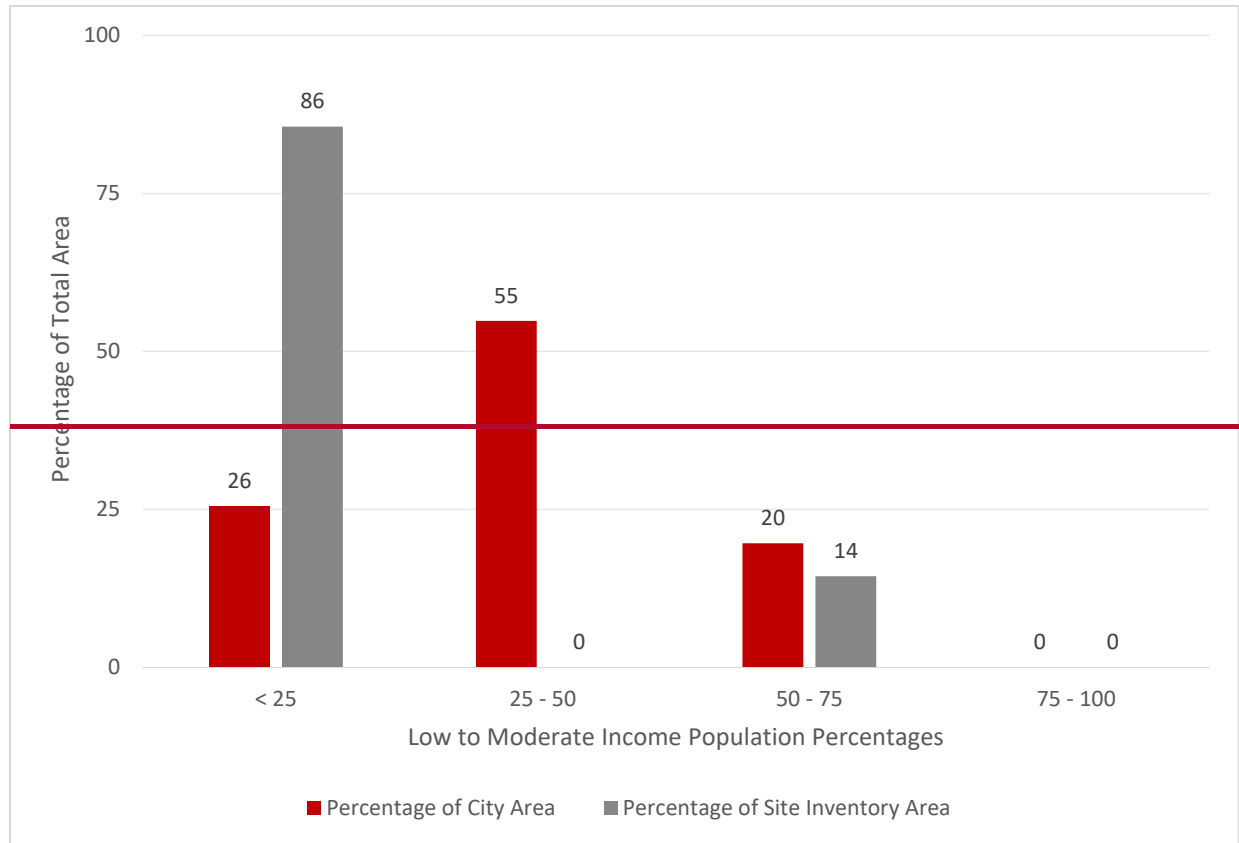
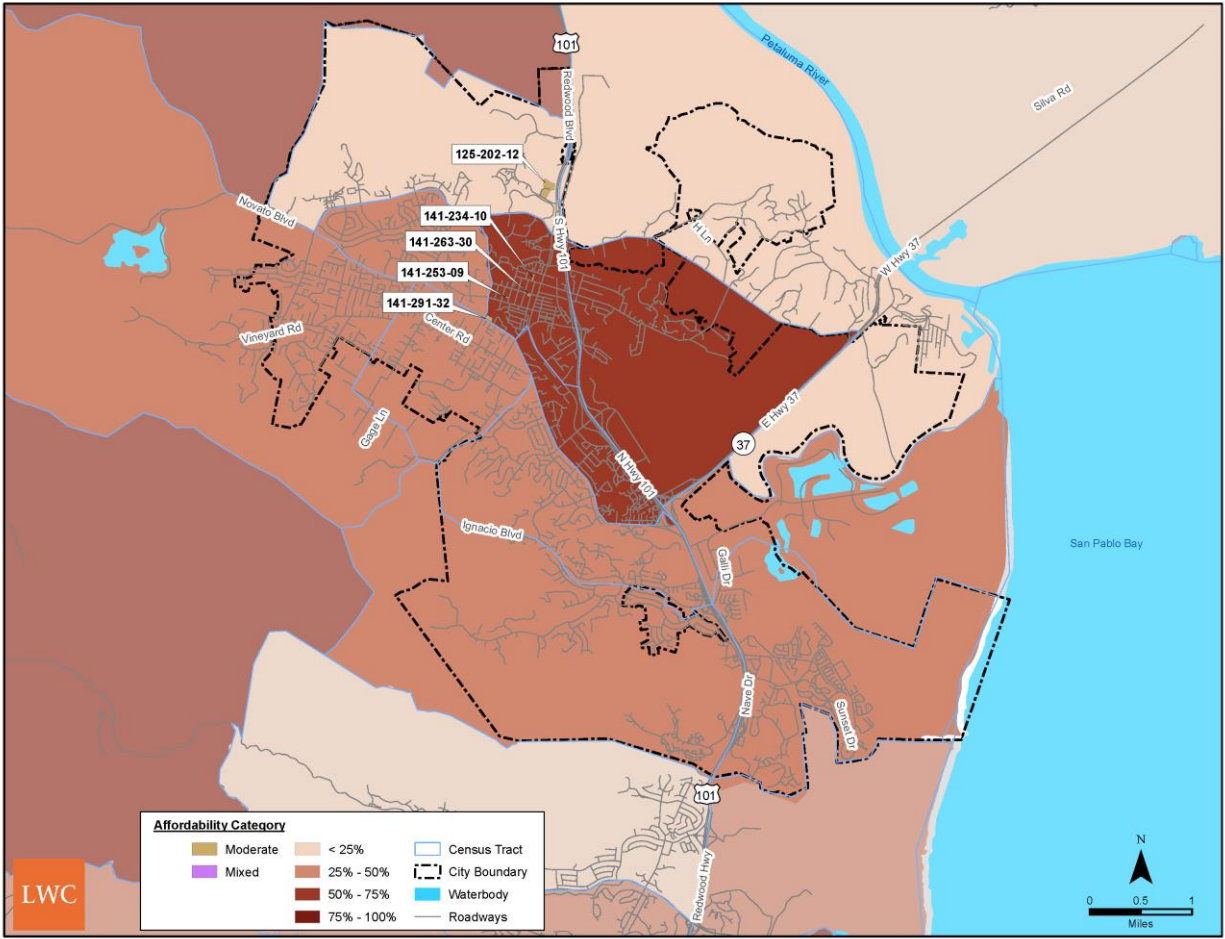




Figure F-29: ~~Distribution of~~40: Sites Inventory ~~Across and Rezone Sites and~~ LMI ~~Population~~  
~~Percentages~~Households by Tract





Figures F-30 and F-31 show the sites inventory area associated with R/ECAPs. As previously noted, Novato does not have any R/ECAPs within its boundaries. The amount of City and sites inventory areas not within a R/ECAP is therefore 100 percent.

**Figure F-30-41: Distribution of Entitled & Proposed Developments, Sites Inventory, and R/ECAPs by Tract/Rezone Sites Across LMI Population Percentages**

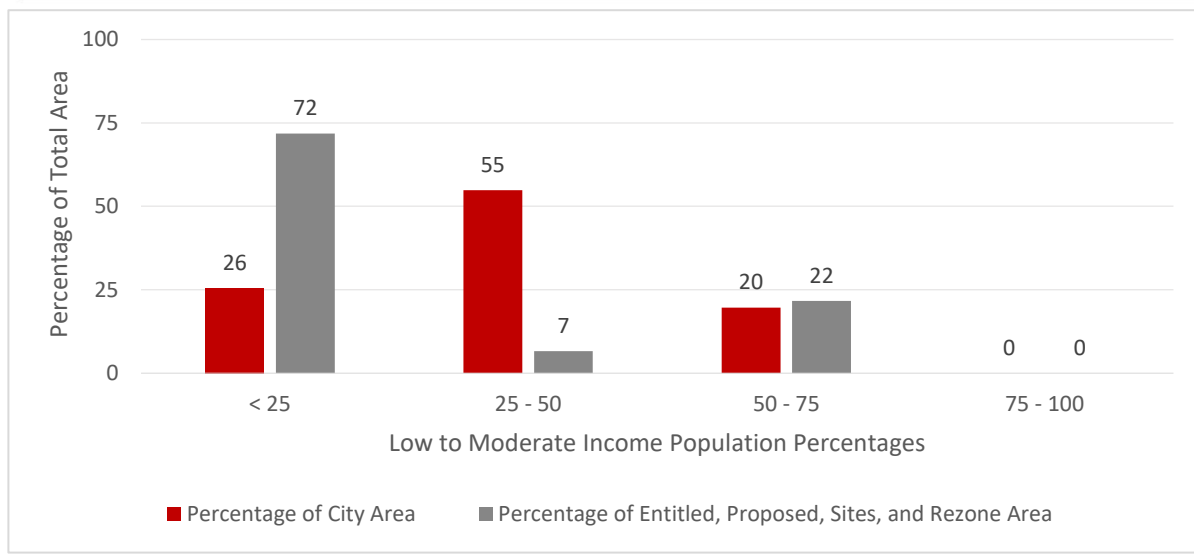
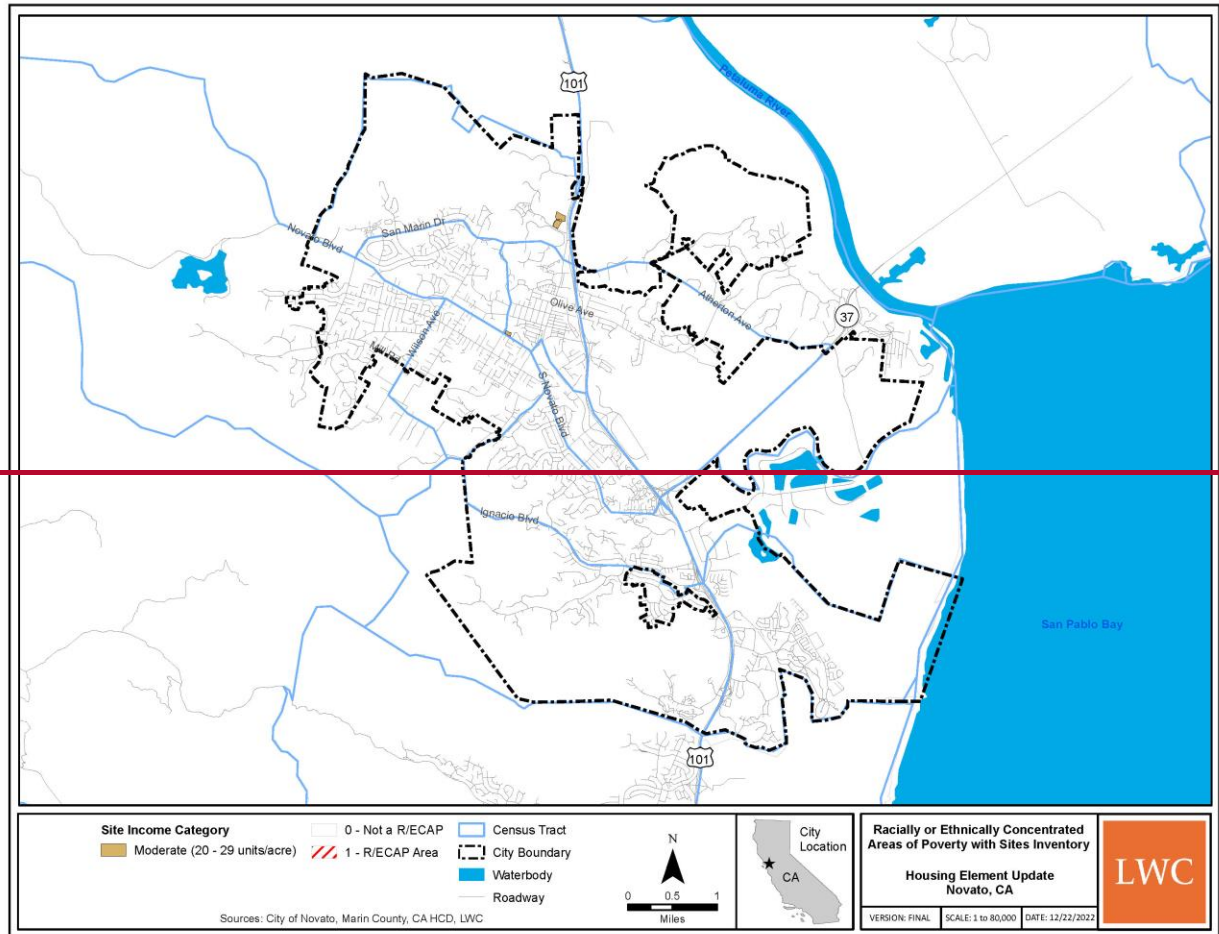


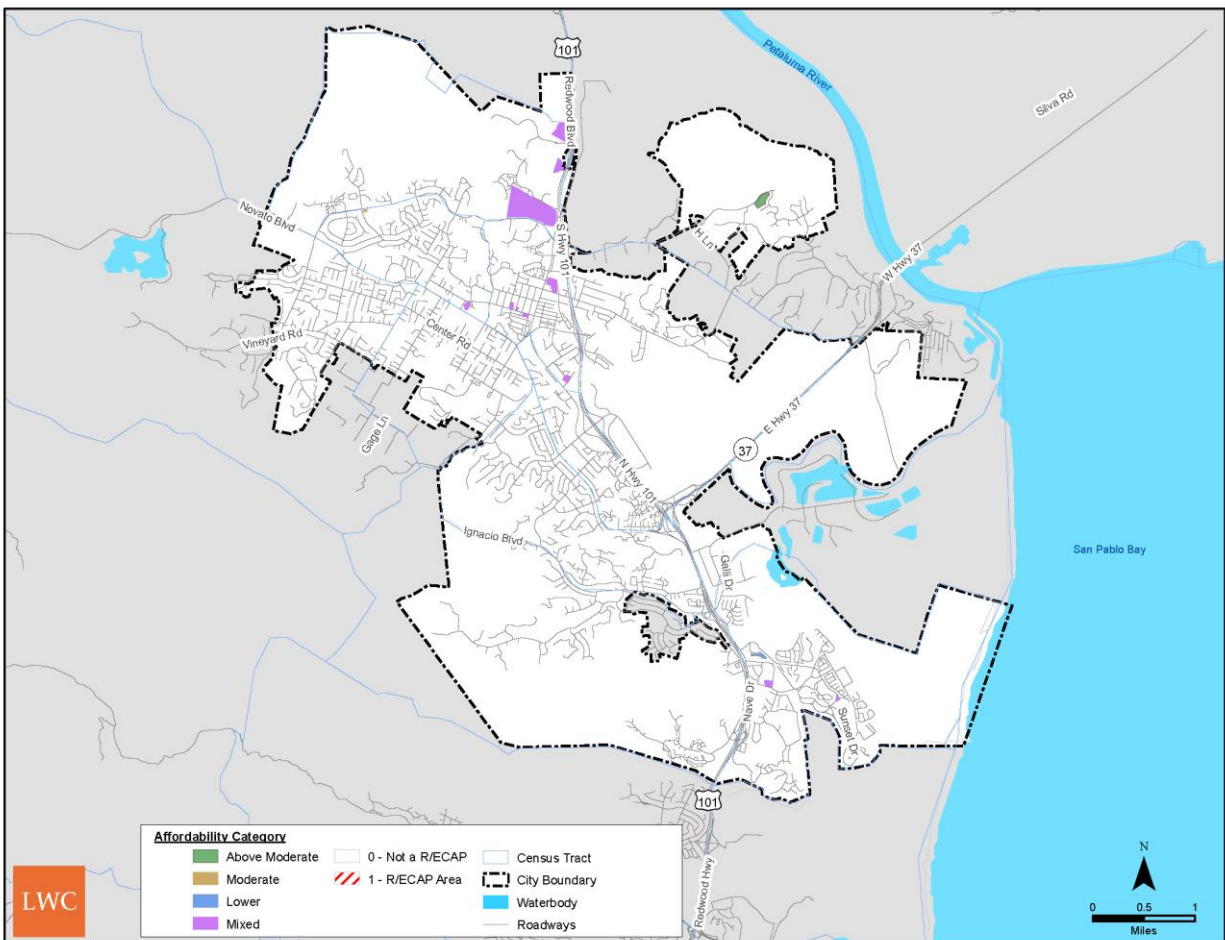
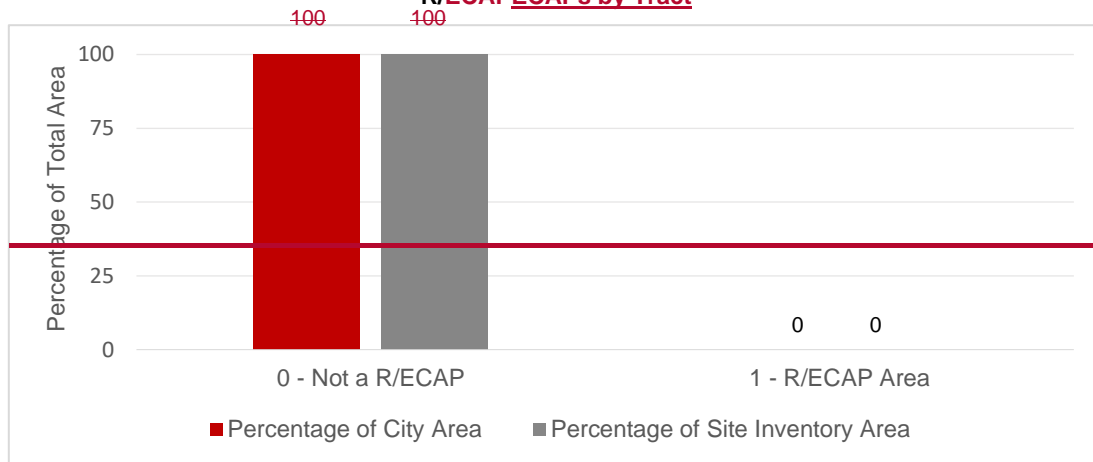
Figure F-42 shows the locations of all entitled and proposed developments and R/ECAPs. Figure F-43 shows the sites inventory area and rezone sites and R/ECAPs. Figure F-44 displays the

distribution of entitled and proposed developments, sites inventory, and rezone sites combined area (housing element sites area) relative to the presence of R/ECAPs within the City.

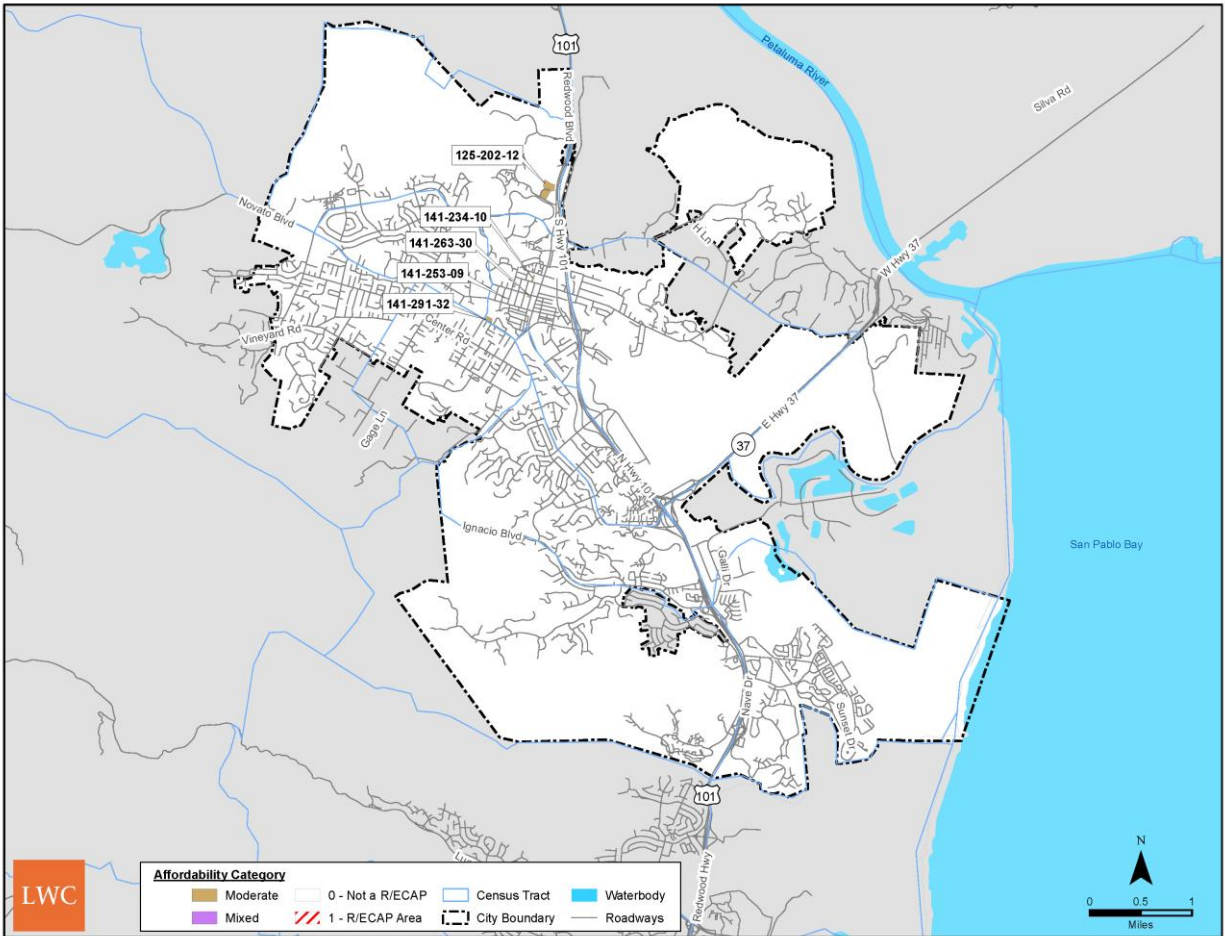
As previously noted, Novato does not have any R/ECAPs within its boundaries.

The amount of City and Housing Element sites area that is not within a R/ECAP is therefore 100 percent.

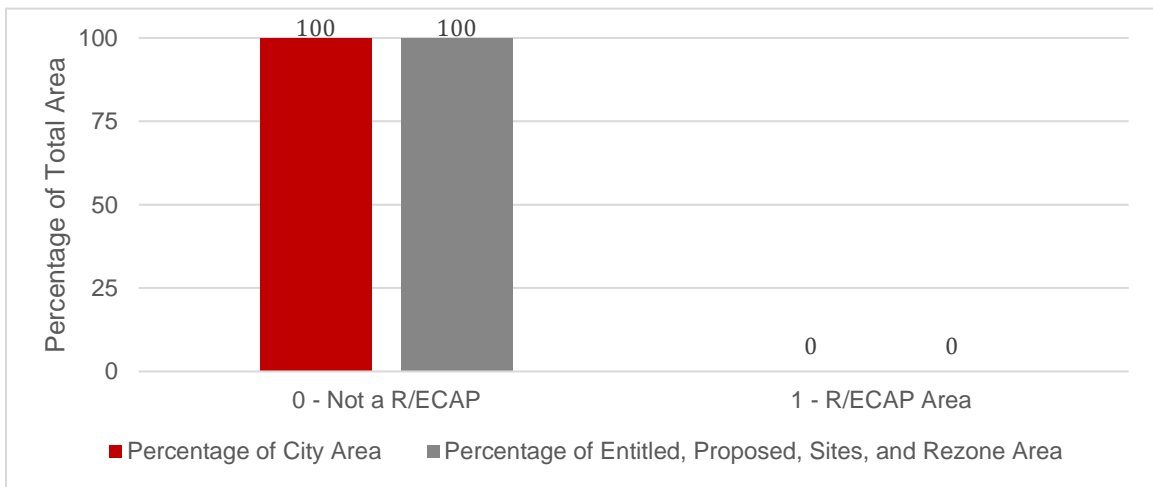
**Figure F-31: Distribution of Sites Inventory Across42: Entitled and Proposed Developments and R/ECAPs by Tract**



**Figure F-43: Sites Inventory and Rezone Sites and R/ECAPs by Tract**



**Figure F-44: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites Across R/ECAPs**



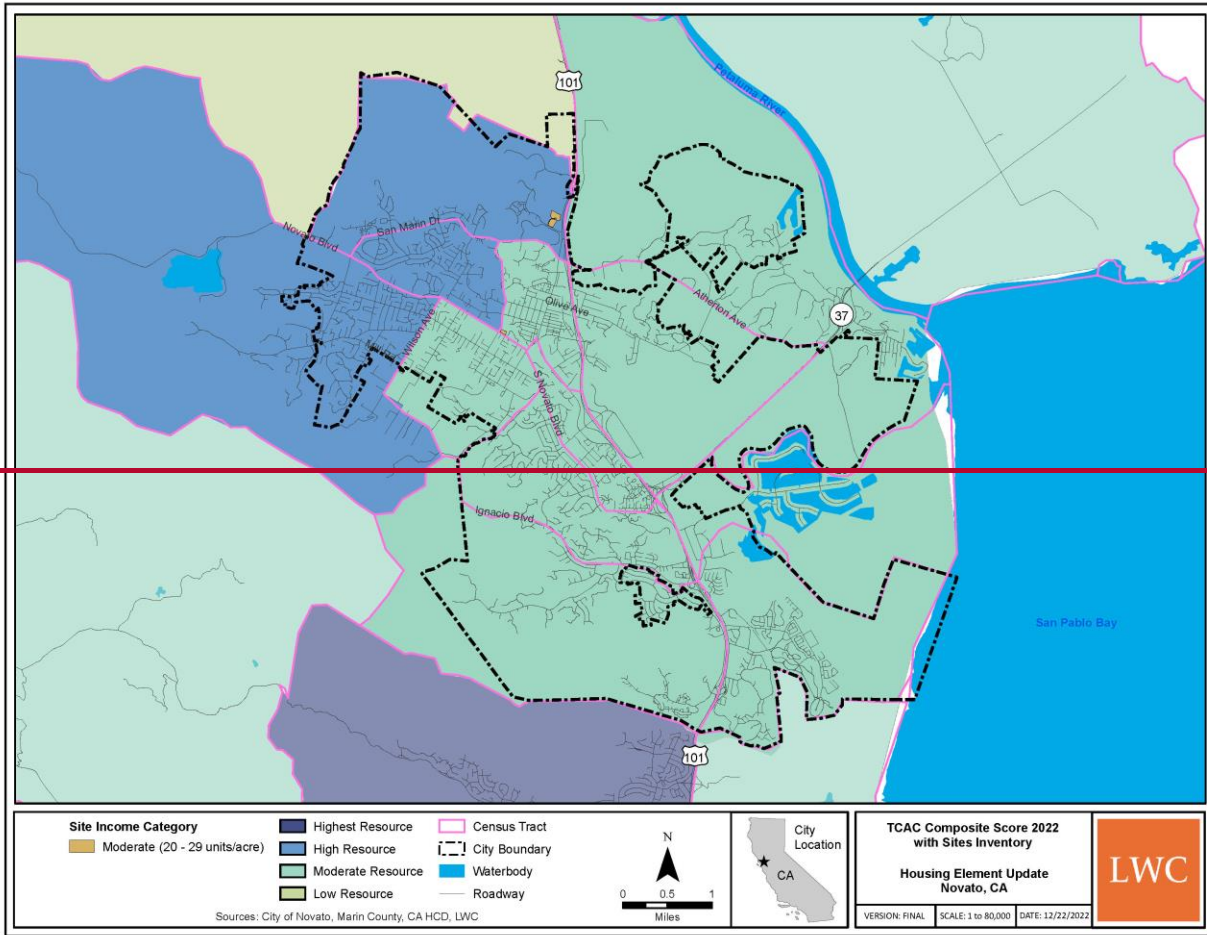


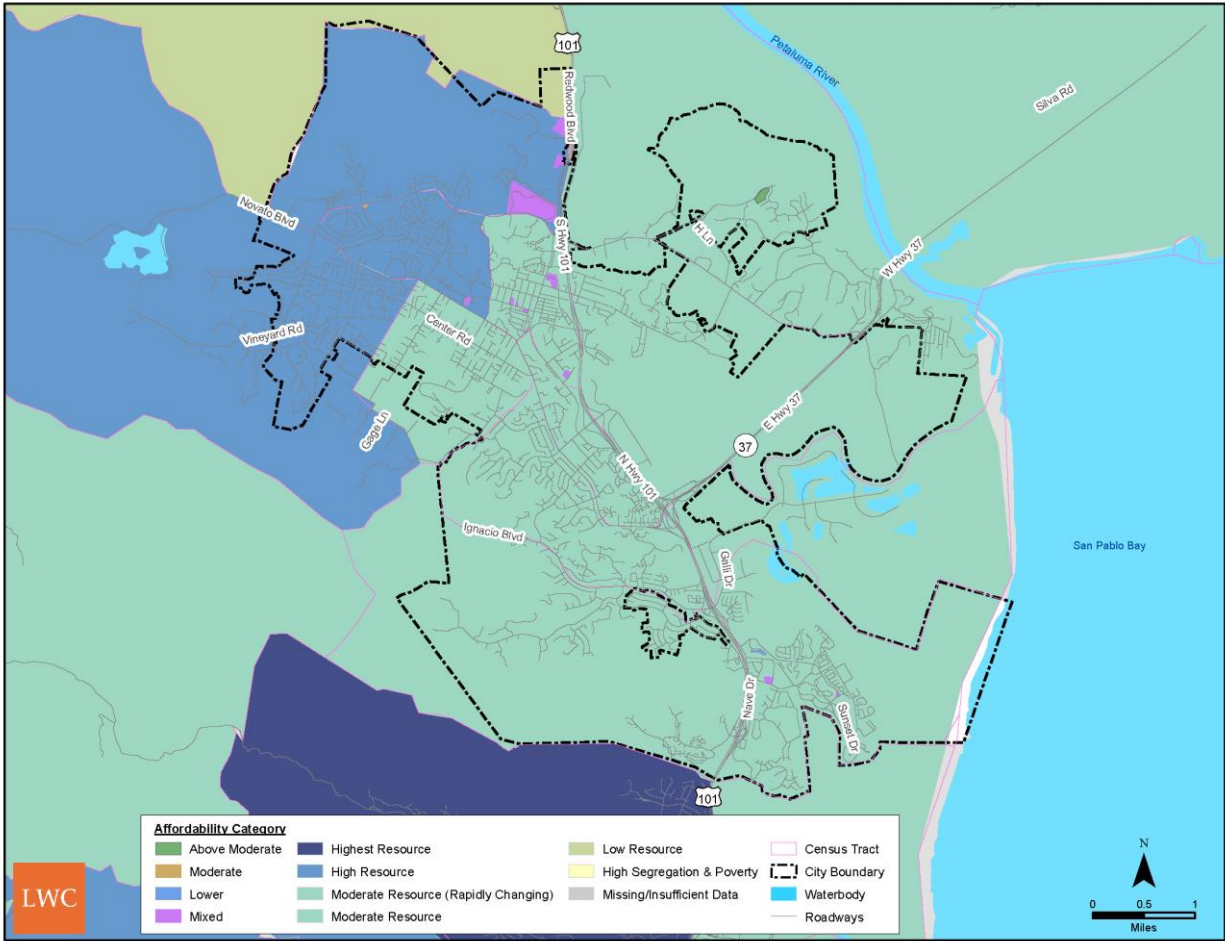
#### **F.3.3F.3.4 Potential Effects on Access to Opportunity**

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Figure F-~~3245~~ shows the location of all entitled and proposed developments alongside TCAC Composite Score by Census tract. Figure F-46 shows the sites inventory ~~locations and rezone sites~~ across the City's TCAC Opportunity Areas Composite Score. The City is categorized as Moderate and High Resource areas based on the TCAC Composite Score. Figure F-~~3347~~ shows the distribution of Novato sites across the TCAC Composite Score categories. The High Resource area accounts for 23 percent of the City and the Moderate Resource area comprises 76 percent of the City. The entitled/proposed development, sites inventory, and rezone sites area distribution is predominantly located in the High Resource area at 8659 percent and in the ~~moderate resource~~ Moderate Resource area at 1441 percent. ~~The sites inventory~~ These locations will likely not impede access to opportunity because housing development potential in the City is aligned with higher resources overall.

Figure F-32: ~~Sites Inventory~~45: Entitled and Proposed Developments and TCAC Composite Score by Tract





**Figure F-33: Distribution of 46 Sites Inventory Across and Rezone Sites and TCAC Composite Score by Tract**

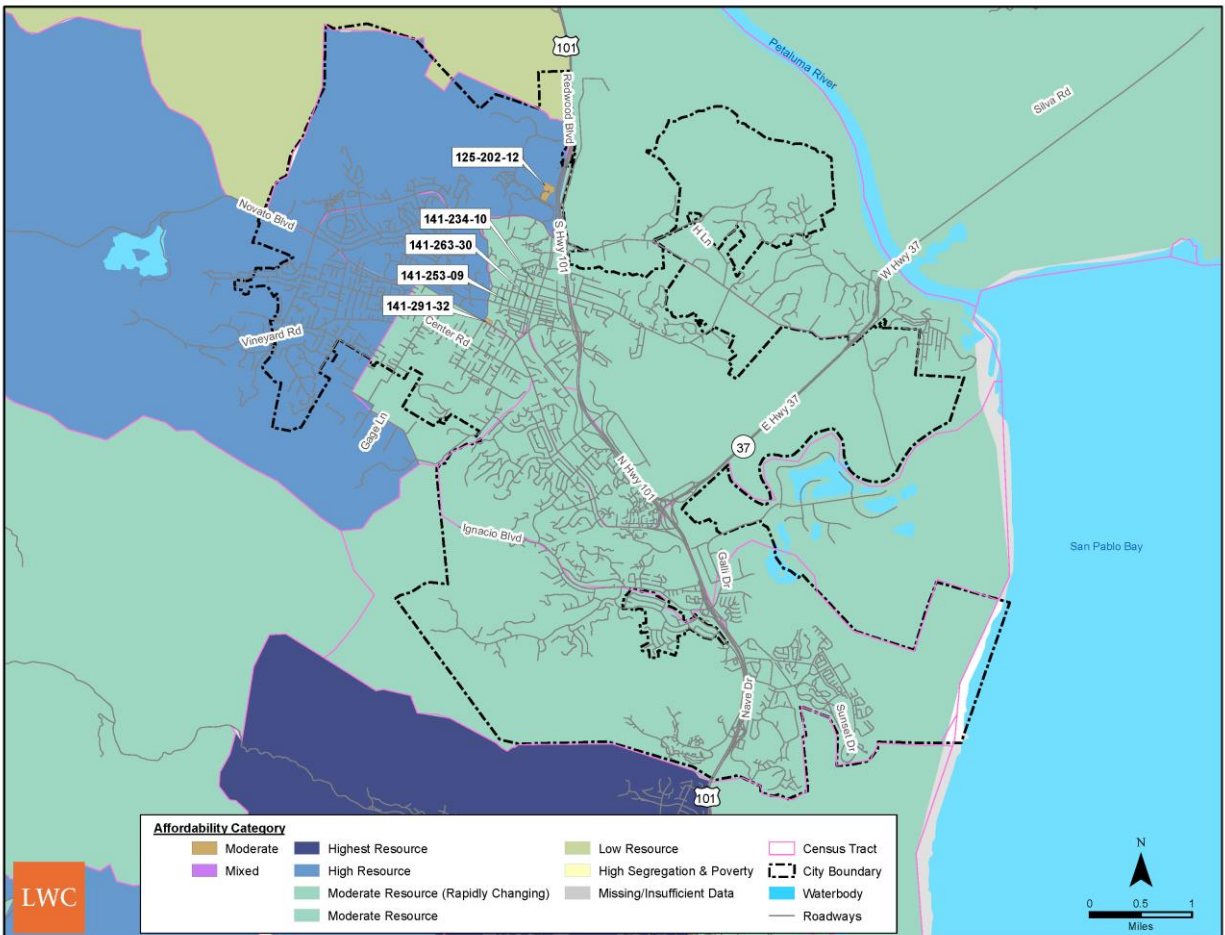
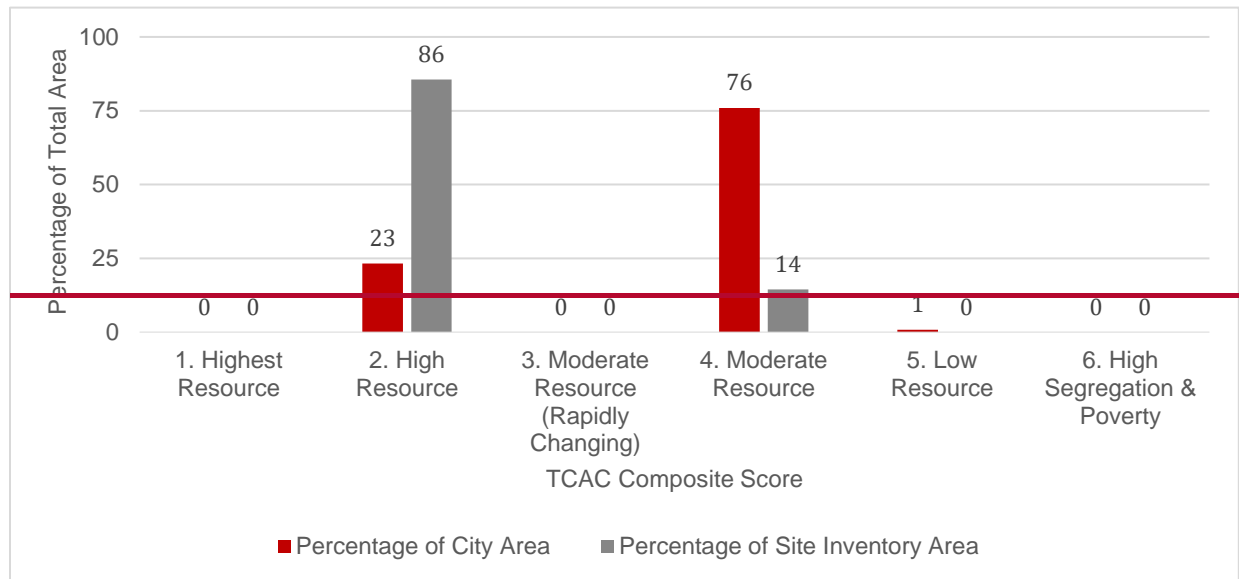


Figure F-34

Figure F-47: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites by TCAC Composite Score

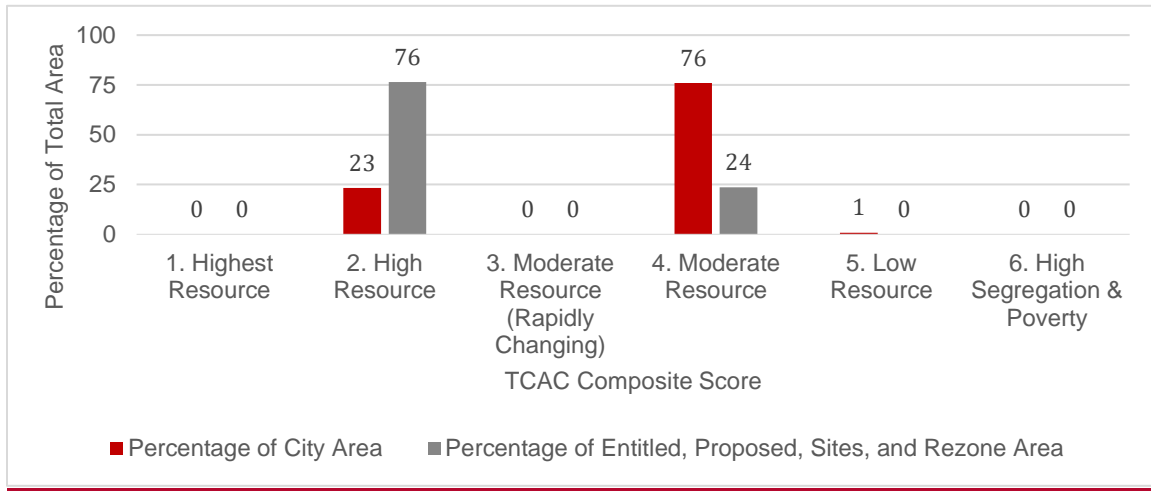
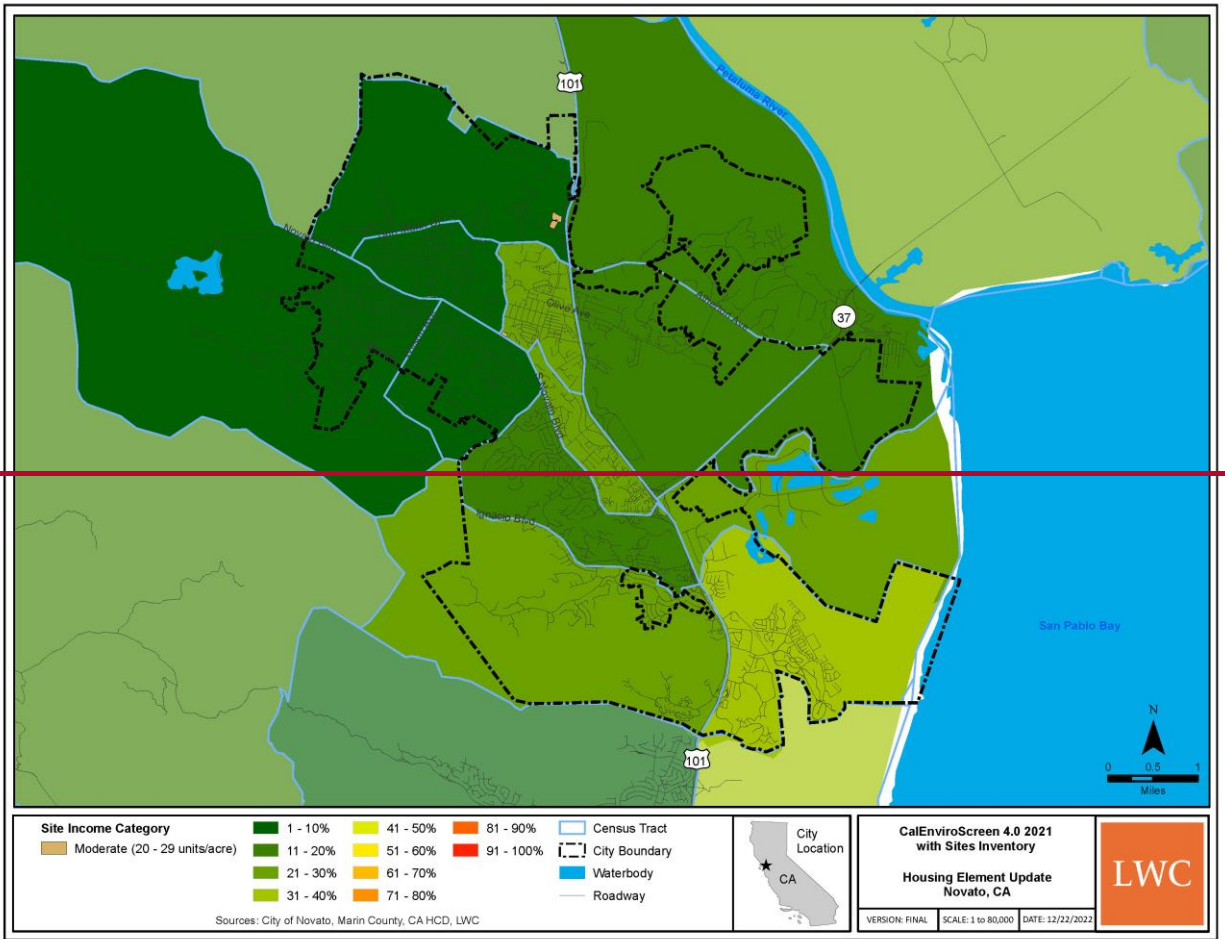


Figure F-48 shows the locations of all entitled and proposed developments alongside Cal EnviroScreen 4.0 Scores by Census tract. Figure F-49 shows the sites inventory and rezone sites across the City's CalEnviroScreen scores. The City contains four CalEnviroScreen scores ranging from the lowest one (first decile of one to 10 percent, lowest environmental risk) up to four (31 to 40 percent). Figure F-3550 shows the distribution of sites in Novato across the range of CalEnviroScreen scores presented as deciles. The area with the highest amount of environmental risk to residents (score four) accounts for the lowest percentage of City area (13 percent) and does not contain any contains only five percent of entitled/proposed, sites inventory, and rezone site area. Most of the sites inventory future and potential project area is in CalEnviroScreen decile one at 8676 percent, which accounts for 28 percent of the City's area. Most of the City area is in decile two at 34 percent but contains no only five percent of future and potential project sites. Decile three contains 25 percent of City area and 4413 percent of the sites future and potential project area. Sites inventory Future and potential project locations are concentrated in areas associated with the lowest environmental risk according to the CalEnviroScreen scores. Based on this assessment, the site these locations are not likely to expose residents to environmental hazards.

Figure F-3448: Distribution of ~~Sites Inventory~~Entitled and Proposed Developments by CalEnviroScreen 4.0  
Scores by Tract





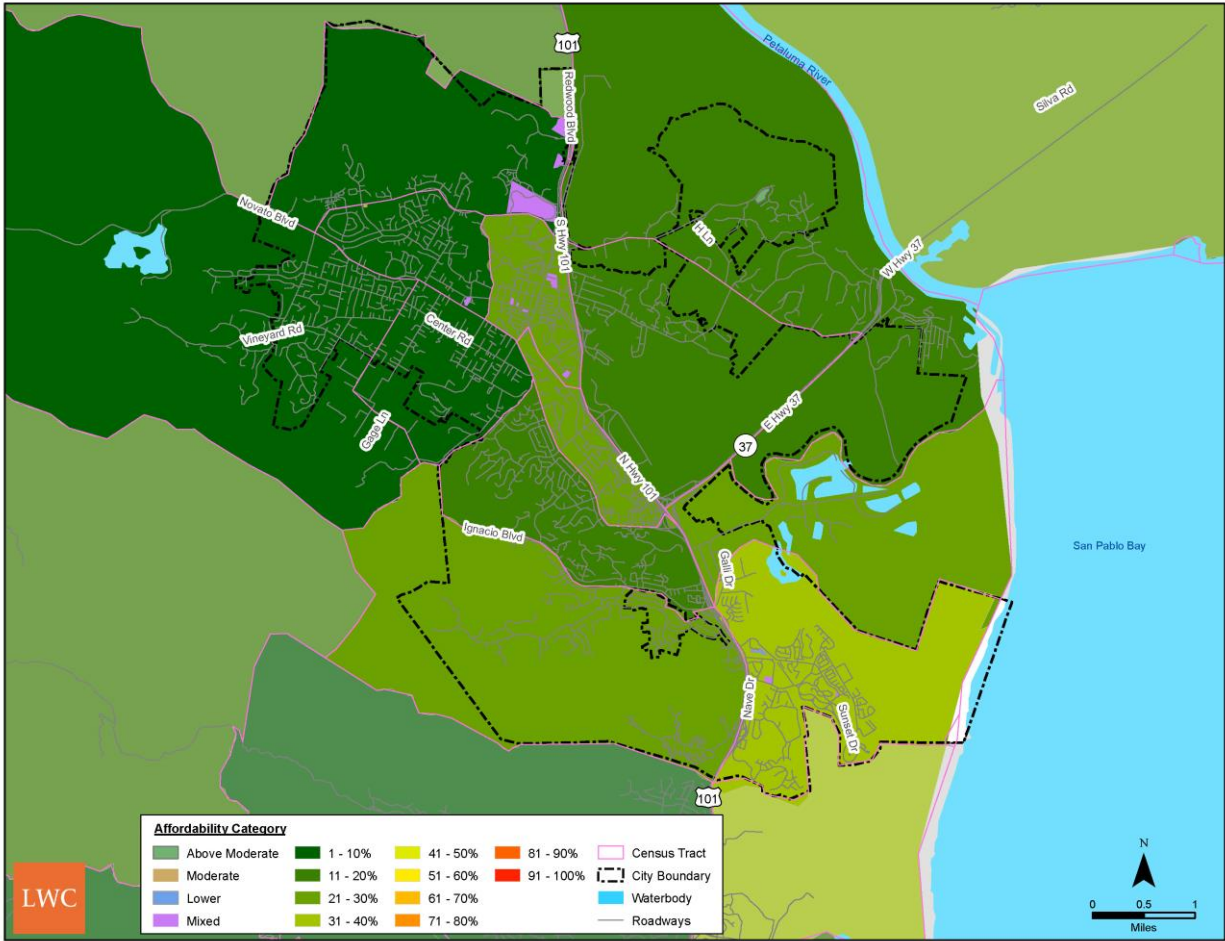
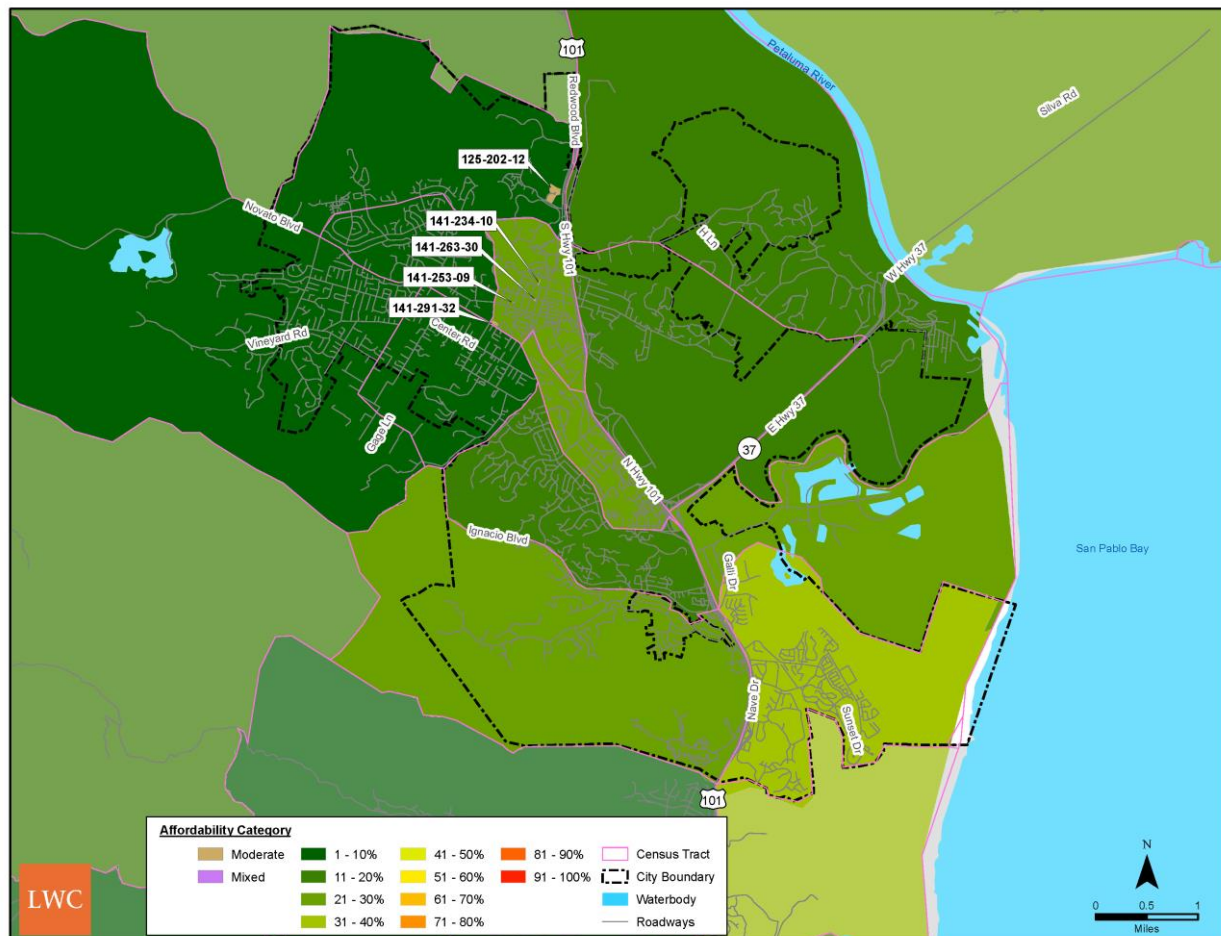
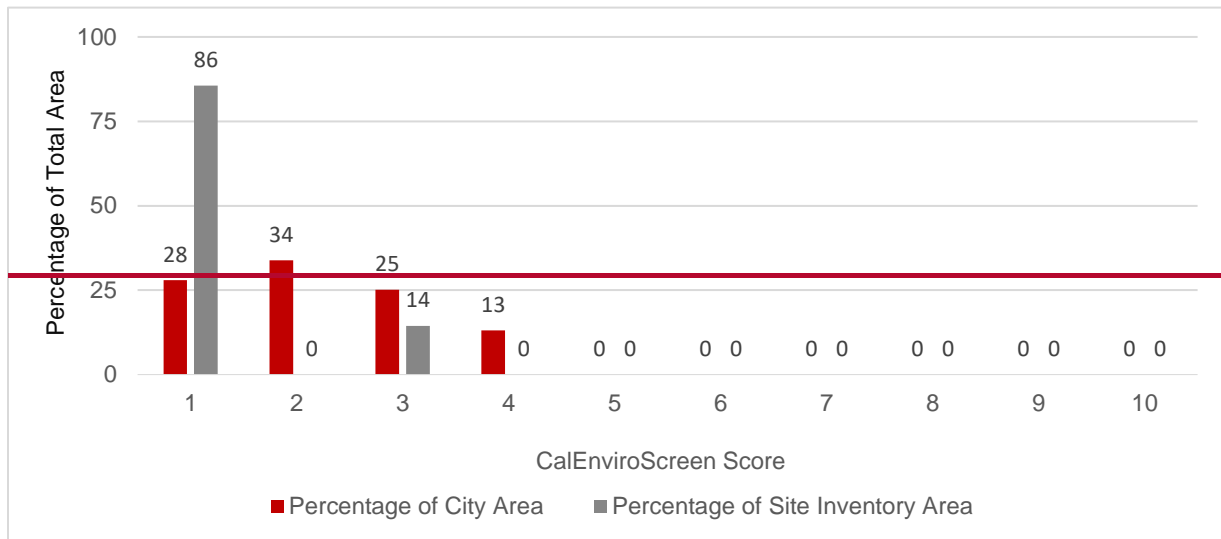
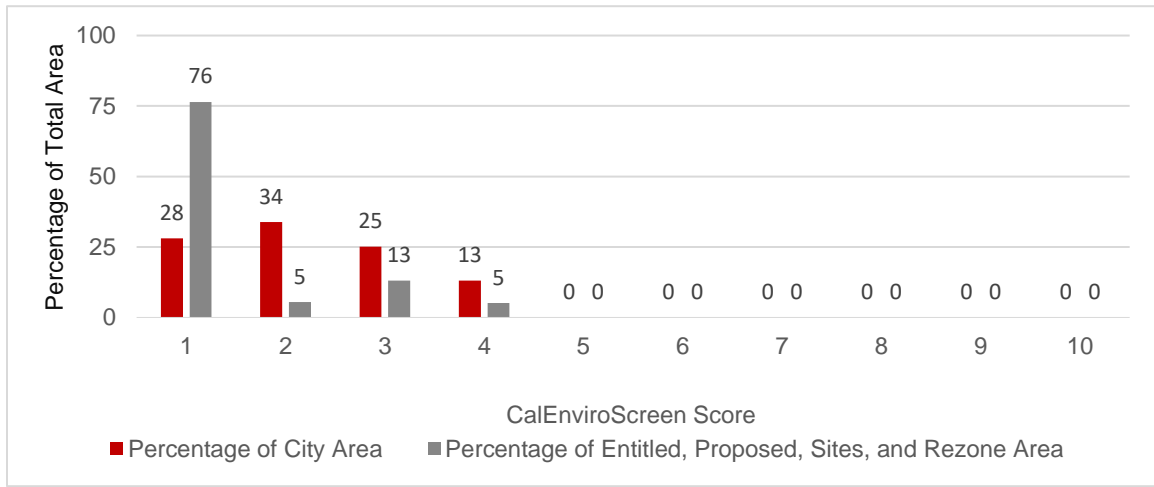


Figure F-3549: Distribution of Sites Inventory and Rezone Sites by CalEnviroScreen 4.0 Scores by Tract



**Figure F-50: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites by CalEnviroScreen 4.0 Scores**



## Section F.4 Contributing Factors and Meaningful Actions

Table F-~~42~~14 lists the prevalent fair housing issues and their corresponding contributing factors for the City of Novato as prioritized through the findings from the above assessment and as outlined in Section F.2.8 (Summary of Fair Housing Issues).

**Table F-~~42~~14: Contributing Factors**

Priority	Contributing Factor	Fair Housing Issue
1	Land use and zoning laws	Disproportionate Housing Needs
2	Availability of affordable units in a range of sizes	Disproportionate Housing Needs
3	Location and type of affordable housing	Segregation and Integration

Table F-~~43~~15 consists of proposed housing programs the City will pursue to specifically overcome identified patterns and trends from the above assessment and proactively affirmatively further fair housing in Novato. To reflect the importance of meaningful action on land use and zoning (the highest-priority AFFH contributing factor), associated housing implementation programs will be implemented within two years of 6<sup>th</sup> Cycle Housing Element adoption. The programs' detailed metrics and milestones are located in Section III of the Housing Element.

**Table F-~~43~~15: Meaningful Actions**

Contributing Factor	AFFH Strategy	Housing Implementation Programs
Land use and zoning laws	New housing choices and affordability in areas of opportunity	1.A: Rezone for RHNA shortfall. <u>2.G: Amend and monitor Inclusionary Housing Ordinance</u> 3.C: Adopt Marin County objective design standards for multi-family housing. 3.D: Design review and use permit process improvements. <del>3.G: Modify multi-family residential parking standards.</del>
Availability of affordable units in a range of sizes	New housing choices and affordability in areas of opportunity	1.B: <del>Encourage and streamline</del> <u>Streamline</u> the construction of Accessory Dwelling Units (ADUs). 3.F: Evaluate and adjust impact fees. <u>3.G: Modify multi-family residential parking standards.</u>
Location and type of affordable housing	New housing choices and affordability in areas of opportunity	3.H: Adopt a parking reduction incentive program to facilitate transit-oriented development.
	Protect existing residents from displacement	<u>2.B: Maintain long-term housing affordability controls.</u> 5.A: Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units. 5.B: Link code enforcement with public information campaigns.

Table F-~~43~~15: Meaningful Actions

Contributing Factor	AFFH Strategy	Housing Implementation Programs
		<p>5.C: Amend the City's condominium conversion ordinance.</p> <p>5.F: Preserve mobile home parks.</p> <p>5.G: Regulate the displacement of residential units.</p> <p>5.H: Promote and support rental assistance programs.</p> <p>5.I: Expand “just cause” eviction protections to all tenants.</p> <p>5.J: Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</p> <p>6.A: Prepare information and conduct community outreach activities on fair housing issues.</p> <p>6.B: Require non-discrimination clauses in affordable housing agreements.</p> <p>6.D: Implement General Plan policies related to the Northwest Quadrant neighborhood.</p>
	Housing mobility strategies	<p><del>2.B: Maintain long-term housing affordability controls.</del></p> <p>2.C: Maintain and develop local sources of funding for affordable housing.</p> <p>2.D: Seek outside funding for affordable housing that leverages local resources.</p> <p>5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.</p> <p>5.K: Continue to assist in the rehabilitation and production of housing for lower-income households.</p>

**Attachment: AFFH Segregation Report, Novato**

# Appendix G: Housing Resources

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## Section G.1 Financial and Administrative Resources

The following section (Appendix G) presents financial, administrative, and other resources that can support the City in addressing its housing needs. Availability of these resources is dependent on governmental and administrative priorities, legislation, and the availability of funding, which is constantly subject to change.



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### G.1.1 Local Resources

Novato's Affordable Housing Program is managed by the Community Development Department. The program provides both rental and ownership units to households of very low, low, and moderate incomes. Historically, the City has been able to provide funding to housing developers who develop affordable housing. Since 2000, the City assisted in the construction of over 700 units of affordable housing as part of the Hamilton Airfield redevelopment and has supported other deed-restricted units throughout the City. Below is a brief summary of Novato's Affordable Housing Program resources.

#### **Below Market Rate (BMR) Ownership Housing Program**

The Below Market Rate (BMR) program is a home ownership program where units throughout the City are sold below the market rate value. Homebuyers who previously benefited from programs pass along the opportunity to the next owner when they sell their home. This ensures that there will be affordable housing available for future generations of Novato residents.

As of March 23, 2021, [Rise Housing Solutions](#) manages the City's BMR ownership program, a local non-profit partner that manages similar programs in Cupertino and Menlo Park. Rise Housing Solutions works with the City and its Real Estate Agent Partner to process BMR program applications, housing lotteries, and screening. They also manage similar processes for developers working in the City, most recently [Verandah at Valley Oaks](#) and [Ascend at Hamilton Field](#).

Novato manages its new BMR housing stock separate from the County program managed by the Marin Housing Authority [BMR Home Ownership program](#).

#### **Below Market Rate (BMR) Rental Program**

There is a number of affordable BMR rental units provided throughout the City. The rents are restricted for households of very-low and low incomes. These include the following:

- **Bay Vista at Meadow Park** (5 Hutchins Way): 220 units, max. income 30-60% AMI
- **Creekside at Meadow Park** (5 Hutchins Way): 77 units, max. income 35-69% AMI
- **Millworks** (900 Reichert Ave.): seven units, max. income 50% AMI
- **Next Key Center** (1385 N. Hamilton Pkwy.): 32 units, max. income 50% AMI (job training available)
- **Villa Entrada** (510-530 Entrada Dr., 8-12 Oak Grove Dr.): 65 for-sale units
- **Illes Court**: three for-sale units

## **Gilead House**

Established in 1999, Gilead House provides housing, support, and learning opportunities for up to twelve low-income single mothers and their children at two locations in Novato. The 24-month program offers women the opportunity to learn vital skills in a supportive environment and make permanent and positive changes in their life. The main components of the program include a strong focus on education, family advocacy, mental health support, mentoring, and personal goal-setting. Through each of these avenues, the residents learn independence and self-sufficiency and make plans for life beyond transitional housing.

## **Fair Housing Ordinance**

The City of Novato Fair Housing Ordinance precludes discrimination of potential renters based on their source of income, such as those who receive third-party housing subsidies or vouchers. This means that landlords may not preclude potential tenants with housing assistance, such as the Housing Choice Voucher Program (formerly Section 8), in advertising the availability of an apartment, and may not evaluate applications, charge a higher deposit, or treat an applicant differently based on source of income. This ordinance does not prevent or hinder landlords from screening applications or selecting tenants based on other factors, such as having sufficient total income, adequate credit scores, an acceptable rental history or references, or applying other typical screening criteria.

## **Funding**

Since 2000, the City has funded over 700 affordable housing units throughout the City. Developers constructing affordable housing may request "gap financing" from the City to complete the needed funding for the project.

For example, in 2020 the City Council unanimously voted to commit \$750,000 of the City's \$1.1 million affordable housing fund to Homeward Bound of Marin to support the first phase of its effort to construct 24 one-bedroom apartments of permanent supportive housing for veterans, 26 one-bedroom apartments of workforce affordable housing, and a job training center at 826 State Access Road. The City's funding helped leverage more funding from State, federal and local agencies and organizations, including a \$3 million Veterans Housing and Homelessness Prevention grant from HCD. As of 2022, Homeward Bound was awarded a further \$392,446 in grant money from Marin County's Affordable Housing Trust Fund and the State's Permanent Local Housing Allocation (PLHA) program. This second infusion of funding followed action from the County Board of Supervisors, due in part to ongoing support from Novato's City Council, who helps decide which projects receive funds. Construction began in November 2022.

## **Mobile Home Rent Control**

The Novato Rent Control Ordinance for mobile home parks was enacted to protect tenants' investments in their mobile homes and ensure affordable spaces for rent, while at the same time recognizing mobile home park owners' rights to earn a fair return on investment. The ordinance

governs rents, rent increases, and other protections for current and potential future tenants of mobile home parks. The Ordinance can be found in the Novato Municipal Code as Chapter 20 (Rent Control – Mobilehomes).

## Senior Housing

Novato has affordable ownership and rental developments for seniors with minimum age restrictions starting at 55 years. These include the following:

### *Rentals*

- The Villas at Hamilton (419 S. Palm Dr.)
- Nova Ro I Apartments (1128 Olive Ave.)
- Nova Ro II Apartments (1130 7<sup>th</sup> St.)
- Nova Ro III Apartments (31 Pinheiro Cr.)
- Creekside at Meadow Park (46 Tinker Way)
- Mackey Terrace (626 Owens Dr.)
- Warner Creek Senior Housing (806 Diablo Ave.)

### *For Purchase*

- Villa Entrada (510-530 Entrada Dr., 8-12 Oak Grove Dr.)

## G.1.2 Regional Resources

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### Community Action Marin

- **Application Assistance for Housing, Energy, and other Programs:** Staff are available to assist applicants who do not have access to a computer or smart phone or need other assistance.
- **Emergency Family Needs Program:** This program offers small one-time cash grants to support emergency rental, mortgage, or security deposit assistance. The program supports longer-term help finding affordable housing through a coaching program.
- **Financial & Credit Coaching:** Community Action Marin's coaching helps people develop strategies and manage their overall finances and achieve better financial stability and greater independence. This is defined as a self-sufficient income which includes three months of savings, a credit score of 700 or above, and no revolving debt. Participants commit to being in the program for at least six months, working with a coach to identify personal goals, create an action plan, and meet regularly to check on progress and address barriers. The program collaborates with local banks, colleges, county offices, and other nonprofits to provide a hub of integrated services with the collective goal of helping participants attain long-term financial security.
- **Long Term Housing Assistance:** As part of the coaching program, clients can meet with a Volunteer Housing Navigator who can assist with:

- Information on shared housing, Housing Choice Voucher Program housing (formerly Section 8), and senior subsidized housing options;
  - Planning a housing search (where and how to look);
  - Learning how to present yourself to a landlord;
  - Discussing how to be a good tenant;
  - Creating tools: housing resume and letters of reference; and,
  - Referrals to outside resources.
- **Pet Security Deposit Help:** The Marin Humane Society partners with Community Action Marin to provide up to \$500 towards a pet security deposit for qualifying individuals or families. This financial support is paid directly to the housing manager or landlord.

## Marin Housing Authority

- **Family Self-Sufficiency Program:** Family Self-Sufficiency (FSS) serves Housing Choice Voucher (HCV) and Public Housing participants who wish to increase their earned income and reduce their dependency on welfare assistance and rental subsidies. With support of local agencies, FSS combines case management and advocacy with individual plans for education, training, and employment. Participants in the program can receive support services for up to five years while improving their standard of living and building tools for creating sustainable change.
- **Housing Choice Voucher (HCV) Program:** Marin Housing administers 50 housing choice vouchers (formerly known as Section 8) under HUD guidelines. The HCV Program provides decent, safe, and sanitary affordable rental housing for very low-income families throughout Marin County. Housing is made affordable by assisting the family with a portion of the rent. In this program, the family pays approximately 30 percent of their monthly income for rent and Marin Housing pays the remainder of the rent directly to the owner or property manager.
- **Public Housing:** Public housing is funded by the federal government and administered by the Marin Housing Authority for Marin County. Novato has one public housing development, Casa Nova. It includes 40 units owned by Marin Housing Authority near shopping and bus lines for income-eligible seniors or disabled people capable of independent living. Rent is federally subsidized, so tenants pay 30 percent of their monthly gross income, less a utility allowance.
- **Residential Rehabilitation Loan Program:** This program provides low-interest property improvement loans and technical assistance to qualified very low-income homeowners to make basic repairs and improvements, correct substandard

conditions, and eliminate health and safety hazards in their homes or apartments. Energy efficiency improvements are eligible through this program as well.

- **Shelter Plus Care Program:** Marin County Shelter plus Care Program is a housing subsidy program for individuals who are chronically homeless and suffer from a qualifying disability. The Program is funded by the U.S. Department of Housing and Urban Development (HUD) and Marin County Behavioral Health and Substance Use Services. Participants pay approximately 30 percent of their income toward rent and receive ongoing supportive services from Marin Housing Authority case managers.

### **G.1.3 State Resources**

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- **Affordable Housing and Sustainable Communities Program (AHSC):** Administered by the Strategic Growth Council, this program provides grants and/or loans to fund land-use, housing, transportation, and land preservation projects that support infill and compact development that reduce greenhouse gas emissions.
- **CalHome:** HCD-provided grants to local public agencies and non-profit housing developers to assist first-time homebuyers become or remain homeowners through deferred-payment loans. Funds can also be used to assist in the development of multiple-unit homeownership programs.
- **California Emergency Solutions and Housing (CESH):** This program provides funds for a variety of activities to assist persons experiencing or at risk of homelessness, such as housing relocation and stabilization services (including rental assistance), operating subsidies for permanent housing, flexible housing subsidies, and emergency housing operating support.
- **California Housing Finance Agency (CalHFA):** CalHFA offers a variety of low-cost loan programs to support the development of affordable multi-family rental housing, mixed-income housing, and special needs housing.
- **California Housing Finance Agency (CalHFA), Mortgage Credit Certificate Program:** The MCC program is a homebuyer assistance program designed to help lower-income families afford home ownership. The program enables home buyers to claim a dollar-for-dollar tax credit for a portion of the annual mortgage interest, up to \$2,000. The remaining mortgage interest may still be calculated as an itemized deduction.
- **California Self-Help Housing Program (CSHHP):** Provides grants for sponsor organizations that provide technical assistance for low- and moderate-income families to build their homes with their own labor.
- **Elderlink:** A senior care referral service licensed by the Department of Public Health. This organization provides independent and free personalized senior care placement

services to fully screened and approved nursing home, board and care, and assisted living facilities.

- **Golden State Acquisition Fund (GSAF):** This \$93 million fund provides low-cost financing aimed at supporting the creation and preservation of affordable housing across the state. GSAF makes up to five-year loans to developers for acquisition or preservation of affordable housing.
- **Homekey:** Homekey provides grants to acquire and rehabilitate a variety of housing types, such as hotels and residential care facilities, to serve people experiencing homelessness or who are also at risk of serious illness from COVID-19.
- **Housing for a Healthy California (HHC) Program:** This program provides funding to deliver supportive housing opportunities to developers using the federal National Housing Trust Funds (NHTF) allocations for operating reserve grants and capital loans. The HHC program is intended to create supportive housing for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services' Medi-Cal program.
- **Housing Navigator's Program:** This grant program allocates funding to counties for the support of housing navigators to help young adults aged 18 to 21 years secure and maintain housing, with priority for individuals in the foster care system.
- **Infill Infrastructure Grant Program (IIG):** This program promotes infill housing development by providing grant funding, in the form of gap assistance, for infrastructure improvements required for qualifying multi-family or mixed-use residential development.
- **Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program:** This program provides deferred payment loans for owner-occupied and rental housing for agricultural workers, with a priority for lower income households.
- **Local Housing Trust Fund (LHTF) Program:** This program provides matching funds to local or regional housing trust funds for the creation, preservation, and rehabilitation of affordable housing, transitional housing, or emergency shelters.
- **Mills Act:** The Mills Act is an economic incentive programs for the restoration and preservation of qualified historic buildings by private property owners. It grants local governments the authority to enter into contracts with owners of qualified historic properties who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief.
- **Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRP):** This program provides financing to support the preservation of affordable mobilehome parks through conversion of the park to ownership or control by resident organizations, nonprofit housing sponsors, or local public entities.

- **Multifamily Housing Program (MHP):** This program provides deferred payment loans for the construction, preservation, and rehabilitation of permanent and transitional rental housing for lower-income households.
- **No Place Like Home Program:** This program invests in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness.
- **National Housing Trust Fund:** This program provides deferred payment or forgivable loans for the construction of permanent housing for extremely low-income households. The required affordability covenant is for 55 years.
- **Permanent Local Housing Allocation (PLHA) Program:** This program provides a permanent source of funding to all local governments in California to help cities and counties implement plans to increase affordable housing stock. Funding for this program is provided through a \$75 recording fee on real estate transactions.
- **Predevelopment Loan Program (PDLP):** This program provides financing to cover pre-development costs to construct, preserve, or rehabilitate assisted housing.
- **Supportive Housing Multifamily Housing Program (SHMHP):** This program provides low interest deferred loan payments to developers building affordable rental housing that contain supportive housing units.
- **Transit-Oriented Development (TOD) Housing Program:** This program provides low-interest loans as gap financing for higher density affordable rental housing within one-quarter mile of transit stations. Grants are also available to municipalities and transit agencies for infrastructure improvements necessary for the development of specified housing developments or to facilitate connections between these developments and the transit station. The maximum total award amount for a single project is \$15 million.
- **Transitional Housing Program (THP):** This program provides funding to counties for child welfare services agencies to help young adults aged 18 to 25 years find and maintain housing, with priority given to those formerly in the foster care or probation systems.
- **Veterans Housing and Homelessness Prevention Program (VHHP):** This program supports the acquisition, construction, rehabilitation, and preservation of affordable multi-family housing for veterans and their families.



#### G.1.4 Federal Resources

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- **Community Development Block Grant (CDBG):** Federal funding for housing programs is available through the U.S. Department of Housing and Urban Development (HUD). CDBG funds may be used to provide a suitable living environment by expanding economic opportunities and providing decent housing to low-income households (80 percent AMI). The Marin County Community Development Agency makes CDBG funds available to eligible nonprofit agencies and local governments. Marin County anticipates that it will receive roughly \$1.5 million in CDBG funds and \$800,000 in HOME funds for the 2022-24 funding cycles.
- **Continuum of Care (CoC) Program:** The Continuum of Care (CoC) Program is designed to promote communitywide commitment towards ending homelessness. It provides funding to nonprofits, state, and local governments to provide shelter and services to people experiencing homelessness.
- **Emergency Solutions Grants (ESG) Program:** This program provides funding for cities, counties, and states to engage homeless individuals and families living on the street; improve the number and quality of emergency shelters for homeless individuals and families; help operate these shelters; provide essential services to shelter residents; rapidly rehouse homeless individuals and families; and prevent families/individuals from becoming homeless.
- **HOME Investment Partnerships Program (HOME):** Participating jurisdictions may use HOME funds for a variety of housing activities according to local housing needs. Eligible uses include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of rental housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing. Funds may not be used for public housing development, public housing operating costs, or for Housing Choice Voucher Program (formerly Section 8) tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs, for operating subsidies for rental housing, or for activities under the Low-Income Housing Preservation Act.
- **Low-Income Housing Preservation and Residential Home Ownership Act (LIHPRHA):** This program requires all eligible HUD Section 236 and Section 221(d) projects at risk of conversion to market-rate rentals from mortgage pre-payments be subject to LIHPRHA incentives, which include subsidies to guarantee an eight percent annual return on equity.
- **Low-Income Housing Tax Credit:** Administered through the California Tax Credit Allocation Committee (TCAC), the Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable housing by

providing a tax credit to construct or rehabilitate affordable rental housing for low-income households.

- **Section 108 Loan Guarantee Program:** Allows CDBG entitlement jurisdictions to leverage their annual grant allocations to access low-cost financing for capital improvement projects. Eligible activities include housing, economic development, public facility, and infrastructure. This program is often used to catalyze private investment in underserved communities or as gap financing.
- **Section 202 Supportive Housing for the Elderly Program:** Provides an interest-free capital advance to cover the costs of construction, rehabilitation, or acquisition of very low-income senior housing. The program is available to private, nonprofit sponsors; public sponsors are not eligible for the program.
- **Section 811 Project Rental Assistance:** HUD offers long-term project-based rental assistance through a NOFA published by the California Housing Finance Agency (CalHFA).
- **U.S. Department of Agriculture (USDA) Housing Programs:** These programs provide homeownership opportunities for individuals and below market-rate loans/grants to public and nonprofit organizations for new construction, preservation, or rehabilitation of farmworker/rural multi-family rental housing.
- **Veterans Affairs Supportive Housing (VASH) Program:** HUD-VASH is a collaborative program between HUD and VA combines HUD housing vouchers with VA supportive services to help veterans who are homeless and their families find and sustain permanent housing. See Homeward Bound of Marin's New Beginnings Center, which includes an office for the program.

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## Section G.2 Opportunities for Energy Conservation

The cost of energy can greatly impact housing affordability and energy costs can constitute a significant portion of total housing costs. High energy costs also impact low-income households disproportionately. The U.S. Department of Energy has found that, nationally, low-income households spend a larger portion of their income on home energy costs (e.g., electricity, natural gas, and other home heating fuels) than other income group households.<sup>1</sup>

The City encourages energy conservation in all projects consistent with the California Building Code (CBC) and Municipal Code. The City's website includes financial and energy-saving green

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<sup>1</sup> U.S. Department of Energy, Office of Energy Efficiency & Renewable Energy, [\*Low-Income Household Energy Burden Varies Among States – Efficiency Can Help In All of Them\*](#), December 2018.

building resources. Additionally, Novato adopted a Climate Change Action Plan (CCAP) in 2009 and updated greenhouse gas emissions (GHG) reduction targets and measures from the 2009 CCAP were embedded into General Plan 2035, in addition to other sustainability goals, policies, and programs aimed at protecting the environment and addressing the climate crisis.

The General Plan 2035 was adopted by the City Council on October 2020 and now serves at the City of Novato's CCAP. In recognition of the acceleration in changes to our climate and the corresponding negative impacts (e.g., drought, wildfire, species loss, extreme weather, etc.) in November 2020, the Novato City Council adopted a Climate Emergency Resolution and declared addressing climate change a priority for the City.

The City promotes various energy conservation programs on its website, including the Bay Area Regional Energy Network (BayREN), Go Green Financing, and Property Assessed Clean Energy (PACE) Financing. BayREN is a collaboration of the nine counties that comprise the San Francisco Bay Area and is led by the Association of Bay Area Governments (ABAG). BayREN provides regional-scale energy efficiency programs, services, and resources. BayREN is funded by utility ratepayer funds through the California Public Utilities Commission and other sources. Go Green Financing is energy efficiency financing backed by the state for business, multi-family, and single-family homes. PACE is a mechanism for property owners to finance renewable energy, energy efficiency, and water conservation improvements to their properties and repay the loan via an annual assessment on the owner's property tax bill. Unlike traditional forms of credit that are dependent on individual credit rating, PACE financing is primarily based on a property owner's equity in the building. PACE providers available to Novato residents are:

- **Renew Financial** - Residential
- **YGreen Energy Fund** - Residential, Commercial, Multi-Family
- **AllianceNRG** - Residential, Commercial, Multi-Family
- **Dividend Finance** (formerly FigTree) - Commercial, Multi-Family
- **Finance of America** (formerly HERO) - Residential, Commercial

## **G.2.1 Community Action Marin**

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Community Action Marin is the local administrator of the federally-funded Low-Income Home Energy Assistance Program (LIHEAP). CAM also offers assistance referring residents to other income-eligible energy saving programs.

- **HEAP Assistance:** Once-a-year assistance in paying gas, electric, wood, and propane home energy costs. Eligibility and assistance level based on household size, gross monthly income, and program priorities. (Program restrictions may change on an annual basis and according to funding availability).

- **Referral to Residential Conservation Programs:** Access to Low Income Home Energy Assistance Program (weatherization), Department of Energy Weatherization Assistance Program (WAP), Energy Partners, and utility-operated conservation programs.

## G.2.2 Marin Clean Energy Resources

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Marin Clean Energy (MCE) is a public agency and not-for-profit electricity provider that gives customers the choice of having 50 percent to 100 percent of their electricity supplied from clean, renewable sources such as solar, wind, bioenergy, and hydroelectric at competitive rates. MCE provides electricity service and innovate programs to more than one million residents and businesses across the four Bay Area counties: Contra Costa, Marin, Napa, and Solano. MCE has several programs designed to serve low-income customers, including:

- **Arrearage Management Plan (AMP):** The AMP will forgive 1/12 of eligible debt (up to \$8,000) each time an on-time payment is submitted.
- **CARE (California Alternate Rates for Energy):** The CARE program offers up to a 35 percent discount on electricity bills and a 20 percent discount on natural gas bills consistent with Public Utilities Code Section 739.1. This program is eligible to qualified low- or fixed-income households and housing facilities.
- **FERA (Family Electric Rate Assistance):** The FERA program offers an 18 percent discount on electric bills to qualifying low to middle-income households.
- **Medical Baseline Allowance:** The Medical Baseline Allowance program allows residential customers who are medically dependent on electricity to receive more gas and electricity at the lowest residential rate.
- **CAPP (California Arrearage Payment Program):** CAPP is a state program to help pay customers' eligible past due energy bills that increased during the COVID-19 pandemic. CAPP reduces qualified unpaid energy bills by directly applying a credit to their bill.
- **MCE's Home Energy Savings Program:** MCE's Home Energy Saving Program helps qualifying single-family homeowners and renters save money and energy by providing a free energy-saving gift box, virtual home energy assessment, and free home energy upgrades.
- **MCE's Multifamily Energy Savings & LIFT Program:** Multifamily property owners can receive rebates up to \$1,000 per unit as well as free comprehensive assessments and consultations for energy and water saving measures. Plus, income-qualified multifamily property owners and renters can receive an extra \$1,200 per unit for energy and water savings measures from MCE's Low-Income Families & Tenants (LIFT) Program.

### G.2.3 Pacific Gas and Electric Resources

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Pacific Gas and Electric (PG&E) provides gas and electricity services for Novato. PG&E assists low-income, disabled, and senior citizen customers through several programs and community outreach projects, including:

- **CARE (California Alternate Rates for Energy):** See CARE under Marin Clean Energy Resources, above.
- **FERA (Family Electric Rate Assistance):** See FERA under Marin Clean Energy Resources, above.
- **Energy Partners Program:** The Energy Partners Program provides qualified low-income customers free weatherization measures and energy-efficient appliances to reduce gas and electricity usage.
- **Medical Baseline Allowance:** See Medical Baseline Allowance under Marin Clean Energy Resources, above.
- **Relief for Energy Assistance through Community Help (REACH):** This 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 grant of up to \$300. Generally, recipients can receive REACH assistance only once within a 12-month period, but exceptions can be made for seniors, the physically challenged, and the terminally ill.

### G.2.4 San Francisco Peninsula Energy Services

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San Francisco Peninsula Energy Services is a not-for-profit organization which promotes energy conservation through home improvement, weatherization services, utility payment assistance, consumer education and advocacy, and job training to people in need. Their service territory includes Marin County. Program eligibility is based on income, household size, and program funding.

- **Weatherization Services:** This program is available to homeowners as well as renters (owners of rental property are not charged when services are provided for their tenants). Weatherization services include: On-site home inspection to determine energy losses; installation of energy conservation and heat loss measures; gas appliance safety and efficiency inspection with possible replacement of refrigerator, stove, furnace, water heater, and doors.

## G.2.5 State Energy Resources

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- **California Department of Community Services & Development Programs Low-Income Weatherization Program (LIWP):** California's Low-Income Weatherization Program (LIWP) provides low-income households with solar photovoltaic (PV) systems and energy efficiency upgrades at no cost to residents. LIWP is the only program of its kind in California that focuses exclusively on serving low-income households with solar PV and energy efficiency upgrades at no cost. The program reduces greenhouse gas emissions and household energy costs by saving energy and generating clean renewable power. LIWP currently operates three program components: Multi-Family, Community Solar, and Farmworker Housing. According to CDS's November 2020 Low-Income Weatherization Program Impact Report, LIWP has received \$212 million from the Greenhouse Gas Reduction Fund since 2014. The multi-family energy efficiency and renewables program component is slated to end in June 2022.
- **California Public Utilities Commission Energy Savings Assistance Program (ESAP):** ESAP provides no-cost weatherization services to low-income households who meet the CARE income guidelines. Services provided include attic insulation, energy efficient refrigerators, energy efficient furnaces, weatherstripping, caulking, low-flow showerheads, water heater blankets, and door and building envelope repairs which reduce air infiltration.

## G.2.6 Federal Energy Resources

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- **Federal Housing Administration Energy Efficient Mortgage Program (EEM):** This program helps families save money on their utility bills by enabling them to finance energy efficient improvements with their FHA-insured mortgage. The EEM program recognizes that an energy-efficient home will have lower operating costs, making it more affordable for the homeowners. Cost-effective energy improvements can lower utility bills and make more income available for the mortgage payment.
- **Low-Income Home Energy Assistance Program (LIHEAP):** The program is funded by the federal government and the State Department of Community Services & Development (CSD) administers LIHEAP. The federal Department of Health and Human Services distributes funds to states annually to assist with energy bills and offset heating and/or cooling energy costs for eligible low-income households. California's annual share is approximately \$89 million which CSD distributes to contracted community energy service providers. During March 2020, the CARES Act allocated California an additional \$49 million to supplement its LIHEAP program, which totaled \$203 million for Federal Fiscal Year 2019-2021.

ORIGINAL

CITY COUNCIL OF THE CITY OF NOVATO

RESOLUTION NO. 2024-031

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NOVATO AMENDING THE NOVATO GENERAL PLAN 2035 BY ADOPTING THE REVISED DRAFT 6<sup>TH</sup> CYCLE HOUSING ELEMENT COVERING THE PLANNING PERIOD 2023-2031 AND FINDING IT WITHIN THE SCOPE OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ADDENDUM PREVIOUSLY ADOPTED BY COUNCIL FOR THE 6<sup>TH</sup> CYCLE HOUSING ELEMENT UPDATE ON JANUARY 24, 2023

WHEREAS, pursuant to California Government Code Section 65300, each city and county in California must adopt a comprehensive, long-term general plan addressing the physical development of the county or city, and any land outside its boundaries which in the agency's judgment bears relation to its planning; and

WHEREAS, California Government Code Section 65302 identifies seven mandatory elements which all city and county general plans must include (land use, circulation, conservation, open space, noise, safety and housing); and

WHEREAS, on January 24, 2023, the Novato City Council adopted the 6<sup>th</sup> Cycle Housing Element Update by Resolution No. 2023-005 in accordance with State law for planning period 2023-2031, setting forth the City's housing policies, the preservation and development of housing, including affordable housing, establishing programs to address changes in State housing law and accommodating the City's share of its regional housing needs; and

WHEREAS, following the adoption of the Update, the City continued its work with the State Department of Housing and Community Development (HCD) which resulted in HCD findings and a series of responsive City revisions made in 2023 and 2024, the cumulation of which were prepared as the Revised Draft 6<sup>th</sup> Cycle Housing Element (*Exhibit A*); and

WHEREAS, on April 2, 2024, HCD concluded its review of the Revised Draft 6<sup>th</sup> Cycle Housing Element and made the determination that the City's Revised 6<sup>th</sup> Cycle Housing Element will substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq) when it is adopted, submitted to, and approved by HCD, in accordance with Government Code section 65585; and

WHEREAS, the Revised 6<sup>th</sup> Cycle Housing Element has been prepared in accordance with requirements of Article 10.6 of the Government Code and in recognition of the City's role and responsibilities for adopting and implementing a housing element that promotes the state's housing policies as evinced in Government Code Section 65581, in that the Housing Element (1) identifies and designates sufficient land and sites to



accommodate the City's full regional housing needs allocation plus additional capacity in order to move toward attainment of the state's housing goals, (2) ascertains local needs and constraints which may impede attainment and (3) creates local goals, programs and objectives for addressing those needs and constraints; and

WHEREAS, adoption of the Revised Draft 6<sup>th</sup> Cycle Housing Element constitutes an amendment to the City's General Plan and also qualifies as a "Project" under the California Environmental Quality Act (CEQA); and

WHEREAS, on January 24, 2023, the City Council, acting as lead agency, adopted Resolution 2023-004, approving an addendum to the General Plan 2035 Final Environmental Impact Report (FEIR) (titled, "2023-2031 Housing Element Update General Plan EIR Addendum") (hereafter "Addendum") in accordance with the California Environmental Quality Act ("CEQA") and City of Novato Environmental Review Guidelines. Said Addendum analyzed the environmental impacts of the Housing Element and is the environmental document upon which the adoption of the Housing Element is predicated; and

WHEREAS, on April 15, 2024, Rincon Consultants, Inc. concluded its review of the Revised Draft 6<sup>th</sup> Cycle Housing Element and determined the edits to the Housing Element requested by HCD would not substantially change the project as it was analyzed in the previously prepared and adopted Addendum (*Exhibit B*); and

WHEREAS, the City published the draft revisions to the adopted Housing Element made in response to HCD findings as well as the complete clean and red-lined Revised Draft 6<sup>th</sup> Cycle Housing Element and invited public comment through the city's website as required; and

WHEREAS, on April 22, 2024, the Planning Commission held a duly noticed public hearing on the Revised Draft 6<sup>th</sup> Cycle Housing Element and the recommended CEQA determination, at which time all interested persons were given an opportunity to be heard; and

WHEREAS, on April 22, 2024, the Planning Commission adopted Resolution No. 2024-003 recommending the City Council amend City of Novato General Plan 2035 by adopting the Revised Draft 6<sup>th</sup> Cycle Housing Element to cover the planning period of 2023-2031 and finding it within the scope of the CEQA Addendum previously adopted by Council for the 6<sup>th</sup> Cycle Housing Element Update on January 24, 2023; and

WHEREAS, in accordance with Government Code §65353(c) and §65091(a)(4), on April 26, 2024, the City published notice of the City Council's hearing on the Revised Draft 6<sup>th</sup> Cycle Housing Element in the Marin Independent Journal, a newspaper of general local circulation; and

WHEREAS, on April 26, 2024, the City mailed notice of the City Council's hearing on the Revised Draft 6<sup>th</sup> Cycle Element to all organizations requiring such notice and local agencies providing essential facilities or public services; and

WHEREAS, on or before April 26, 2024, notice of the City Council's hearing on the Housing Element Update was posted to the City's website and physically posted at the City's administrative offices (922 Machin Avenue); and

WHEREAS, the City Council did hold a public hearing on May 7, 2024, to receive public testimony and consider adoption of the Revised Draft 6<sup>th</sup> Cycle Housing Element:

The foregoing recitals are true and correct and are incorporated into the findings and resolution herein.

## **Section 2. Record**

The Record of Proceedings ("Record") upon which the decision making body herein bases its decision includes, but is not limited to: (1) the staff reports, City files and records and other documents prepared for and/or submitted to the City relating to the Revised Draft 6<sup>th</sup> Cycle Housing Element, (2) the evidence, facts, findings and other determinations set forth in this resolution, (3) the General Plan 2035 FEIR Addendum adopted by Council on January 24, 2023 (4) the Rincon Consultants, Inc Memo regarding the CEQA coverage for edits to the City of Novato Housing Element Update, (5) all documentary and oral evidence received at public workshops, meetings, and hearings or submitted to the City relating to the Housing Element Update and (6) all other matters of common knowledge to the decision making body including, but not limited to, City, state, and federal laws, policies, rules, regulations, reports, records and projections related to development within the City of Novato and its surrounding areas.

The location and custodian of the records is the Novato Community Development Department, 922 Machin Avenue, Novato, California, 94945.

## **Section 3. Findings**

In accordance with Novato Municipal Code Section 19.56.070(A), the City Council hereby makes the following findings with the respect to amending General Plan 2035 through the adoption of the Revised Draft 6<sup>th</sup> Cycle Housing Element:

- 1. The proposed amendment is internally consistent with the General Plan.*

The Revised Draft 6<sup>th</sup> Cycle Housing Element relies upon development projects currently in the entitlement or permitting pipeline to meet a portion of regional housing need. Some of these projects have completed, or are in the process of completing, general plan and zoning code amendments as well as all required environmental analysis.

No other policy, program or objective of the Revised Draft 6<sup>th</sup> Cycle Housing Element is inconsistent with General Plan 2035. As an integrated set of goals, policies, programs, and quantified objectives, the Housing Element does not approve any specific development projects. It acknowledges land use and zoning changes which will be required, therefore, it creates no inconsistencies within General Plan 2035. Conversely, the Element relies upon the broad range of policies and environmental mitigation measures related to housing development adopted in General Plan 2035 and its certified Final Environmental Impact Report.

2. *The proposed amendment would not be detrimental to the public interest, health, safety, convenience or welfare of the City.*

As a set of goals, policies, programs, and quantified objectives, the Housing Element does not approve any specific development projects and does not include any actions which would be detrimental to the public interest, health, safety, convenience or welfare. Being consistent with and promoting the policies and programs already approved in the General Plan, the Housing Element can be seen to be in the best interests of the City. Moreover, future rezoning actions envisioned in the Housing Element would undergo separate review for potential detrimental impacts.

3. *The proposed amendment would further the goals, objectives, policies and programs of the General Plan.*

Government Code Section 65302 requires every general plan to include a long term plan for housing which must be updated in accordance with the schedule set forth in Government Code Section 65588. The Housing Element updates the City's plan for housing by establishing policies, programs and objectives which respond to changed conditions within the City, changes in State housing and development law and a new regional housing needs allocation. The Housing Plan detailed in Section III of the Housing Element sets seven major goals, including New Housing Construction, Affordable Housing Opportunities, Elimination of Housing constraints, Special Needs Populations, Housing Conservation and Tenant Protections, Equal Access to Housing and Sustainability & Energy. For each of these goals, targeted programs, timeframes and quantified objectives have been developed which will implement the goals.

The Housing Element includes all content required by Government Code Section 65583, as detailed below.

GC 65583 SUB-SECTION	CONTENT REQUIREMENT	HOUSING ELEMENT UPDATE LOCATION
(a)(1) and (2)	An analysis of population and employment trends and documentation of projections and quantification of existing and project housing needs for all	Appendix A contains a detailed analysis of Novato's housing needs. The basis for the analysis is the Housing Needs Data

	income levels, including extremely low income households.	Packet prepared for each member agency by ABAG/MTC. The data packet was reviewed and approved by California HCD for consistency and compliance with State requirements.
(a)(3)	An inventory of land suitable and available for residential development, an analysis of zoning and public facilities and services to the inventory of sites and an analysis of the identified sites and the City's duty to affirmatively further fair housing.	Appendix B contains a detailed analysis of housing capacity, including tables of pipeline projects and their planned housing units, data on sites to be rezoned to meet RHNA requirements, along with a map of those sites. Appendix F is a detailed analysis of this capacity as it relates to the City's obligation to affirmatively further fair housing.
(a)(4)	Identification of zone(s) where emergency shelters are allowed as a permitted use and a capacity analysis of those zones.	Appendix C contains a full analysis of housing constraints, including an analysis of land needed to accommodate adequate emergency shelters.
(a)(5)	An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including housing for persons with disabilities	Appendix C contains a full analysis of potential and actual governmental constraints. Programs, policies and objectives set forth in the Housing Plan (Section III) address the identified constraints.
(a)(6)	An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including costs, availability of financing, and approval timelines.	Appendix C includes a full analysis of potential and actual nongovernmental constraints. Programs, policies and objectives set forth in the Housing Plan (Section III) address the identified constraints.
(a)(7)	An analysis of special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, female headed households and persons in need of emergency shelter.	Appendix A includes a full analysis of the City's demographics, including a detailed analysis of needs for each of the groups

		identified in GC subsection 65583(a)(7)
(a)(8)	An analysis of opportunities for energy conservation with respect to residential development.	Appendix G includes an inventory of a variety of housing resources, including State and regional energy conservation resources for assistance, rebates, and technical support. In addition, the City will evaluate potential adoption of an all-electric building code for new construction during 2023.
(a)(9)	An analysis of existing assisted housing developments that are eligible to change from low income housing uses during the next 10 years.	Appendix A includes a listing of units at low, moderate, high and very high risk of conversion to market rates. The source of this data is the California Housing Partnership's Preservation Database. Novato has a total of 828 units with affordability covenants. 816 of these units are low risk with covenants active from 2032 to 2070. Only 12 units are identified as being at very high risk of loss. These units were protected by CalHFA loans and were presumed to be released when eligible in 2018.
(b)(1)	A statement of the community's goals, quantified objectives and policies relative to affirmatively furthering fair housing and to the maintenance, preservation, improvement and development of housing.	Appendix F is a full analysis of the City's existing housing stock and proposed sites as they relate to the requirements and goals of fair housing law. AB 686 requires Housing Element Updates to include the following: 1) a summary of fair housing outreach to all economic segments of the community; 2) an assessment of fair housing issues including integration and segregation patterns, concentrated areas of poverty, disparity in access

		and disproportionate housing needs for identified populations; 3) an evaluation of proposed sites as they may improve or exacerbate fair housing conditions; 4) identification of factors which contribute to fair housing issues; 5) identification of fair housing goals and actions that address the contributing factors identified in #4 above. Appendix F includes all five of these requirements.
(c)	A program that sets forth a schedule of actions during the planning period, each with a timeline for implementation that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element.	Section III of the Housing Element sets forth the City's housing plan which includes the required schedule of actions, each with a timeline for implementation.

In compliance with Government Code Section 65583.2, the Revised 6<sup>th</sup> Cycle Housing Element includes an inventory of residential land in the manner and with all detail required, including access to utilities, a general description of environmental constraints, and sites proposed for densities no less than those required by 65583.2 (e)(2)(A)(i).

The Revised 6<sup>th</sup> Cycle Housing Element achieves the State legislature's goal to assure that counties and cities recognize their responsibility to contribute to attainment of achieving the state housing goal, to assure that counties and cities prepare and implement housing elements which move toward attainment of the state housing goal, to recognize that each locality is best capable of determining the efforts required for it to contribute to attainment of the state housing goal, and to ensure that each local government cooperates with other local governments to address regional housing needs.

The Revised 6<sup>th</sup> Cycle Housing Element will guide City decision-making as it relates to housing and thus, implements other general plan policies related to the development, preservation and management of the City's housing stock.

4. *The proposed amendment complies with the California Environmental Quality Act.*

As that of the Adopted 6<sup>th</sup> Cycle Housing Element, the adoption of the Revised

Draft 6<sup>th</sup> Cycle Housing Element, will not approve any physical development of housing identified in the document therefore physical changes to the environment would not directly result from adoption. On April 15, 2024, Rincon Consultants, Inc. concluded its review of the Revised Draft 6<sup>th</sup> Cycle Housing Element and determined the edits to the Housing Element requested by HCD would not substantially change the project as it was analyzed in the previously prepared and adopted Addendum (Rincon Consultants Inc Memo re CEQA (April 15, 2024)). As such, the adoption of the Revised 6<sup>th</sup> Cycle Housing Element is determined to be within the scope of the Adopted CEQA Addendum- Council Resolution No. 2023-004 - January 2023.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Novato hereby amends the City of Novato General Plan 2035 by adopting the Revised Draft 6<sup>th</sup> Cycle Housing Element to cover the planning period of 2023-2031 and finding it within the scope of the CEQA Addendum previously adopted by Council for the 6<sup>th</sup> Cycle Housing Element Update on January 24, 2023.


\* \* \* \* \*

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the City Council of the City of Novato, Marin County, California, at a meeting thereof, held on the 7<sup>th</sup> day of May, 2024, by the following vote, to wit:

AYES: Councilmembers Eklund, Wernick, O'Connor, Milberg  
NOES: Councilmembers None  
ABSTAIN: Councilmembers None  
ABSENT: Councilmembers Farac

  
\_\_\_\_\_  
City Clerk of the City of Novato

Approved as to form:

  
\_\_\_\_\_  
City Attorney of the City of Novato





# City of Novato 6<sup>th</sup> Cycle Housing Element Update

## Revised Public Hearing Draft

April 2024



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# 6<sup>th</sup> Cycle Housing Element Update

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Appendix A: Demographics and Housing Needs Assessment

Appendix B: Housing Capacity Analysis and Methodology

Appendix C: Housing Constraints

Appendix D: Evaluation of the 2015-2023 Housing Element

Appendix E: Public Participation Summaries

Appendix F: Affirmatively Furthering Fair Housing Assessment

Appendix G: Housing Resources

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## Section I Introduction

### I.A Community Context

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Novato was originally home and hunting grounds of the Coast Miwok and was later settled in 1839 by the Mexican government. During the late 19<sup>th</sup> and early 20<sup>th</sup> centuries, Novato served as a business and distribution downtown area for the surrounding agricultural areas. After the Great Depression halted economic activity, the Hamilton Army Airfield was developed and used by the U.S. Air Force during World War II. Novato was incorporated by the State of California in 1960; most of the City's residential growth occurred between 1960 and 1980. The area provides an abundance of environmental features, residential neighborhoods, a diversified economy, and a robust health and life sciences industry. Just 28 miles north of the heart of San Francisco, Novato is home to nearly 53,000 people served by retail and office areas, primarily in the Downtown area, in pockets along Highway 101, and across various small clusters and convenience centers in the community. The 28 square mile community is developed with various businesses, schools, libraries, and open spaces.

### I.B Housing Element Purpose

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The State of California has stated that the availability of decent and suitable housing for every California family is “a priority of the highest order” (Government Code [Section 54220](#)). This objective has become increasingly urgent in recent years as communities across the State, including Novato, struggle to meet the housing needs of all their residents. State Housing Element Law, established in 1969, recognizes the vital role local governments play in the supply and affordability of housing and requires all cities and counties in California establish a long-range plan to meet their fair share of regional housing needs. Cities are charged with planning for the welfare of their citizens, including ensuring that the existing and projected demands for housing are adequately met.

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*High housing costs — and related housing instability issues — **increase health care costs** (for individuals and the State), **decrease educational outcomes** (affecting individuals, as well as the State's productivity), **and make it difficult for California businesses to attract and retain employees.***

*— State of California 2025 Statewide Housing Assessment*

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The Housing Element is the primary tool used by the State to ensure local governments are appropriately planning for and accommodating enough housing across all income levels. This Housing Element covers the planning period 2023-2031. The Housing Element is a mandatory

part of a jurisdiction's General Plan, but it differs from other General Plan elements in two key aspects. The Housing Element must be updated every eight years for jurisdictions within a metropolitan planning organization (MPO) on a four-year regional transportation plan (RTP) cycle, such as the Association of Bay Area Governments (ABAG). The Housing Element must also be reviewed and approved (i.e., certified) by the California Department of Housing and Community Development (HCD) to ensure compliance with statutory requirements. Certification also ensures that the City remains eligible for various State and federal funding programs.

In practical terms, the Housing Element provides the City with an opportunity to assess its housing needs and to develop policies and actions that effectively respond to those needs. Amongst other groups, the Housing Element affects teachers in our schools, employees in our local businesses, older residents on fixed incomes, parents and their adult children who want to remain in or return to Novato, and young persons wishing to live in the community. Ultimately, the supply and cost of housing affect the entire Bay Area economy as well as people's quality of life in the region.

At the time of publication, the COVID-19 crisis has impacted the Bay Area in significant ways. The pandemic has made the issue of housing security even more acute as residents face job loss, housing cost pressures, and disparate health impacts from the pandemic. This Housing Element has had to respond to these conditions by transitioning the public outreach process to reflect the limitations brought on by COVID-19. These actions are detailed in this report.

## I.C Organization of the Housing Element

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Pursuant to California Government Code [Sections 65580-65589](#), a Housing Element must consist of the following components:

- **Existing Programs Review:** An evaluation of the results of the goals, policies, and programs adopted in the previous Housing Element that compares projected outcomes with actual achieved results.



- **Housing Needs Assessment:** An analysis of the existing and projected housing needs of the community. It provides a profile of socio-demographic information, such as population characteristics, household information, housing stock, tenure, and housing affordability. The assessment also considers local special housing needs, such as seniors, farmworkers, homeless, large households, and female-headed households.



- **Sites inventory and Methodology:** An inventory listing adequate sites that are suitably zoned and available within the planning period to meet the City's fair share of regional housing needs across all income levels.





- **Housing Resources:** An identification of resources to support the development, preservation, and rehabilitation of housing.



- **Housing Constraints:** An assessment of impediments to housing production across all income levels covering both governmental (e.g., zoning, fees, etc.) and nongovernmental (e.g., market, environmental, etc.).



- **Affirmatively Furthering Fair Housing Assessment (AFFH):** AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. The goal of AB 686 is to achieve better economic and health outcomes for all Californians through equitable housing policies. The assessment of affirmatively furthering fair housing documents compliance with AB 686.



- **Goals, Policies, and Programs:** This Section provides a statement of the community's goals, quantified objectives, and policies to maintain, preserve, improve, and develop housing, as well as a schedule of implementable actions to be taken during the planning period to achieve the goals, objectives, and policies. Quantified objectives for new construction, rehabilitation, and conserved units by income category (i.e., very low, low, moderate, and above moderate) are included to make sure that both the existing and the projected housing needs are met, consistent with the City's share of the Regional Housing Needs Allocation (RHNA).



Section II provides a summary of the projected housing need. Section III contains goals, policies, and actions related to housing in Novato. The comprehensive research and analysis supporting the development of Section III are compiled in appendices to this Housing Element. These appendices contain the full set of information used to inform the City's goals, policies, and programs:

- Appendix A: Demographics and Housing Needs Assessment
- Appendix B: Housing Capacity Analysis and Methodology
- Appendix C: Housing Constraints
- Appendix D: Evaluation of the 2015-2023 Housing Element

- Appendix E: Public Participation Summaries
- Appendix F: Affirmatively Furthering Fair Housing Assessment
- Appendix G: Housing Resources

## **I.D Data Sources and Methods**

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This Housing Element was updated in accordance with HCD guidelines for the 6<sup>th</sup> Housing Element Cycle, incorporating additional considerations required under new State housing-related legislation. Specific documents are referenced throughout the Housing Element, including but not limited to Novato General Plan 2035 and the Novato Municipal Code Chapter 19 (Zoning). The analyses and findings in this document relied on data compiled from various sources, including:

- U.S. Census Bureau (American Community Survey, Longitudinal Employer-Household Dynamics)
- California Department of Housing and Community Development (HCD)
- California Department of Finance (DOF)
- US Department of Housing and Urban Development (HUD)
- Consumer Financial Protection Bureau (CFPB)
- Association of Bay Area Governments (ABAG) pre-certified data

This document was also informed by information provided by residents, business groups, local institutions, City staff, and elected officials.

## **I.E Summary of Public Participation**

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### **Outreach Strategy**

Novato's Housing Element Update strategy was grounded in the understanding of the community as the “expert” – that the people who live in, work in, and are stakeholders in the City have the best understanding of the needs, preferences, problems, and solutions that will facilitate the production of high quality and affordable housing. The outreach strategy approached all community engagement participation as voluntary and confidential, with feedback reported in an aggregate format (without personally identifiable information) to assure that comments could not be equated with any individual. This approach assures more accurate responses, helps build trust with the community, and protects participants from real or perceived harm. Due to the COVID-19 pandemic, community engagement for the Housing Element Update was conducted virtually and in-person to allow the public to attend meetings and workshops remotely or on site.

Starting May 2022, the City conducted outreach through a variety of methods to proactively engage key stakeholders and the broader community in the Housing Element Update. To solicit



public feedback at important project milestones, the City held Community Workshops and Focus Groups, as well as Study Sessions and Public Hearings at regular meetings of the Planning Commission and City Council. Throughout the process, the City posted links to recorded presentations and supplemental information on the project webpage, directly contacted representatives from all economic segments of the community, and provided broad notifications through various communication outlets (e.g., email, social media, newsletter, etc.). The City offered translation and interpretation services and reasonable accommodation during all outreach events. Outreach activities are summarized below.

For detailed public outreach summaries, including presentations from the community meetings, please see Appendix E.

## **Website**

The City developed a dedicated [Housing Element Update webpage](#) which provided a timeline, resource for Housing Element information (e.g., meeting presentations, notices, and summaries; additional resources, etc.), and City contact information. The webpage also enabled the City to gather feedback on housing needs, opportunities, constraints, and priorities as well as the current housing crisis, goals, policies, and programs through a [“Connect With Us” option](#). Through this option, the community could also sign up for alerts on opportunities to participate.

The City Housing Element Update webpage was available in English and Spanish. The webpage is shown in Figure A-1 (English) and A-2 (Spanish). The project website was updated throughout the Housing Element Update with current information on key milestones, findings, presentation materials, among other Housing Element-related items. Furthermore, the City’s website is designed based on accessibility guidelines including easily legible font, clear navigation, text alternatives for non-text content, and other website accessibility standards.

Figure A-1: Housing Element Update Webpage (English)

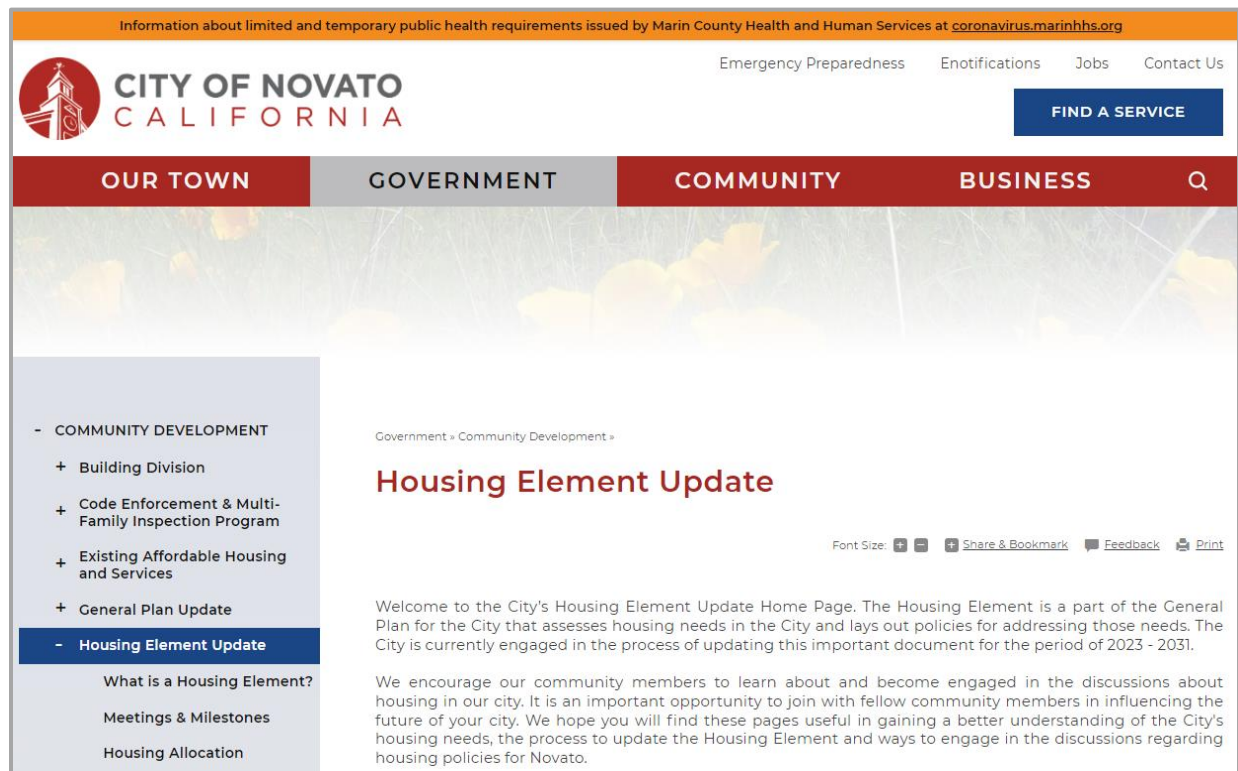


Figure A-2: Housing Element Update Webpage (Spanish)



## Public Outreach and Events

The timeframe of each outreach event is listed below:

- **Community Workshop #1:** May 16, 2022
- **Focus Group #1:** June 8, 2022
- **Focus Group #2:** June 13, 2022
- **Planning Commission Study Session #1:** June 27, 2022
- **Community Workshop #2:** July 11, 2022
- **Planning Commission Study Session #2:** July 25, 2022
- **City Council Study Session #1:** August 23, 2022
- **Planning Commission Study Session #3:** November 28, 2022
- **City Council Study Session #2:** December 6, 2022
- **Planning Commission Public Hearing:** January 9, 2023
- **City Council Public Hearing:** January 24, 2023

Novato held two hour-long Focus Group interviews in June 2022 to gain greater insight into the highest priority housing considerations from the perspective of various interest groups. This enabled the City to better understand local challenges and opportunities that may not be effectively gathered in a larger group setting. The first focus group was held with local social service providers from North Marin Community Services and Legal Aid of Marin, and the second with for-profit and non-profit housing developers active in the region. Focus group discussions were guided by open-ended questions about fair housing issues, market characteristics, development constraints, and housing needs. Since not all invitees were able to attend the scheduled focus group meetings, questions discussed at these meetings were provided via email to all invitees to provide input at their convenience. The discussions centered largely on special needs groups, fair housing, challenges to housing development, housing type demand, and recommended housing policies and strategies in the City.

Novato hosted two Community Workshops, in June 2022 and July 2022. The goal of the first Workshop was to introduce the community to the Housing Element Update process, share preliminary findings about the City's demographics and housing needs, and offer an opportunity to provide input at an early stage in the process. The second Workshop focused on providing a more comprehensive summary of initial findings from the technical analysis, as well as a detailed overview of the City's RHNA and the existing projects in the housing development pipeline. The Community Workshops also featured interactive live polling to gather further public input and stimulate discussion.

Novato held Study Sessions with the Planning Commission and City Council before and after the second Community Workshop to facilitate the Commissioners' understanding of key aspects of

the Housing Element Update. The first Study Session featured a high-level overview of the findings from the technical analysis, the importance of affirmatively furthering fair housing (AFFH) requirements, and a preliminary summary of public feedback as of June 2022. One month later, Novato held a second Study Session which presented results from live polling in the second Community Workshop and offered Commissioners and the public a first look at the City's preliminary sites inventory, including a potential rezoning program. In August 2022, a second City Council Study Session was held to review the same material covered in the preceding Planning Commission Study Session.

A Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU was released in November 2022, having incorporated feedback received during the preceding months' Study Sessions and from perspectives shared by the community during that time. In late November and early December, two additional Study Sessions were held with the Planning Commission and City Council, respectively, to review changes made in the PRD – especially the finalized housing development pipeline, the capacity of identified rezone sites, and the programs proposed in the City's Housing Plan. During the December Study Session with the City Council, several changes to the PRD were discussed and subsequently implemented before submission to HCD.

## **Notifications**

The City made email notifications for community meetings via the City's news release email notification system, which reaches approximately 6,500 subscribers. Email notifications were also shared through the City's eNewsletter, which reaches approximately 13,800 subscribers. Furthermore, the City promoted the Housing Element Update meetings and survey through social media platforms, including the City's Facebook (approximately 6,300 followers), Twitter (2,500 followers), Instagram (2,200 followers), and Nextdoor (reaches approximately 32,600 users) accounts. The meetings and surveys were also sent directly to two neighborhood forum groups: "Novato in the Know" Facebook group and the Hamilton Forum email group. The notifications also provided a link to the project website and City contact information. Screenshots are provided in Appendix E, Section E.3.1.

## **Survey**

The City created and distributed an online Housing Element Update Survey to provide an additional opportunity for community participation in the Housing Element Update and gather feedback to help inform and plan for the future of housing in Novato. The Survey was available on the webpage and a link to the Survey was included in notifications, flyers, and presentation material. The Survey was open for 14 days and targeted feedback on housing preferences, needs, tenure, housing disparities and segregation, types of housing most needed, and program and policy recommendations. The Survey was available in English and Spanish and garnered 92 responses.

The Survey was completed primarily by Novato homeowners (80.4 percent), while renters accounted for 15.2 percent of respondents. Screenshots from the survey questions and responses are provided in Appendix E, Section E.3.2.

### **Affirmatively Furthering Fair Housing Targeted Outreach**

In addition to be previously described outreach efforts, the City conducted dedicated outreach to solicit input on the AFFH analysis (Appendix F). Working with the Community Development Department, the City developed the following list of contacts representing various non-profit organizations, economic segments, and neighborhoods:

- North Marin Community Services;
- Legal Aid of Marin; and,
- Approximately 1,900 families participating in low-cost children's camps through the City's Parks and Community Services Department.

While some of these groups were also directly notified of the public outreach meetings for the Housing Element Update, this more targeted list was necessary to broaden the public engagement effort and reach all communities and populations within the City. These organizations are located across the City, but many are in the Leafwood area of the City which is disproportionately impacted by fair housing issues (e.g., higher concentrations of lower to moderate income households, not highest resource area, more overcrowding, and more vulnerable to displacement) (see Affirmatively Furthering Fair Housing Analysis, Appendix F).

These groups were directly contacted via email and telephone based on the staff contacts at the non-profit organizations and individual's email addresses on file with the City through camp registrations. Written material (flyers, letters, and emails) included Spanish translations.

### **Summary of Public Comments**

A summary of key themes from public comments is presented below. Please see Appendix E for comprehensive summaries from the community workshops and focus group meetings.

- Concern about the recent Homeless Point-in-Time Count showing an increase in homelessness in Marin County and how this will be incorporated into the Housing Element.
- Request for the City to examine the Affordable Housing Overlay from the previous Housing Element Update to identify available sites.
- Concern about the expansion of the City's Urban Growth Boundary, increased RHNA numbers over time, and impacts on the City's open space.
- Priority policies/programs: adopting objective design standards to streamline the design review process, incentivizing the consolidation of smaller parcels to make multi-

family/mixed-use projects easier to build, and allowing mixed-use developments to be constructed in higher-density residential zoning districts.

- Concern about rezoning the last available office/commercial lot to housing north of the Fireman's Fund area.
- Support for various methods in Novato to accommodate additional housing, including promoting housing in the Downtown core (along Grant Ave.), rezoning to densities that attract low- and moderate-income housing, and building affordable/multi-family housing as in-fill development where amenities are available (and to preserve green space).
- Support for creating co-housing models for intergenerational communities.
- Support for making the addition of larger ADUs (1,500+ square feet) easier.
- Support for tenant protections that support seniors on a fixed-income and tenants who rent single-family homes (including just-cause protections).
- Concern over the lack of public awareness of the reasonable accommodation process.
- Concern about overcrowding and long waitlists are accessible/income-limited units.
- Concern about Census tracts with a high number of vulnerable renters (i.e., highest proportion of BIPOC individuals, greatest number of habitability/overcrowding issues, highest rent increases).
- Support for assistance for new arrivals in the community (e.g., refugees, unaccompanied youth, undocumented people).
- Support for new emergency shelters close to the families and individuals who need them.
- Concern about the influence the Design Review Commission has on non-design portions of projects and how this contributes time and expense to the development process.
- Concern about the City's Hillside and Ridgeline Protections Standards constraining development and being difficult to interpret/enforce.
- Concern about the City not complying with the requirements of the Permit Streamlining Act (SB 35).
- Support for a permanent City staffer to coordinate the work of the City's 3<sup>rd</sup> party permitting/engineering service providers.
- Support for comprehensive legal education for City committees and officials.
- Concern about discretionary review and how it prolongs the entitlement process, sometimes causing developers to risk missing funding deadlines.
- Support for renters with animal companions, or pets, in securing housing in Novato.

## Integration of Comments into the Housing Element

The comments provided have been incorporated and addressed in the updated Housing Element, specifically through the Housing Needs Assessment (Appendix A), the Sites Inventory and Methodology (Appendix B), Affirmatively Furthering Fair Housing (Appendix F), and through programs. Additionally, the City expanded outreach efforts to directly target underrepresented populations and populations disproportionately impacted by fair housing issues. Various programs that address comments include the following:

- Streamline the construction of ADUs through various actions, including standardized ADU building plans (Program 1.B).
- Identify and incentivize the utilization or redevelopment of vacant residential properties (Program 2.F).
- Revise the City's Hillside and Ridgeline Protections Standards (Program 3.B).
- Adopt objective design standards and amend the design review process/requirements (Programs 3.C and 3.D).
- Ensure full compliance with the Permit Streamlining Act (SB 35), including the adoption of local procedures, written policy/approval guidelines, etc. (Program 3.E).
- Incentivize higher-density housing in high-resource neighborhoods by supporting transit-oriented development (Programs 3.G and 3.H).
- Incentivize the development of new emergency shelters by permitting them by-right and without a discretionary permit in the CG Zoning District, subject to objective design standards compliant with State law (Program 4.A).
- Enforce and expand tenant protections (Programs 5.A, 5.B, 5.G, 5.I, and 5.J).
- Assist renters with animal companions or pets, in securing and retaining housing (Program 5.L).
- Support for neighborhoods identified as disproportionately vulnerable due to fair housing concerns (Program 6.D).

## I.F Consistency with Other General Plan Elements

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The Housing Element is one of the seven elements of the City's General Plan, a long-range vision document that provides guidance for future development in Novato. The City Council adopted the 2035 General Plan in 2020. For the General Plan to provide effective guidance on land use issues, the goals, policies, and programs of each element must be internally consistent with other elements. This Housing Element builds upon the existing General Plan and is consistent with its goals and policies. Various Housing Element programs require Zoning Code amendments, and some will require amendments to the General Plan for consistency. As those Housing Element



programs are implemented, the General Plan will be amended concurrently to ensure consistency across planning documents. In the event an element of the General Plan is amended, the City will consider the impact of the amendment on the other elements to maintain consistency across all documents.

## **I.G Other Statutory Requirements**

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### **Water and Sewer Priority**

Government Code [Section 65589.7](#) requires each public agency or private entity providing water or sewer services to grant a priority for the provision of these services to proposed developments that include lower income housing units. In Novato, water service is provided by the North Marin Water District, while sewer services are provided by the Novato Sanitary District which operates the collection system and treatment plant. As both water and sewer services are provided by independent districts, the City has no ability to deny, apply conditions, or reduce the amount of sewer service for a development that includes housing affordable to lower-income households.

Government Code Section 65589.7 also requires adopted Housing Elements to be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential. The City will provide the future adopted housing element to the North Marin Water District and the Novato Sanitary District.

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## Section II                      Projected Housing Need

### II.A                      Introduction/Overview of ABAG Methodology

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State Housing Element law (Government Code [Sections 65580-65589](#)) requires regional councils of governments to identify for each member jurisdiction its "fair share allocation" of the RHNA provided by HCD. In turn, each city and county must demonstrate the capacity to accommodate their local share of regional housing needs in the community's housing element. Each jurisdiction's responsibility for meeting the overall regional housing need is established as a RHNA.

ABAG, the council of governments for the Novato area, adopted its final [6<sup>th</sup> Cycle RHNA allocation methodology](#) in December 2021. ABAG considered several factors in preparing the methodology, which weighed both projected and existing need. Projected need was informed by the target vacancy rate, the rate of overcrowding, and the share of cost-burdened households household growth, future vacancy need, and replacement need, while existing need considered transit accessibility and job accessibility. The distribution of the RHNA across the four income categories factored in a social equity adjustment, which allocated a lower proportion of lower-income RHNA to jurisdictions that already had a high concentration of such households in comparison to the County, as well as the goal to Affirmatively Further Fair Housing (AFFH), which adjusted the distribution of RHNA in jurisdictions considered either very low or very high resource areas. According to Appendix 6 of ABAG's Draft RHNA Plan, Novato had a net zero change in RHNA due to the equity adjustment.

### II.B                      Marin County Income Limits

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The projected housing needs are broken down by income category based on definitions in the California Health and Safety Code [Section 50079.5](#). HCD calculates "extremely low," "very low," "low," "median," "moderate," and "above moderate" income limits and publishes these limits at the county level. To match the year ABAG approved the region's RHNA methodology, Marin County's 2021 income limits for households of one to four persons are shown in Table II-1. See Appendix A, Table A-5, for a table listing income limits for households of up to eight persons.

**Table II-1: Marin County 2021 Income Limits**

Number of Persons in Household	1	2	3	4
<b>Extremely Low (15-30% of AMI)</b>	\$38,400	\$43,850	\$49,350	\$54,800
<b>Very Low (30-50% of AMI)</b>	\$63,950	\$73,100	\$82,250	\$91,350
<b>Low (50-80% of AMI)</b>	\$102,450	\$117,100	\$131,750	\$146,350
<b>Median (100% of AMI)</b>	\$104,700	\$119,700	\$134,650	\$149,600
<b>Moderate (80-120% of AMI)</b>	\$125,650	\$143,600	\$161,550	\$179,500

Source: HCD, 2021

## II.C Regional Housing Needs Allocation

The RHNA for Novato is shown in Table II-2. The City has a total allocation of 2,090 units for the 2023 – 2031 planning period.

**Table II-2: 6th Cycle RHNA**

Income	Novato		Marin County		ABAG	
	Number of Units	Percent	Number of Units	Percent	Number of Units	Percent
<b>Total</b>	<b>2,090</b>	<b>100%</b>	<b>14,405</b>	<b>100%</b>	<b>441,176</b>	<b>100%</b>
<b>Extremely Low and Very Low <sup>1</sup></b>	570	27%	4,171	29%	114,442	26%
<b>Low</b>	328	16%	2,400	17%	65,892	15%
<b>Moderate</b>	332	16%	2,182	15%	72,712	17%
<b>Above Moderate</b>	860	41%	5,652	39%	188,130	42%

<sup>1</sup> "Extremely Low" included in "Very Low" Category, assumed to be 50% of the Very Low allocation.

Source: ABAG

The City is not responsible for the actual construction of these units. The City is, however, responsible for creating a regulatory environment in which the private market could build the unit types reflected in the RHNA. This includes the creation, adoption, and implementation of General Plan policies, zoning standards, and/or economic incentives to encourage the construction of various types of units.

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## Section III                      Housing Plan

### III.A                      Goals, Policies, and Programs

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The Housing Plan of the Housing Element serves as the City's strategy for addressing its housing needs. This Section describes the housing goals, policies, and programs of the Housing Element for the City of Novato.



Goals are aspirational purpose statements that indicate the City's direction on housing-related needs. Each goal encompasses several policies, which are statements that describe the City's preferred course of action among a range of other options. Each goal also includes programs, which provide actionable steps to implement the City's goals and to further the City's progress towards meeting its housing allocation. Some programs contain quantified objectives, which represent measurable outcomes that can be used to benchmark the success of each program.

The 5<sup>th</sup> Cycle Housing Element contained many successful programs which have been renewed or modified to continue implementing impactful policies and are referenced beneath their associated 6<sup>th</sup> Cycle programs below. For a complete list of 5<sup>th</sup> Cycle programs and a comparative review of 5<sup>th</sup> and 6<sup>th</sup> Cycle programs, see Appendix D (Evaluation of the 2015–2023 Housing Element).

This Housing Element contains actions intended to significantly increase the amount and types of housing for all income levels in Novato. These efforts are expected to be initiated throughout the planning period, which is from January 31, 2023, to January 31, 2031. In accordance with State law, the City will also evaluate the progress and effectiveness of Housing Element programs on an annual basis. Together, these actions reflect the City's commitment to increasing affordable housing and improving existing housing conditions.

The following list of goals, policies, and programs includes a combination of strategies, including a continuation of existing successful policies and programs as well as new policies and programs to tackle emerging opportunities and constraints, address changes in State law, and provide innovative approaches to accommodate the larger RHNA.

## Goal 1: New Housing Construction.

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### Policies

#### Policy 1.1: Housing Element Implementation

Coordinate and monitor the implementation of the City's Housing Element.

#### Policy 1.2: Adequate Supply of Housing Sites

Ensure an adequate supply of housing sites to achieve the City's RHNA numbers for the 2023-2031 planning period.

#### Policy 1.3: Variety of Housing Choices and Access

Promote a variety of housing types that meet the different lifestyle and life cycle needs of residents including young adults, young couples and single person households, small and large families, empty-nesters, and seniors.

### Programs

#### Program 1.A: Rezone for RHNA shortfall. **[NEW]**

To accommodate the remaining moderate-income RHNA of 7 units, the City will identify and rezone sufficient vacant land or land with redevelopment potential to provide capacity for this shortfall. Appendix B (Housing Capacity Analysis and Methodology) identifies potential parcels for rezoning to address this shortfall and provide excess capacity throughout the planning period. Separate programs detail specifics of various rezoning actions that would provide additional capacity for all income levels.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Sites rezoned to address shortfall by January 31, 2024. Note: this program has been completed as of January 9, 2024.

**Quantified Objective:** The City will amend the Zoning Map and/or Zoning Ordinance to create the opportunity for at least 7 moderate-income housing units; proposed rezoning would accommodate additional capacity for 42 moderate-income housing units.

**Geographic Targeting:** The rezone sites create additional opportunities for lower-income housing capacity in Racially Concentrated Areas of Affluence (RCAAs) and neighborhoods categorized as High Resource according to TCAC Opportunity maps. In the event that new sites need to be identified during the planning cycle due to the necessity to retain capacity at all income levels, sites within RCCA's will be given priority.

### **Program 1.B: Streamline the construction of Accessory Dwelling Units (ADUs). [NEW]**

The City shall promote and facilitate ADU construction to facilitate an annual production of approximately 15 units per year (118 units during the planning period) by:

- Continuing to implement a public information and proactive outreach campaign via the City's website to support residents to construct ADUs, inform property owners of the standards for ADU development, permitting procedures, and construction resources, as well as the importance of ADUs in providing affordable housing to lower-income households.
- Promoting the construction of ADUs in high-resource areas and areas of concentrated affluence at least annually by supplying informational materials in community gathering places and/or as mailers to residents in high-resource areas.
- Working with small home manufacturers to develop and promote pre-approved, permit-ready building plans to reduce construction costs. Plans will cover a variety of unit sizes, bedroom counts, and architectural styles.
- Promoting the availability of funding for ADUs, including the CalHFA ADU Grant Program that provides up to \$25,000 to reimburse homeowners for predevelopment costs necessary to build and occupy an ADU.
- Collecting and monitoring the production and affordability of ADUs throughout the planning period and the progress made according to the assumptions described in Appendix B.
- Ensuring continued compliance with State ADU law and promptly amending the Zoning Ordinance as needed.
- Participate in the Napa Sonoma ADU Center, which will be expanding their services to cities and towns in Marin County as of Winter 2024, including dedicated staff to answer ADU-related questions, staff to work with property owners on feasibility reports, educational newsletters, webinars, and other shared resources.

**Responsible Body:** Community Development Department, Napa Sonoma/Marin County ADU Center

**Funding Source:** General Fund

**Time Frame:** Ongoing; if ADU targets are not being met by January 2027, the City will review and revise efforts to increase ADU construction (e.g., fee waivers, local financing program for ADUs, etc.) no later than July 2027. The City's action shall be commensurate with the level of shortfall from construction targets (i.e., if shortfall is significant, a rezoning action may be required, if shortfall is slight, additional incentives may be appropriate). The City will work with the Napa Sonoma/Marin County ADU Center to release an RFQ by for permit ready standard ADU plans; by January 2025 the City will have adopted standard ADU design plans in compliance with AB 1332.

**Quantified Objective:** Adopt and provide City Standard Permit-Ready ADU Plans (2024). Construct at least 118 ADUs by the end of the planning period. Maintain compliance with State law through prompt Zoning Ordinance amendments as needed.

**Geographic Targeting:** Aim to achieve 50 percent of quantified ADU objective (i.e., 59 units) in RCAAs and High Resource neighborhoods.

**Program 1.C: Produce annual housing status reports.**

*[Adapted from 5<sup>th</sup> Cycle Program 15.A]*

The City will provide an annual status report to the City Council and HCD on the status of the General Plan housing programs and their implementation as required by State law. This status report will also address no net loss requirements as necessary throughout the planning period.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Annually by April 1 (submitted to HCD)

**Objective:** Submission of compliant Annual Progress Report (APR) to HCD.

**Program 1.D: Participate in State and regional housing planning efforts.**

*[Adapted from 5<sup>th</sup> Cycle Programs 1.B and 1.C]*

The City will actively participate in the ABAG Regional Housing Needs Determination and other regional discussions about meeting housing needs. The City will meet with ABAG staff to provide land use, housing, employment, and other information related to the RHNA formula to ensure that the allocation accurately represents Novato's fair share of the region's housing needs.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Ongoing

**Quantified Objective:** Collaborate with State and regional staff to develop and implement effective housing policy. Participate in at least one ABAG-sponsored housing planning or information program per year.

**Program 1.E: Facilitate and monitor pipeline housing projects. [NEW]**

To ensure completion of the approved/entitled (i.e., pipeline) projects identified in Table B-3 of Appendix B (Housing Capacity Analysis and Methodology) within the planning period, the City will monitor project progress towards completion and will coordinate with applicants to facilitate remaining approvals and permits. If a pipeline project is not approved, the City will ensure



adequate capacity for the remaining RHNA by each income category is maintained at all times consistent with SB 166 (No Net Loss).

Annually, and coinciding with preparation of the Annual Progress Reports (Program 1.C), the City shall evaluate remaining pipeline projects and consider on a project-by-project basis what appropriate actions might be taken to facilitate their completion within the planning period, including but not limited to assignment of additional staff and technical assistance for project applicants. At the midpoint of the Cycle, if the City determines that a pipeline project is not anticipated to be completed in the planning period, the City shall complete rezoning within 18 months to maintain adequate RHNA capacity at all income levels. The City will track each site in its inventory and report annually to the City Council on the adequacy of available sites compared to the progress made towards meeting the RHNA.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Annually track status of identified sites, evaluate actions necessary to incentivize project completion, and report to City Council (by April 1 of each year), mid-cycle review of pipeline projects and (if necessary) rezoning within 18 months

## **Goal 2: Affordable Housing Opportunities.**

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### **Policies**

#### **Policy 2.1: Supply of Affordable Housing**

Promote the development of homes that are affordable to extremely low-, very low-, low-, and moderate-income households in all new residential developments, as well as in existing single-family neighborhoods.

#### **Policy 2.2: Funding for Affordable Housing Development**

Identify and secure funding sources to assist with affordable housing development.

#### **Policy 2.3: Balanced Neighborhoods**

Encourage a balance of household incomes within neighborhoods to ensure a healthy mix of affordable and market rate housing and to de-concentrate poverty.

#### **Policy 2.4: Rent Subsidies for Affordable Housing**

Identify and secure funding to provide rent subsidies that assist lower-income households.

### **Programs**

#### **Program 2.A: Develop and adopt a Transfer of Development Rights (TDR) Ordinance.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.E]*

To increase affordable housing opportunities, the City will develop and adopt a TDR Ordinance, subject to clear applicability criteria and operations standards.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Amend Zoning Ordinance; development of affordable housing Facilitate TDR transactions to produce eight multi-family residential units by the end of the planning period.

### **Program 2.B: Maintain long-term housing affordability controls.**

*[Adapted from 5<sup>th</sup> Cycle Programs 7.F, 9.E, 9.F, 9.H, 10.A]*

The City will continue to apply resale controls and income restrictions to ensure that affordable housing provided through incentives, density bonus, General Plan amendments, re-zonings, and conditional approvals remains affordable over time to the income groups for which it is intended. Continue to fund administration of existing and future affordable housing developments/programs including, as appropriate, through the services of an outside consultant for management of all or some of the affordable housing contracts in Novato in order to ensure on-going affordability, and continued implementation of resale and rental regulations for affordable housing units, including for Special Needs populations, and assure that these units remain at an affordable price level for the longest term possible.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund #210

**Time Frame:** Ongoing

**Quantified Objective:** Continue to perform annual monitoring program of units with covenants and require notification at sale. Continue 100 percent coverage of units covered by management agreements. Conservation of 1,326 income-restricted rental and for sale units.

**Geographic Targeting:** Owned and rented Below Market Rate (BMR) units Citywide.

### **Program 2.C: Maintain and develop local sources of funding for affordable housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 14.A]*

Continue to work toward the maintenance and development of local sources of funding to support affordable housing, including:

- Continue accepting in-lieu fee payments as prescribed under inclusionary requirements for residential development;
- Voluntary donations, grants, and matching funds;
- Land acquisition or donation and land banking; and,
- Work with special districts that serve Novato to provide reductions in connection fees for deed-restricted affordable housing units.
- Identify and pursue funding focused on meeting the housing needs of ELI and Special Needs households.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund #210

**Time Frame:** At least annually and Ongoing

**Quantified Objective:** Obtain a two percent annual average increase in the value of in-lieu funds, or other local funding sources over the planning period. By 2031, contribute local funding towards at least 135 BMR units and units for ELI and Special Needs households.

**Geographic Targeting:** Prioritize all actions that help to achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

**Program 2.D: Seek outside funding for affordable housing that leverages local resources.**

*[Adapted from 5<sup>th</sup> Cycle Program 14.B]*

To promote the development of affordable housing projects, and when requested by a project sponsor, assist in securing funding for lower- and moderate-income housing developments through one or more of the following actions:

- Apply for State and federal funding on behalf of a nonprofit, under a specific program to construct affordable housing including persons with physical disabilities, developmental disabilities, ELI, and other Special Needs populations.
- Provide financial incentives such as waiving City fees for 100 percent affordable housing projects within the City of Novato.
- Provide funding to participate in a multi-jurisdictional housing finance program (such as a Mortgage Revenue Bond or Mortgage Credit Certification Program).
- Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, first time homebuyer, etc.).

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Investigate funding opportunities to secure funding with project sponsors to locate funding on at least an annual and ongoing basis. Obtain one percent of annual average increase of funding sources by June 2026, and obtain an additional one percent by June 2029.

**Quantified Objective:** Obtain a two percent annual average increase in the value of partner funding sources over the planning period. By 2031, contribute partner funding towards at least 135 BMR units and units for Special Needs households.

**Geographic Targeting:** Prioritize all actions that help to achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

**Program 2.E: Coordinate with water and sewer service providers. [NEW]**

Pursuant to Chapter 727, Statutes of 2004 (SB 1087), the City, upon completion of an amended or adopted Housing Element, is responsible for immediately distributing a copy of the Housing Element to area water and sewer providers. The legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects. Water and sewer providers must grant priority for service allocations to proposed developments that include housing units affordable to lower-income households. Chapter 727 was enacted to improve the effectiveness of the law in facilitating housing development for lower-income families and workers. Additionally, City staff and elected officials will work with District staff and elected officials to reduce fees for 100 percent lower-income housing projects.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Upon adoption of the 6<sup>th</sup> Cycle Housing Element

**Objective:** Priority for water and sewer service granted to lower-income housing units.

**Program 2.F: Develop and adopt a program addressing vacant residential properties. [NEW]**

Currently, the City has an unusually large number of residential units that are noted as being vacant according to U.S. Census data. The City does not keep an inventory of vacant units. These residential units represent a potential resource in addressing unmet housing needs in the community. This program is aimed at identifying and incentivizing property owners to utilize or redevelop vacant residential properties. The primary issues are determining criteria on what constitutes a vacant site and determining a fee or assessment to deter owners from keeping residential properties vacant. The City will contact property owners of vacant residential properties to collect their insights on a new program focused on identifying and inventorying vacant residential units and then find ways to incentivize utilizing and/or redeveloping these residential units.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Hold three meetings with property owners of residential vacant properties. Adopt a program based on input from the meetings.

**Program 2.G: Amend and monitor Inclusionary Housing Ordinance. [NEW]**

Continue to implement the City's Inclusionary Housing Ordinance (IHO) and actively pursue strategies to improve its effectiveness in producing affordable housing units in conjunction with new development. The following actions will be undertaken by the City:

1. Study the following amendments to IHO and adopt such amendments provided they are not found to be an undue constraint on the production of housing:
  - Restructuring the City's current IHO to remove different inclusionary rate requirements by project size, and instead apply inclusionary requirements to all projects beyond a certain project size threshold based on the number of units. For example, exclude projects from the inclusionary requirement under 10 units, and require all projects with 10 or more units to comply with the inclusionary requirements. Restructuring the inclusionary ordinance this way may help simplify the policy, which may help project applicants navigate and design projects that comply with the policy. Restructuring the City's current ordinance may also improve the efficiency of testing the feasibility of the policy in the future.
  - Reevaluating the feasibility of the City's inclusionary requirements every three years to ensure that the ordinance is not inhibiting housing production as market conditions change over time. There has been no evidence that the current inclusionary ordinance is preventing housing production.
  - Updating the City's inclusionary requirement on rental residential development projects to be 15 percent with units made affordable to low-income households
  - Updating the City's inclusionary requirement on for-sale residential development projects to be either 15 percent with units made affordable to moderate-income households, or 12 percent inclusionary rate with half of the units made affordable to moderate-income households and half made affordable to low-income households.
2. Monitor the ongoing effectiveness of the IHO in producing new housing units on-site. Monitoring will include a review of the extent to which developers are building on-site affordable units versus using alternative methods of compliance, as allowed by State law (AB 1505). The City will align its inclusionary program with the goal that a majority of required inclusionary units over the course of the next eight years are either

provided on-site or constructed off-site at the same time as projects are constructed if it is demonstrated that alternative methods are being disproportionately accessed. At the mid-point of the Housing Element cycle, if it is determined that the Inclusionary Zoning Ordinance is not meeting this goal, evaluate and modify the Ordinance so that it can better achieve that objective, including consideration of additional incentives to encourage units to be constructed. As part of the IHO review, conduct meetings with developers to identify specific changes that may be considered by the City.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Study the IHO (June 2024); amend the IHO based on study (June 2025); evaluate IHO (and modify, if needed) (June 2027)

**Quantified Objective:** Amend the Inclusionary Zoning Ordinance and achieve higher proportions and/or lower affordability levels of inclusionary units from projects approved consistent with the amended Ordinance. Produce at least 225 BMR units as a result of IHO requirements.

**Geographic Targeting:** Achieve lower- and moderate-income housing units in RCAAs and High Resource neighborhoods.

### **Goal 3: Elimination of Housing Constraints.**

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#### **Policies**

##### **Policy 3.1: Promote Housing Through City Regulation.**

Promote housing goals through City codes, ordinances, and policies that enable housing production.

##### **Policy 3.2: Modify Zoning Code to Assist in Meeting Housing Needs.**

Ensure that Zoning Code provisions assist in meeting the housing needs of residents, including those with special needs.

##### **Policy 3.3: Expedite Entitlement Review.**

Continue to expedite processing and reduce review times of housing projects by the City to the maximum extent possible.

##### **Policy 3.4: Ensure Adequate Staffing Levels.**

Evaluate staffing levels and ensure an appropriate number of staff is available.

## Programs

### **Program 3.A: Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law. [NEW]**

Currently, the Zoning Ordinance contains a provision in its Affordable Housing Requirements ordinance that states affordable dwelling units that qualify a housing development for a density bonus are in addition, and do not count toward satisfying the affordable housing requirements. This provision is not in compliance with State Density Bonus law, specifically Government Code Section 65915(o)(6), which requires that the “total units” used for the calculation of a density bonus include units designated to satisfy a city’s inclusionary zoning requirements, which would include units produced as a part of Novato’s affordable housing requirements.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Modify Municipal Code to reference requirements of State law.

### **Program 3.B: Revise Hillside and Ridgeline Protection Regulations. [NEW]**

The City’s Hillside and Ridgeline Protection regulations (Zoning Ordinance Division 19.26) apply special development standards to all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent slope. In addition, certain definitions within the regulations are difficult to apply consistently among parcel characteristics and need to be made more understandable and universally applicable. The City will study and revise the Hillside and Ridgeline Protection regulations to reduce their ambiguity and streamline their application to relevant parcels, considering the difference between gross site area and the area of a site that would be available for development.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2025

**Quantified Objective:** Amend Zoning Ordinance Division 19.26 to not require a proposed project that does not intend to build on land that exceeds 10 percent slope to adhere to the City’s Hillside and Ridgeline Protection regulations Reduce average processing time for residential development of hillside parcels.



### **Program 3.C: Adopt objective design standards for multi-family housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 3.A]*

State law (e.g., Housing Accountability Act, SB 330, etc.) requires many local housing approval decisions to be based on objective standards. To comply with State law, local jurisdictions must ensure that their design and development standards do not require interpretation, are verifiable according to external criteria, are knowable in advance, and provide a clear review and approval process. Marin County and several cities and towns in Marin have collaborated on the development of a toolkit for Objective Design and Development Standards (ODDS). Each of the participating jurisdictions may customize the standards for their community and then officially adopt them for local usage.

The City will undergo a study to develop objective design standards for multi-family housing. Projects, with the intent of increasing density and development potential, reducing level of review, and allowing multi-family projects by right, subject to the objective standards. Updates are planned in two phases, first to amend current design guidelines, and second to amend the City Code.

Streamlining the development of multi-family housing, paired with the City's inclusionary housing requirements, will stimulate the development of greater numbers of affordable/below market-rate units, benefitting the Special Needs households identified in the Needs Assessment and heard during the community outreach process.

**Responsible Party:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Adopt standards from Marin County's ODDS toolkit by October 2023. (Note: These standards were adopted by the City Council on September 26, 2023.) Demonstrate reduction of average processing time by December 2025.

**Quantified Objective:** Reduce average processing time (from deemed complete) for both design review and use permit applications by 10 percent from fourth quarter of 2023 to fourth quarter 2025.

**Geographic Targeting:** As objective design standards will apply citywide, targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.D: Design review and use permit process improvements. [NEW]**

The City has adopted objective design standards for housing developments, including community/residential care facilities. Additional Code amendments will follow to establish a single review by the Design Review Commission to determine compliance with the objective standards identified in Program 3.C. Code amendments will also be made to eliminate the Use Permit process for mixed-use developments in commercial zones. Use Permits would apply only to the commercial component that may or may not be a conditional use in the specific zone where a

project is located. Those commercial uses may or may not be known at the time of the development proposal. If specific conditional uses are known, there will be concurrent processing of design and land use approvals. If they are not known at the time, any required Use Permits for the commercial uses may be processed anytime prior to initiation of operation of the use.

Additionally, the City will continue to hold training sessions with the Design Review Commission, Planning Commission, and City staff regarding State law provisions (e.g., Housing Accountability Act, SB 330, etc.) including limited purview, number of public meetings, and timeframes for project reviews. Additional actions include:

- Amend the Zoning Ordinance and modify City procedures to streamline the review of development proposals to require only one hearing to determine compliance with objective design standards; and,
- Remove Use Permit requirements for mixed use developments in commercial zones.

**Responsible Party:** Community Development Department, City Attorney's Office

**Funding Source:** General Fund

**Time Frame:** Fourth quarter of 2023 with subsequent biannual legal training sessions (2025, 2027, 2029, and 2031).

**Quantified Objective:** Reduce average processing time (from deemed complete) for both design review and use permit applications by 10 percent from fourth quarter of 2023 to fourth quarter 2025. Permit at least 450 multi-family units in the form of missing middle townhomes and apartments units by-right during the planning period.

**Geographic Targeting:** As with objective design standards, streamlining of the design review process will apply citywide. Targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.E: SB 35 processing and permit streamlining. [NEW]**

California Senate Bill 35 (SB 35) (Government Code Section 65913.41) became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process.

The City complies with State requirements of SB 35 as part of project review when projects are proposed. However, the City must also adopt local procedures consistent with SB 35, including an application form, checklist, and written policy and/or project approval guidelines to specify the SB 35 streamlining approval process and requirements for eligible projects as set forth in Government Code Section 65913.4 and the HCD Updated Streamlined Ministerial Approval Process Guidelines. The City will make these forms and guidelines available on the City's website.

**Responsible Party:** Community Development Department

**Funding Source:** General Fund

**Time Frame:** Develop department application form, handouts, and checklists and provide on City's website within one year of Housing Element adoption

**Quantified Objective:** Hold biannual SB 35 information sessions for developers and interested community members during the planning period.

### **Program 3.F: Evaluate and adjust impact fees. [NEW]**

The City will evaluate applying the residential development tax, park dedication and in-lieu fee, public facilities fees, and traffic impact fees on a per square foot basis rather than per unit to facilitate the development of higher densities and smaller, more affordable housing units. Based on this evaluation, the City will adjust these fees in accordance with the provisions of AB 602. The City will also coordinate with the various special districts which provide essential services (i.e., school and utility districts) to do the same.

**Responsible Party:** Community Development Department, City Council

**Funding Source:** General Fund

**Time Frame:** Complete comprehensive fee evaluation first quarter of 2025; amend fees second quarter of 2025.

**Objective:** To ensure new projects help pay for the cost of maintaining City services and infrastructure and eliminate development constraints for housing.

**Geographic Targeting:** As impact fees are applied to new development citywide, targeting will apply throughout Novato, including High Resource single-family neighborhoods.

### **Program 3.G: Modify multi-family residential parking standards.**

*[Adapted from 5<sup>th</sup> Cycle Program 3.B]*

To further reduce the impacts of parking requirements on the production of housing, the City will assess and update multi-family parking standards citywide to reduce the required number of parking spaces for three-bed units to 2.0 spaces per unit and establish lower rates for studios and one-bed units.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** June 2026

**Objective:** Reduce parking requirements for multi-family units by modifying Code.

**Geographic Targeting:** Citywide, with benefits anticipated in higher-density residential neighborhoods immediately outside Downtown.

**Program 3.H: Adopt a parking reduction incentive program to facilitate transit-oriented development.**

*[Adapted from 5<sup>th</sup> Cycle Program 6.C]*

The City will amend the Zoning Ordinance to provide automatic incentives for transit-oriented development when specific criteria are met. Criteria may include, but are not limited to, the project's distance from transit stops, unit affordability, and the integration of transit-oriented amenities. Incentives may include, but are not limited to, reductions in required parking, off-site parking alternatives, and transit impact fee reductions. Parking reductions should be coupled with programs to prevent overflow parking or other impacts on city mobility and emergency vehicle access, such as centralized structured parking, regulated on-street parking, residential parking permits, transportation demand management, red curb parking restrictions on narrow or marginal streets, or other strategies.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Amend the Zoning Ordinance by June 2025.

**Quantified Objective:** Reduce constraints to transit-oriented housing development and amend the Code to reduce parking for transit-oriented development, achieving the development of at least 250 units within Transit Priority Areas (TPAs) during the planning period.

**Geographic Targeting:** Those parts of Novato within Transit Priority Areas (TPAs) (i.e., within half mile of a High-Quality Transit Stop). This includes areas within this half mile distance of the City's three SMART rail stations.

**Program 3.I: Allow comparable zoning district standards to apply in the Planned (PD) Zoning District. [NEW]**

Zoning Ordinance Division 19.14 (Special Purpose Zoning Districts) currently requires all projects on parcels in the PD Zoning District to prepare a Master Plan and/or Precise Development Plan, subject to an extensive discretionary review process. To allow project applicants an alternative, the City will amend the Zoning Ordinance to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed.

**Responsible Party:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Amend the Zoning Ordinance by September 2025.

**Objective:** Allow projects in the PD Zoning District an alternative to the submission and approval of a Master Plan and/or Precise Development Plan.

## **Goal 4: Special Needs Populations.**

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### **Policies**

#### **Policy 4.1: Variety of Housing Types.**

Provide housing opportunities in residential, mixed-use and infill areas, especially near high frequency transit and other services, for households with special needs such as studio and one-bedroom apartments for the elderly and single-person households, SROs, three-bedroom apartments for large households, specially designed units for persons with disabilities, and units affordable to extremely low-, very low-, and low-income households with single-parent heads of households or those with disabilities (including developmental disabilities).

#### **Policy 4.2: Allow Special Needs Housing Consistent with State Law.**

The City will comply with all State legal requirements pertaining to zoning provisions for emergency shelters, transitional housing, and supportive housing.

#### **Policy 4.3: Support Local Homeless Service Providers.**

Participate in local and regional efforts to combat homelessness in Novato and work with local social service providers to increase their capacity to operate facilities serving the homeless.

#### **Policy 4.4: Support Programs to Address Homelessness.**

Continue to support existing homeless support services in the community, including, but not limited to, those offered by Homeward Bound of Marin, Marin Continuum of Care, and North Marin Community Services.

### **Programs**

#### **Program 4.A: Allow emergency shelters consistent with State law.**

*[Adapted from 5<sup>th</sup> Cycle Program 12.A]*

The Zoning Ordinance allows emergency shelters by-right in the Novato Industrial Park but requires that they go through design review and does not provide provisions for required staff parking. Furthermore, because the Novato Industrial Park does not allow residential uses, it does not qualify as a compliant zoning designation for emergency shelters pursuant to AB 2330

(Emergency Shelters Act of 2023). Additionally, the Ordinance does not clarify the difference between emergency shelters and “residential shelters,” a separate use.

Consistent with SB 2, Government Code Section 65583(a)(4), and AB 2339, the City will amend the Zoning Ordinance to permit emergency shelters by-right and without a discretionary permit in the General Commercial (CG) district, clearly define emergency shelters in relation to “residential shelters,” recognizing that emergency shelters as defined by that Code section include other interim interventions, including, but not limited to, navigation centers, bridge housing, and respite or recuperative care. Further, the amendments will establish objective design standards to eliminate the need for design review, provide for capacities sufficient to meet the need, and ensure locations are in proximity to transit and homeless services, include appropriate development standards in accordance with 65583(a)(4)(B), and require sufficient parking for staff in compliance with AB 139 (Emergency and Transitional Housing Act of 2019). Additionally, the City will establish and maintain an inventory of available sites in the Novato Industrial Park and make it available to homeless service providers to facilitate the establishment of future shelters.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** December 2024

**Objective:** Amend Zoning Ordinance; development of at least 150 additional emergency shelter beds to accommodate the unsheltered homeless population estimated by the 2022 Marin County Homeless Point-in-Time Count.

#### **Program 4.B: Allow Low Barrier Navigation Centers consistent with State law. [NEW]**

The Zoning Ordinance does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code Section 65660). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multifamily uses provided they satisfy the provisions established by AB 101 (see Government Code Section 65662).

The City will amend its Zoning Ordinance to explicitly allow LBNCs as provided by State law. This would allow LBNCs in the CN, CDR, MU, and CF zoning districts. To further facilitate the siting of LBNCs, the General Plan and Zoning Code will be amended to remove the live/work use and consider all projects with a combination of residential and commercial uses to be mixed use. The live/work use category is rarely used because it is not an easy project type to finance or sell. The amendment will simplify the range of uses and provide clarity to applicants.

The City will also amend the Zoning Ordinance to allow supportive housing in compliance with AB 2162. This law requires that supportive housing be allowed without discretionary review in areas zoned for residential use in zones where multifamily and mixed uses are permitted, including in non-residential zones permitting multifamily uses.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance; development of the City's first LBNC to support comprehensive homeless services.

#### **Program 4.C: Allow farmworker/employee housing consistent with State law.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.B]*

The City will amend the Zoning Ordinance to allow farmworker/employee housing consistent with Health and Safety Code Sections 17021.5 and 17021.6.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance.

#### **Program 4.D: Allow Single Room Occupancy (SRO) units to facilitate the provision of affordable housing.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.C]*

SROs are some of the least expensive forms of non-subsidized rental housing and can especially benefit seniors, persons with disabilities, and extremely low-income (ELI) individuals. The City will amend the Zoning Ordinance to explicitly permit SRO projects by-right in the R10, R20, and MU zoning districts and provide appropriate parking, development, and management standards.

To assist in the development of adequate housing to meet the needs of ELI households, the City will also work with developers and other agencies to proactively grant priority processing, fee waivers or deferrals, and modified development standards (as allowed by the Zoning Code) to reduce constraints to the development of SRO units.

**Responsible Body:** Community Development Department, Planning Commission, City Council



**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance; development of 24 units of housing for extremely low-income and other special needs households.

**Program 4.E: Allow community/residential care facilities consistent with State law. [NEW]**

To comply with State law, the City will amend the Zoning Ordinance to address the following housing types which serve persons with disabilities and other special needs:

- Permit Group Homes serving six or fewer persons by-right in the C and MU districts;
- Resolve the discrepancy between Congregate Care/Group Facilities and RCFEs;
- Permit RCFEs and Congregate Care/Group Facilities which serve six or fewer persons and seven or more persons by-right in the A, C, RR, RVL, R1, R4, R5, R10, R20, and MU district; and,
- Require only the same development standards for community/residential care facilities as those required for single-family dwellings.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** August 2024

**Objective:** Amend Zoning Ordinance.

**Program 4.F: Support programs to address the needs of the developmentally disabled.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.C]*

Work with the Golden Gate Regional Center and the Marin Housing Authority to implement an outreach program that informs Novato families of housing and services available for persons with developmental disabilities. Provide information on services on the City's website and distribute brochures provided by the service providers.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Annually contact service providers and update City website with latest information on services available

**Objective:** Support developmentally disabled residents and their families. Provide program specific information on the City's web site.

#### **Program 4.G: Support programs to address homelessness.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.B]*

Continue to dedicate funding and staff resources to support local, subregional, and regional efforts to address homelessness. Ongoing and future programs include:

- Maintain staffing of City's Homeless Services Division which supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency.
- Convene regular meetings of City's Housing and Homelessness Committee (HHC), whose purpose is to provide information and make recommendations to the City Council. The HHC shall report quarterly on the state of homelessness in the City.
- Allocating funding as available, and as opportunities arise, to support innovative programs to provide shelter and services to homeless individuals, such as:
  - The Temporary Encampment at Lee Gerner Park, in partnership with Community Action Marin's Community Alternative Response Engagement (CARE) Team.
  - The Hamilton Marsh Encampment, in partnership with the County of Marin Health and Human Services (HHS).
  - The Downtown Streets Team (DST), which has offered the Marin Mobile Shower Program in Novato and provides basic hygiene at encampments and other places in need.
- Maintain partnership with Homeward Bound of Marin in the management of the 80-bed New Beginnings Center and the development of their 50-unit Workforce and Veteran Housing project.

**Responsible Body:** Central Administration Department, Public Works Department, City Council, County of Marin Health and Human Services, Homeward Bound of Marin, and other governmental/non-profit partners

**Funding Source:** Varies; Department budget, Community Development Block Grants (CDBG), Encampment Resolution Funding (ERF), and other County/State funding as available

**Time Frame:** Provide funding (annually); convene regular meetings of the HHC (with quarterly reports); participate in Point-in-Time (PIT) Count efforts (biannually, in 2024, 2026, 2028, and 2030)

**Quantified Objective:** Consistent reduction in homelessness in the City of Novato as counted in the bi-annual PIT counts.

**Geographic Targeting:** Known locations of homeless encampments (Lee Gerner Park, Hamilton Marsh) and Downtown Novato, with advocacy citywide

## Goal 5: Housing Conservation and Tenant Protections.

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### Policies

#### **Policy 5.1: Preservation of Multi-Family Housing.**

Preserve existing multi-family rental housing, including non-conforming multi-family uses in single-family zones. Require the review of permits that would demolish a housing unit.

#### **Policy 5.2: Code Enforcement.**

Enforce local building codes to ensure that housing is safe and sanitary. Promptly investigate all reports of nuisances and require the abatement of such situations, as needed.

#### **Policy 5.3: Preservation of Existing Affordable Housing.**

The City will encourage the conservation of existing affordable housing, including the present rental stock and mobile home parks, particularly rental housing affordable to low- or moderate-income households.

#### **Policy 5.4: Tenant Protections.**

The City will stay up to date on Statewide tenant protections, educate tenants and landlords on their rights and responsibilities, and ensure tenant protections are enforced locally.

### Programs

#### **Program 5.A: Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.A]*

The City requires multi-family housing developments of three or more units to receive an annual inspection from the Community Development Department. These annual physical inspections ensure that health and safety concerns are identified quickly and a plan for repair/rehabilitation is developed. The City will continue to proactively implement this program, ensuring 20 days advance notice is provided to property owners/tenants by mail and posted in a public area of multi-family developments as required by Chapter 14-5 of the Municipal Code. Additional actions include:

- Provide education and resources on the City's website to assist landlords and tenants in understanding their rights and responsibilities in regard to this program.
- Require landlords to provide tenants with a City-approved description of this program when initiating a new lease, renewing a rental agreement, and when providing notice of a rent increase.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Annually

**Quantified Objective:** Annual implementation of the Multi-Family Housing Inspection Program (i.e., 100% of multi-family units inspected annually) and the conservation/preservation of quality multi-family housing.

**Geographic Targeting:** Citywide, as the City ensures all multi-family units (in a development of three or more units) receive these inspections annually. Education and resources will be targeted in neighborhoods with the highest proportion of renters/multi-family units, such as the Northwest Quadrant neighborhood and residential neighborhoods between S. Novato Blvd. and Highway 101.

**Program 5.B: Link code enforcement with public information campaigns.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.B]*

Continue to implement housing, building, and cooperate with Novato Fire Protection District on fire code enforcement to ensure compliance with basic health and safety building standards and continue to provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Begin June 2024

**Objective:** Maintain information about building and fire code enforcement to ensure compliance with basic health and safety building standards. Produce public handouts on building code and fire code enforcement and procedures for reporting suspected violations. Make this information available on the City's website.

**Geographic Targeting:** Citywide, with a focus on neighborhoods with older housing stock and/or with frequent code enforcement actions such as the Northwest Quadrant neighborhood.

**Program 5.C: Amend the City's condominium conversion ordinance.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.D]*

Adopt amendments to the City's condominium conversion ordinance to include:

- Prohibition of conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than five percent or there are special circumstances related to providing long-term, regulated affordable units;

- Exemptions for limited equity residential cooperatives which provide long term affordability for very low- or low-income households;
- Requirements for relocation assistance when units are converted;
- First right of refusal of purchase of units by occupants;
- Minimum of 20 percent of the units be affordable to low-income households; and,
- Implementation of resale controls.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** August 2024

**Objective:** Amend condominium conversion ordinance.

**Geographic Targeting:** Rental units citywide.

**Program 5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.**

*[Adapted from 5<sup>th</sup> Cycle Programs 5.E and 5.H]*

Continue to maintain an up-to-date inventory of all 1,326 BMR housing units in Novato and conduct periodic surveys of unit vacancies and affordable for-sale costs. Continue to make Rise Housing services available to BMR homeowners as needed to provide comprehensive resale and refinance assistance and mortgage assistance programs.

**Responsible Body:** Community Development Department, Rise Housing

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Maintain up to date BMR housing inventory of all 1,326 units and provide assistance to BMR homeowners as needed.

**Geographic Targeting:** Owned and rented BMR units citywide.

**Program 5.E: Support volunteer efforts.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.I]*

Support community service clubs that provide volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support includes, but is not limited to:

- Designate a portion of annual CDBG, HOME, and PLHA allocations to fund various non-profit/volunteer organizations which provide service in support of lower-income households;

- Provide links on the City's website to active non-profit service clubs; and,
- Provide City support (letter of recommendation, etc.) as appropriate for said clubs seeking grant funding for supplies and/or services.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Work with local community service clubs to provide volunteer programs to homeowners physically or financially unable to maintain properties on an ongoing basis. Conduct two outreach meetings with local community service clubs to discuss available grant funding sources by November 2024.

**Objective:** Maintenance of existing housing.

### **Program 5.F: Preserve mobile home parks.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.J]*

Manufactured housing communities, also called mobile home parks, are an important source of “naturally occurring” affordable housing. Since 1997, the City owned the 315-unit, 63-acre, age 55+ Marin Valley Mobile Country Club (MVMCC) and is responsible for the Park's operating and capital budget. The residents are represented by the Park Acquisition Board (PAC) Board of Directors, and according to a recent survey conducted by the PAC, a majority of MVMCC residents qualify as lower income-households. Each year, the PAC puts forward recommendations for Park needs and the City Council approves final annual budgets. All rent revenue not needed for operations is put into a reserve to be used for capital improvement projects which upgrade Park infrastructure, improving the safety and quality of life for residents.

Additionally, the City shall evaluate the scope and effectiveness of City's current rent control regulations governing all privately and publicly owned mobile home parks within the City. Prior to the amendment of current regulations, the City shall conduct public outreach to mobile home park residents.

**Responsible Body:** City Manager's Office, City Attorney

**Funding Source:** Marin Valley Mobile Country Club Fund/American Rescue Plan Act, General Fund

**Time Frame:** Sewer pump replacement in Fall 2023; rent regulation evaluation by December 2023

**Quantified Objective:** Replacement of two sewer pump stations and associated electrical service at a cost of \$3,000,000. Conduct discussion with City Council to discuss effectiveness of current regulations in ensuring rents remain affordable. Receive direction from Council of possible amendments. Conservation of all 315 units of “naturally occurring” affordable housing within the Marin Valley Mobile Country Club.

**Geographic Targeting:** Marin Valley Mobile Country Club, Marin Valley Drive; Citywide applicability to all privately and publicly owned mobile home parks.

**Program 5.G: Regulate the displacement of residential units.**

*[Adapted from 5<sup>th</sup> Cycle program 5.K]*

Recognizing the impacts of residential displacement, the State has enacted several new laws to protect existing tenants, including:

- AB 1482: prohibits evictions and non-renewals of leases without “just cause,” and limits rent increases to five percent per year plus CPI or 10 percent (whichever is lower);
- SB 330: bans the approval of development projects on sites that would eliminate existing protected units unless the units are replaced with affordable units;
- AB 1397: requires development on Housing Element sites occupied by lower income households within the last five years to be replaced with affordable units; and,
- Density Bonus Law: requires replacement of units occupied by lower income households within the last five years at an affordable housing cost.

Pursuant to Government Code 65583.2(g)(3), the City will require the replacement of units affordable to the same or lower-income level as a condition of any development on a non-vacant site as required by SB 330 and State law.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Implement State law requirements when applicable during development applications. The City’s objective is that 100 percent of protected units are replaced units in all applicable projects through 2031.

**Geographic Targeting:** Citywide, as required by State law.

**Program 5.H: Promote and support rental assistance programs.**

*[Adapted from 5<sup>th</sup> Cycle Program 13.A]*

Develop and implement measures to make full use of available rental assistance programs. Actions include:

- Maintain descriptions of current programs and contacts to hand out to interested persons;
- Provide funding support, as available and appropriate to non-profit partners such as North Marin Community Services; and,



- Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB 2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Ongoing

**Quantified Objective:** Institute annual coordination meeting with identified rental assistance providers beginning in 2024.

**Geographic Targeting:** Citywide, with a focus on lower-income and special needs households, especially in the Northwest Quadrant neighborhood.

**Program 5.I: Expand “just cause” eviction protections to all tenants. [NEW]**

The City shall consider expanding “just cause” eviction protection to all tenants and require a Notice of Termination to be delivered by landlords to their tenants to identify the allowable reasons for which they are evicting the tenant. A copy of the Notice of Termination must be provided to the City within 10 days of being served an eviction notice. This program would expand tenant protections as follows:

- “Just cause” eviction protection shall apply to all rental units in Novato (with AB 1482 exceptions)
- “For cause” terminations will remain grounds for eviction; and,
- “No fault just cause” terminations will remain grounds for eviction.

**Responsible Body:** Community Development Department

**Funding Source:** Department budget

**Time Frame:** Undertake public outreach on new standards by September 2024. Prepare ordinance for council consideration by December 2024.

**Quantified Objective:** Maintain inventory of units covered under the program and prepare annual report on the number of units receiving notices of termination. Seek an annual decrease in notices received.

**Geographic Targeting:** Rental units citywide, especially in the Northwest Quadrant neighborhood.

**Program 5.J: Enforce Statewide tenant protections (AB 1482) locally and require participation in non-binding mediation for rent increases greater than five percent. [NEW]**

AB 1482 (the California Tenant Protection Act of 2019), effective January 1, 2020, requires a landlord to have a “just cause” to terminate a tenancy and limits annual rent increases to no more

than five percent plus the local Consumer Price Index (CPI), or 10 percent, whichever is lower. The City shall enforce AB 1482 protections locally through the Multi-Family Housing Inspection Program, ongoing public information campaigns related to code enforcement, and by requiring landlords to provide a Notice of Tenants Rights when initiating a new lease, renewing a rental agreement, and when providing notice of a rent increase. A landlord's failure to furnish a tenant with a Notice of Tenant Rights could invalidate the rent increase or housing service reduction.

Additionally, the City shall require participation in a non-binding mediation program for tenants and landlords who are party to a rent increase greater than five percent. Such a program is offered by the Marin County District Attorney's Consumer Protection Unit, which already partners with the Town of Fairfax and the City of San Rafael to review service requests and conduct the mediations at no cost to the applicants. Tenants must submit their request for mediation within 10 calendar days of receiving notice of the rent increase.

**Responsible Body:** Community Development Department

**Funding Source:** CDBG annual allocation

**Time Frame:** Modify Municipal Code to reflect program, enter into mediation agreement with qualified party by December 2024.

**Quantified Objective:** Track utilization of this program and seek to serve a 1% annual increase in utilization per annum over the planning period.

**Geographic Targeting:** Rental units citywide, especially in the Northwest Quadrant neighborhood.

**Program 5.K: Continue to assist in the rehabilitation and production of housing for Special Needs and lower-income households.**

*[Adapted from 5<sup>th</sup> Cycle Program 7.F]*

In 2022, the City approved the construction of Homeward Bound of Marin's 50-unit, 100 percent affordable housing project serving extremely low- and very low-income occupants, including homeless veterans, with the City contributing \$750,000 in funding. The City will continue to work with Homeward Bound of Marin and other affordable housing developers to connect them to federal, State, and local resources that assist in the rehabilitation and development of housing for low-, very low-, and extremely low-income households. Additionally, the Community Development Department will:

- Continue to provide information and links on the City's website for federal, State, and local funding resources, including, but not limited to, CDBG programs, the HOME program, the Marin County Residential Rehabilitation Loan program, the LIHTC program, assistance from local philanthropic programs, and the City's Affordable Housing Trust Fund; and,
- Apply reduced application processing fees on a sliding scale for residential developments that include 20 percent or more of the proposed units for lower-income households. On a

percentage basis, the “sliding scale” should consider maximum fee reductions for units proposed for ELI households.

- Collaborate directly with non-profit partners such as North Marin Community Services to identify Special Needs households (overcrowded, overpaying, and female-headed) and target rehabilitation support.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Implement reduced application fees by June 2025; other actions ongoing

**Quantified Objective:** Update the City’s website for funding resources annually. By 2031, rehabilitate at least 48 housing units for lower-income households. Reduce application processing fees as needed.

**Geographic Targeting:** Citywide, with a focus on special needs households ((e.g., seniors, female-headed households, large families, persons with disabilities) in lower-income neighborhoods such as the Northwest Quadrant and the S. Novato Blvd. corridor (see Appendix F).

#### **Program 5.L: Assistance for renters with animal companions or pets. [NEW]**

Working with the private sector and animal welfare agencies, the City will coordinate and facilitate dialogue and the establishment of best practices for rental units to allow for renters with animal companions or pets to secure and maintain housing in Novato. Animal companions or pets are understood to mean domestic pets and exclude animal species identified in Section 3-1.24 (*Definition of Wild and or Undomesticated Animal*) of the Novato Municipal Code. Under this program the City will:

- In cooperation with the Marin Humane and Animal Services JPA, conduct an annual survey of rental properties in Novato that allow tenants to keep pets. Make the results of the survey available on the City’s website;
- Working with the Marin Humane and Animal Services JPA establish a model “pet friendly” lease agreement for distribution on the City’s website;
- Develop an information package with model pet friendly lease agreement and information on resources for creating “pet friendly” rental properties to be distributed to residential rental operators on renewal of their annual business license; and,
- Coordinate with the Marin Humane and Animal Services JPA to record annual data on the number of pets surrendered by Novato residents due to rental housing issues. Prepare base line data for 2023.

**Responsible Body:** Community Development Department in coordination with the Marin Humane and Animal Services JPA

**Funding Source:** Departmental budget

**Time Frame:** Establish information package for distribution with business licenses by June 2024. Conduct first annual survey of rental properties by January 2024.

**Quantified Objective:** Maintain inventory of units available for rent that allow pets. Reduce the number of pets surrendered to the Marin Humane and Animal Services JPA by Novato residents due to housing accessibility on an annual basis.

### **Program 5.M: Preservation of at-risk housing units. [NEW]**

There are 1,316 subsidized affordable housing units in Novato. Among these, six units have been identified as being at “moderate risk” of being converted to market-rate housing by 2033 (see Appendix A, Section A.5.4). The remaining 1,310 assisted units have estimated affordability end dates from 2038 to 2070 and thus are not at-risk of conversion within 10 years of the beginning of the planning period.

The City shall continue to maintain an inventory of below-market-rate units Citywide (see Program 5.D) and monitor the expiration of subsidy agreements to prevent the displacement of lower-income households from existing affordable housing. The City will assist in maintaining the affordability of units produced through federal and State programs to the extent possible by working with appropriate organizations to identify units that may convert to market-rate units, analyzing the cost of keeping the units affordable, and taking measures to ensure continued affordability or providing assistance to residents if the affordability of the units is removed. In addition, the City will continue to enforce housing affordability agreements between the owners and the City.

If the City becomes aware of the expiration of a subsidy agreement, the City shall implement the following measures:

- Contact property owners of units at risk of converting to market-rate housing within three years of affordability expiration to discuss the City’s desire to preserve complexes/units as affordable housing.
- Coordinate with owners of expiring subsidies to ensure the required notices to tenants are sent out at three years, 12 months, and six months.
- Reach out to agencies interested in purchasing and/or managing at-risk units.
- Work with tenants to provide education regarding tenant rights and conversion procedures pursuant to California law.

If any of the owners indicate that the affordability of the units is at risk of conversion to market-rate housing or that the owner intends to sell the property, the City will seek to facilitate the acquisition of the property by another for-profit or nonprofit entity to preserve the rental units as affordable housing. The City will not take part directly in negotiations regarding the property but

will apply for state or federal funding on behalf of an interested non-profit entity, if necessary, to protect the affordability of the rental unit.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing communication with owners, service providers, and eligible potential purchasers; work with owners of deed-restricted units on an ongoing basis, in particular at the time of change of ownership. First contact with owner of six units identified as “Moderate” risk of conversion to market-rate housing will occur in 2030.

**Quantified Objective:** Conservation of the six units of at-risk affordable housing scheduled to expire in 2033 (Stonehaven House).

## **Goal 6: Equal Access to Housing and Opportunities.**

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### **Policies**

#### **Policy 6.1: Fair Housing Education.**

Promote public education and awareness of fair housing requirements and reduce public misconceptions about low-income housing.

#### **Policy 6.2: Housing Choice.**

Promote the development of housing for all persons regardless of race, religion, ethnic background, or other arbitrary factors.

#### **Policy 6.3: Fair Housing Enforcement.**

Implement and enforce relevant State and federal fair housing laws.

#### **Policy 6.4: Reasonable Accommodation.**

Continue to provide reasonable accommodation for people with disabilities, including developmental disabilities, in the City’s rules, policies, practices and procedures related to zoning, permit processing, and building codes.

### **Programs**

#### **Program 6.A: Prepare information and conduct community outreach activities on fair housing issues.**

*[Adapted from 5<sup>th</sup> Cycle Program 1.A]*

Coordinate with housing advocacy groups, tenants, neighborhood groups, community organizations, developers, and landlords in building public understanding of fair housing programs and needs, especially reasonable accommodation procedures. Activities to include:

- Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.
- Provide information to real estate professionals, property owners, and tenants on their rights, responsibilities, and the resources available to address fair housing issues.
- Work with local non-profit and service organizations to distribute information to the public.
- Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to provide support.

**Responsible Body:** Community Development Department, Planning Commission, City Council

**Funding Source:** General Fund

**Time Frame:** Prepare written material and web site information by June 2024

**Quantified Objective:** Provision of accurate, up-to-date information. Prepare section on City website, update annually as needed. Initiate annual contact via email updating interested stakeholders on newly available information. Make 10 or more contacts per year.

**Geographic Targeting:** While outreach will occur citywide, enhance outreach efforts, either through additional opportunities (e.g., in-person events, physical material posting or distribution, etc.) or more frequent outreach, in neighborhoods with the highest proportion of lower-income or special needs households, such as the Northwest Quadrant and the S. Novato Blvd. corridor (see Appendix F).

#### **Program 6.B: Require non-discrimination clauses in affordable housing agreements.**

*[Adapted from 5<sup>th</sup> Cycle Program 2.A]*

Non-discrimination clauses are a standard component of the City's affordable housing agreements and are currently applied to over 400 BMR units. These clauses are added with each new development as inclusionary units enter the BMR program. The City contracts with Rise Housing to monitor compliance with the terms of its affordable housing agreements and local and State regulations. In addition, Rise oversees the sale of new units to ensure fair and equitable marketing. The City works closely with Fair Housing Marin to ensure non-discrimination in rental practices and annually funds fair housing and legal aid to ensure those services are available to residents of the City.

**Responsible Body:** Community Development Department

**Funding Source:** Affordable Housing Fund; CDBG annual allocations

**Time Frame:** Ongoing

**Objective:** Implementation of fair housing laws.

**Program 6.C: Respond to fair housing complaints.**

*[Adapted from 5<sup>th</sup> Cycle Program 2.B]*

Refer discrimination complaints to the appropriate legal service, County or State agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint. Undertake activities to broaden local knowledge of fair housing laws through actions identified in Program 6.A.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Implementation of fair housing laws.

**Program 6.D: Implement General Plan policies related to the Northwest Quadrant neighborhood. [NEW]**

Since 2015, the Northwest Quadrant neighborhood has been the focus of efforts to update its original 1977 Neighborhood Plan. With the 2020 adoption of General Plan 2035, seven recommendations calling for improved pedestrian safety, code enforcement, form-based zoning regulations, and more were incorporated as Goal LU 28 and Policies LU 28b – LU 28e. These policies have not yet been incorporated into the Zoning Ordinance, though a [draft Northwest Neighborhood Form-Based Code](#) was developed by 2017.

As a place-based strategy to address the fair housing issues identified in this neighborhood in Appendix F (Affirmatively Forwarding Fair Housing), the City shall implement the General Plan policies related to the Northwest Quadrant neighborhood during the planning period, including those that:

- Target investment in community assets such as parks, streets, and active transportation infrastructure and apply for funding every other year;
- Develop a proactive code enforcement program that targets areas of concentrated rehabilitation needs and results in repairs and mitigates potential cost while accounting for potential displacement and relocation impacts on residents;
- Address negative impacts from climate change through investments in adaptation measures such as urban forestry; and,



- Zoning regulations (such as the draft Northwest Neighborhood Form-Based Code) that conserve and improve the existing affordable housing stock without contributing to investment-driven displacement.

**Responsible Body:** Community Development Department, Planning Commission, City Council, Public Works Department, Parks, Recreation, and Community Services Department

**Funding Source:** General Fund

**Time Frame:** Develop proactive code enforcement program (June 2025); adoption of zoning regulations (June 2025); implement climate adaptation measures (December 2025); targeted infrastructure improvements (complete by December 2028); annual implementation of neighborhood investments as part of Capital Improvement Plan (CIP) 2024-2028 and its successor

**Quantified Objective:** Adoption of the draft Northwest Neighborhood Form-Based Code (or similar zoning regulations). Implement the four General Plan policies listed above. Investment in community assets listed above. Conserve/preserve at least 10 units annually within the Northwest Quadrant as a result of proactive code enforcement (also see Programs 5.A, 5.B, 5.H, 5.I, and 5.J). Identify at least two projects in the Northwest Quadrant annually and incorporate them into successor Plans with the goal of making substantial improvements to the infrastructure of the Northwest Quadrant neighborhood.

**Geographic Targeting:** The Northwest Quadrant neighborhood.

#### **Program 6.E: Housing Mobility. [NEW]**

Housing mobility strategies consist of removing barriers to housing in areas of opportunity and strategically enhancing access. To improve housing mobility and promote more housing choices and affordability throughout Novato, including in lower-density neighborhoods and concentrated areas of affluence and relatively higher-resource areas, the City will employ a suite of actions to expand housing opportunities affordable to extremely low-, very low-, low-, and moderate-income households. Actions and strategies include:

- Rezoning – Modify zoning to allow residential and/or increased residential intensity on key sites throughout Novato. This includes zoning amendments in High Resource neighborhoods (i.e., Rezone Site #1), in addition to higher intensity corridors (i.e., Rezone Site #2). See Program 1.A.
- Accessory Dwelling Units (ADUs) – Streamline the production of ADUs and Junior ADUs in single-family neighborhoods by preparing permit-ready ADU plans with a variety of unit sizes and proactively promoting ADU construction in High Resource areas. Promote availability of services from City’s participation in Napa Sonoma/Marin County ADU Center. See Program 1.B.

- Utilize Vacant Residential Properties – The City has an unusually large number of vacant residential units, many in the City’s predominantly single-family neighborhoods. As a potential resource for addressing housing need in High Resource areas, the City shall identify and incentivize property owners to utilize or redevelop vacant properties, including promoting affordability and conversion of single-family structure to duplexes and triplexes. See Program 2.F.
- Enhanced Inclusionary Housing – Assess and amend the City’s inclusionary housing requirements to achieve higher proportions and/or lower affordability levels of inclusionary units from projects approved. See Program 2.G.
- Addressing Homelessness through Permanent Supportive Housing – The City is an active participant in Countywide efforts to address homelessness through a Housing First model. Many active programs are committed to providing basic services and housing assistance to homeless residents, enabling them to remain in the community without remaining on the street. See Program 4.G.
- Placed-Based Strategies – Continue implementation of adopted General Plan goals and policies for improved pedestrian safety, targeted code enforcement, and zoning regulations which conserve and improve existing affordable housing (without driving displacement) in the Northwest Quadrant neighborhood. See Program 6.D.
- Implement alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices, including but not limited to, strategies that encourage missing middle zoning (small-scale multi-unit projects), adaptive reuse, allowing additional ADUs and/or JADUs above State law, and priority processing or fee waivers for affordable housing.

**Responsible Body:** Community Development Department

**Funding Source:** General Fund

**Time Frame:**

- Sites rezoned in High Resource neighborhood (Rezone Site #1) – January 2024
- Review and revise efforts to increase ADU construction in High Resource neighborhoods – January 2027
- Identify, inventory, and incentivize utilization of vacant residential properties in High Resource neighborhoods – June 2025
- Develop higher proportion of lower- and moderate-income housing in RCAAs and High Resource neighborhoods as a result of amended IHO (June 2025) and subsequent evaluations (June 2027)
- Facilitate development of transitional/supportive housing (Homeward Bound Veterans and Workforce Housing project) – Spring 2024
- Implement alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices – June 2027

**Quantified Objective:** Provide 150 housing opportunities affordable to lower-income households by January 2031.

**Geographic Targeting:** Citywide, with a focus on creating housing opportunities in lower-density areas and areas of relatively higher income.

## **Goal 7: Sustainability and Energy.**

---

### **Policies**

#### **Policy 7.1: Energy-Efficient Design.**

Require all new housing to be designed to encourage energy efficiency. Building design and construction methods should promote and support energy conservation.

#### **Policy 7.2: Energy-Efficient Materials.**

Encourage major additions and remodeling projects to use windows, building materials, ventilation systems, and appliances which reduce home heating and cooling costs and conserve energy resources.

#### **Policy 7.3: Weatherization.**

Encourage weatherization of existing homes to reduce heating and cooling costs and lower home energy bills.

#### **Policy 7.4: Renewable Energy.**

Maintain development regulations and permit processing allowances which accommodate the installation of solar panels and other devices which result in lower energy costs for homeowners and renters.

#### **Policy 7.5: Energy Retrofits.**

Support the use of federal, State, county, and utility-sponsored programs which provide financial assistance or incentives for energy retrofits.

### **Programs**

#### **Program 7.A: Implement energy/water efficiency and rehabilitation loan programs.**

*[Adapted from 5<sup>th</sup> Cycle Program 5.C]*

Novato's Sustainability Division implements a Property Assessed Clean Energy (PACE) financing program to enable property owners to finance energy and water efficiency and renewable energy projects as an assessment on their property tax bills. In addition to private funding options, the City has routinely designated a portion of its CDBG funding for residential rehabilitation/upgrading of homes belonging to low-income individuals.

Community Development staff will continue to coordinate with government and businesses (e.g., Energy Upgrade California, the Marin Housing Authority, PG&E, and participatory contractors) to procure funding (grants and/or loans), and qualifying energy upgrades for eligible owner and renter households. Program resources and contact information will be maintained and updated on the City's website.

**Responsible Body:** Sustainability Division

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Coordinate and support financing for rehabilitation and energy efficiency.

### **Program 7.B: Continue to implement the California Green Building Code.**

*[Adapted from 5<sup>th</sup> Cycle Program 4.B]*

In 2011 the City first adopted the California Green Building Standards Code (Part 11, Title 24 of the California Code of Regulations, or CALGreen) to promote the use of green building materials, energy conservation, and more. The City will continue to adopt updated versions of CALGreen throughout the planning period, starting with the 2022 CALGreen Code, effective January 1, 2023.

**Responsible Body:** Community Development Department

**Funding Source:** Departmental budget

**Time Frame:** Ongoing

**Objective:** Implement statewide green building standards locally.

## **III.B Quantified Objectives**

Table III-1 presents the City's quantified objectives for construction, preservation, and rehabilitation for the 2023 – 2031 planning period that will be achieved through the policies and programs described above.

**Table III-1: Quantified Objectives**

Program Type/Affordability	Extremely Low <sup>1</sup>	Very Low	Low	Moderate	Above Moderate	Total
<b>New Construction</b>	340		612	367	1,296	<b>2,615</b>
<b>Rehabilitation</b>	4	8	8	4	0	<b>24</b>
<b>Conservation/Preservation <sup>2</sup></b>	860		860	0	0	<b>1,479</b>
<b>Total</b>	1,212		1,480	371	1,296	<b>4,118</b>

<sup>1</sup> The City estimates 50% of the very low households would qualify as extremely low-income.  
<sup>2</sup> See Programs 2.B, 5.D, 5.F, 5.M, and 6. D.

# Appendix A: Demographics and Housing Needs Assessment

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## Section A.1 Introduction and Summary

### A.1.1 Introduction

This section of the Novato Housing Element (Appendix A) presents the foundation for understanding the housing needs of the City of Novato (City). Analyzed within are demographic, economic, and housing-related variables which include the City's population, special needs groups, employment, housing stock, and housing affordability. Findings in this section provide the basis for the housing goals, policies, and programs to address those needs.



Data sources for this section include the Housing Needs Data Packet prepared for the City by the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC). The Data Packet relies primarily on the U.S. Census Bureau's American Community Survey (ACS), California Department of Finance (DoF), and the Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS). This Housing Needs Data Packet has been pre-reviewed by the California Department of Housing and Community Development (HCD) for consistency and compliance with State requirements.

### A.1.2 Summary

Housing needs are determined by a city's population and its existing housing stock and provide context for developing housing policy, such as which types of housing are most needed. The following summarizes key data from this housing needs assessment:

- Novato has a lower median household income than Marin County (County). Novato's 2020 median household income was \$101,629, 16.5 percent lower than the County (\$121,671). Nearly 15.2 percent (3,325 households) of households in Novato are extremely low-

income, and approximately 47.1 percent (10,269 households) of Novato households are lower-income households (i.e., earn less than 80 percent of Area Median Income [AMI]).

- Home prices are slightly lower in Novato relative to the County, but still difficult to afford. A two-person household must earn \$180,980 (over 150 percent of AMI) to afford an average priced home in the City.
- Rental housing is challenging in Novato, as a household must earn \$78,023 (over 50 percent of AMI) to afford median rent.
- Approximately 34.5 percent of Novato homeowners and 54.8 percent of renters are cost-burdened, meaning they spend 30 percent or more of gross income on housing costs. Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing, compared to 14.8 percent of homeowners. Among all households, Novato has a slightly higher proportion of cost-burdened households compared to the County (41 percent compared to 39 percent).
- Renter households are more likely to live in overcrowded conditions than owner-occupied households. In Novato, 3.7 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.5 percent of households that own. Among renters, 9.8 percent experience moderate overcrowding (1 to 1.5 occupants per room), compared to one percent for those who own.
- Novato's population is 63.5 percent White, 18.9 percent Hispanic or Latino, 7.8 percent Asian or Pacific Islander, 6.2 percent Other Race or Multiple Races, 3.4 percent Black or African American, and 0.2 percent American Indian or Alaska Native. People of color (all non-white racial groups) comprise a lower proportion of Novato's population relative to the 9-county Bay Area, but a slightly greater portion than Marin County as a whole. Black or African American residents experience the highest rates of poverty in Novato at 13.5 percent.
- Novato's median age is 47, similar to the County (47.3 years). Seniors (65 years and above) make up approximately 20.6 percent of the population. Out of the total senior population, approximately 41.3 percent are cost burdened. Seniors are designated as a special needs population under the State's Housing Element law. Seniors can face higher levels of housing insecurity as they are more likely to be on a fixed income while requiring higher levels of care.
- Novato's other special housing needs populations include persons with a disability that may require accessible housing (10 percent of residents) and female-headed households who are often at greater risk of housing insecurity (eight percent of households).
- Novato has 1,614 large households (five or more people), which are generally served by three-bedroom or larger units. Novato's housing mix of three-bedroom or larger units (14,724 units) can sufficiently accommodate the number of larger families.



- A variety of housing types is important to meeting the needs of all members of the community. Over 74 percent of Novato's housing stock is single-family homes (attached and detached). Multifamily (5+ unit) homes have experienced the most growth over the last decade.
- The rate of housing production in Novato is relatively slow, with only 266 units permitted between 2015 and 2019. The largest proportion of Novato's housing units were built between 1960 and 1979.

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## Section A.2 Population Characteristics

### A.2.1 Population

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The San Francisco Bay Area (Region)<sup>1</sup> is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession (2007). Many cities in the Region have experienced growth in jobs, wages, and population. While these trends have led to a corresponding increase in demand for housing, the regional production of housing has largely not kept pace with job and population growth. In 2020, the population of Novato was estimated to be 53,702 (see Table A-1). From 1990 to 2020, the population increased by 12.9 percent, or 0.4 percent per year. The population of Novato makes up 20.6 percent of Marin County. Trends in the wake of the COVID-19 pandemic suggest that the region may be experiencing some absolute declines in population in core areas, however, the population of the region as a whole is anticipated to continue to grow.

Since 2000, Novato's population has increased by 12.7 percent, which is below the Region's 14.8 percent. Roughly 11.6 percent of Novato's population moved during the past year; 1.8 percentage points lower than the regional rate of 13.4 percent. This statistic suggests Novato's relative stability and the limited increase in housing availability as homeowners move or downsize (see Figure A-1).

**Table A-1: Population Growth Trends, City of Novato**

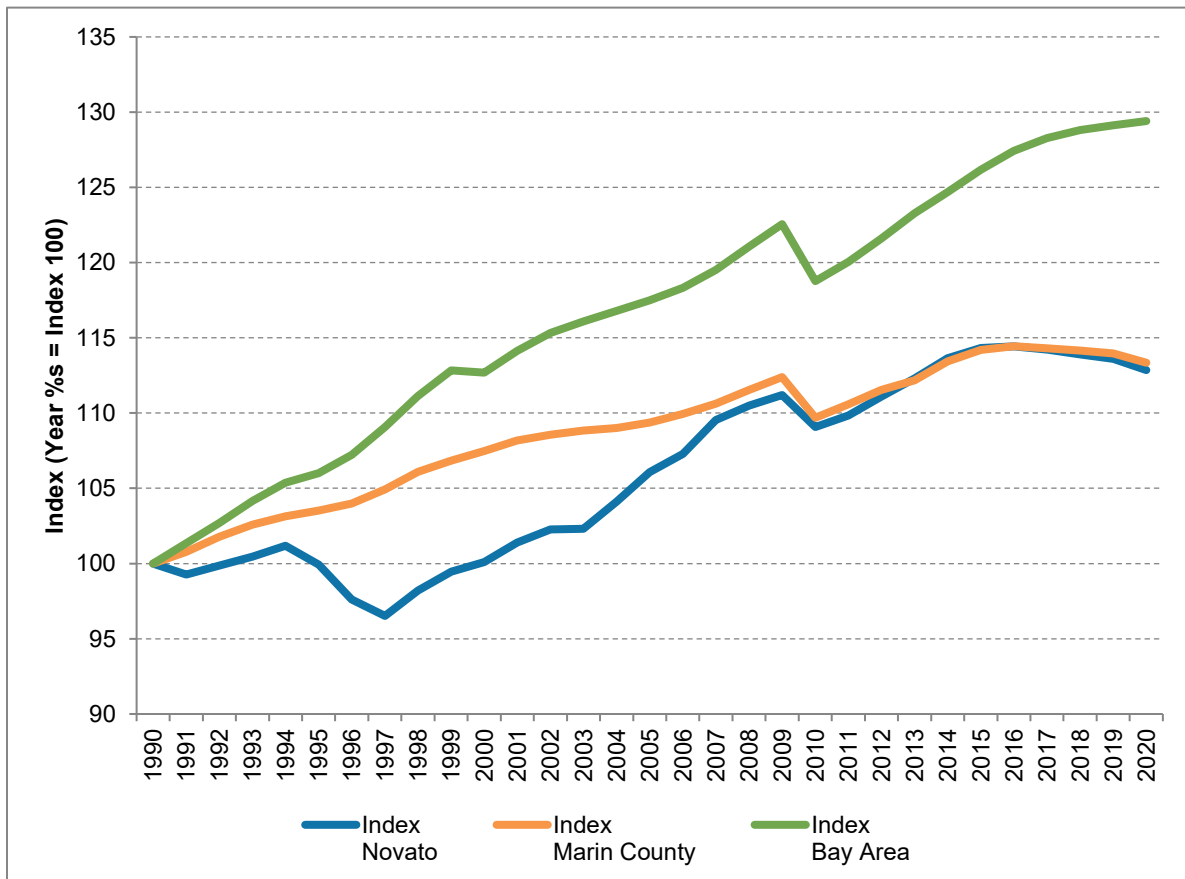
	1990	1995	2000	2005	2010	2015	2020
<b>Novato</b>	47,585	47,554	47,630	50,475	51,904	54,400	53,702
<b>Marin County</b>	230,096	238,185	247,289	251,634	252,409	262,743	260,831
<b>Bay Area</b>	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

*Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)*

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<sup>1</sup> Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

**Figure A-1: Population Growth Trends**



The data shown on the graph represents population for the jurisdiction, County, and Region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

## A.2.2 Age

The distribution of age groups influences the types of housing a community needs. For example, a higher number of children and young families can indicate a need for homes with more bedrooms and proximity to schools, parks, and related services. Seniors, meanwhile, increasingly indicate a desire to age in place (i.e., stay in their current home or move to a more affordable, age-appropriate residence)<sup>2</sup>, which can mean a higher demand for smaller, multifamily, and accessible units.

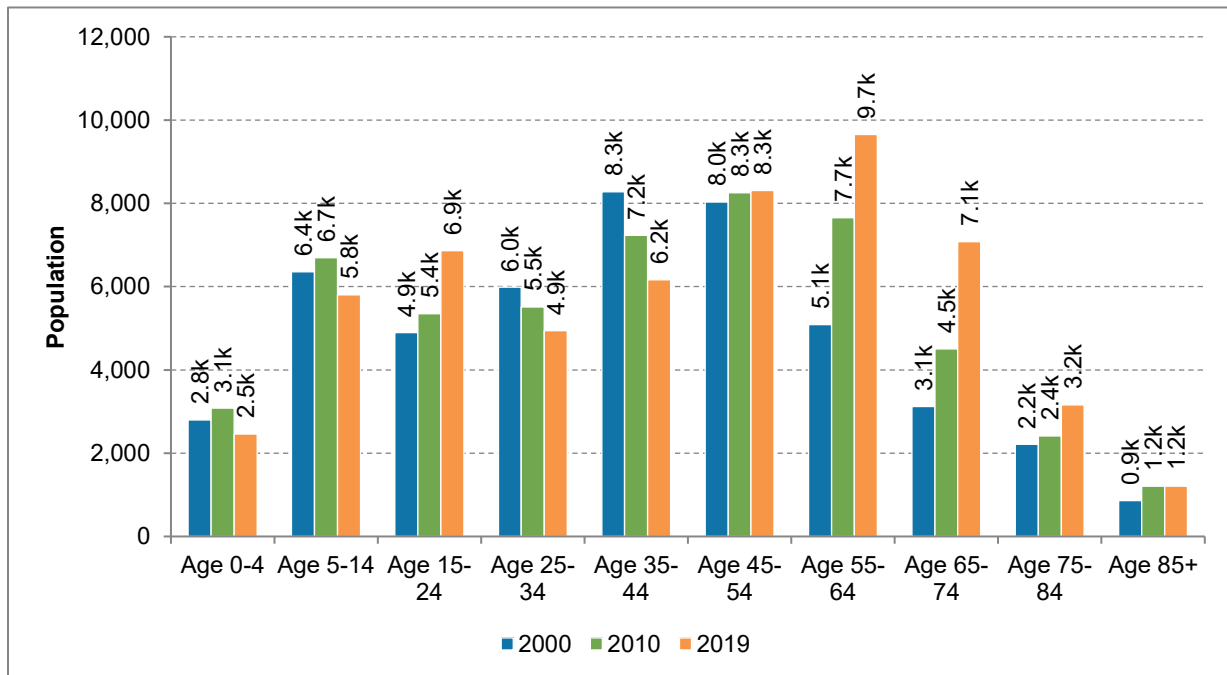
In Novato, the median age in 2000 was 39.1 years old; by 2019, this figure had increased to around 47 years. In 2019, the median age in Marin County was around 47.3 years old. The

<sup>2</sup> HUD Office of Policy Development and Research, [Aging in Place: Facilitating Choice and Independence](#). (n.d.)

population of seniors (65 years and above) living in Novato increased by 5.4 percent since 2010 and makes up an estimated 20.6 percent of the total population. Conversely, the population of those under 14 years of age in Novato has decreased by 3.8 percent since 2010.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color make up 10.6 percent of seniors and 37.9 percent of youth under 18 years of age (see Figure A-3).

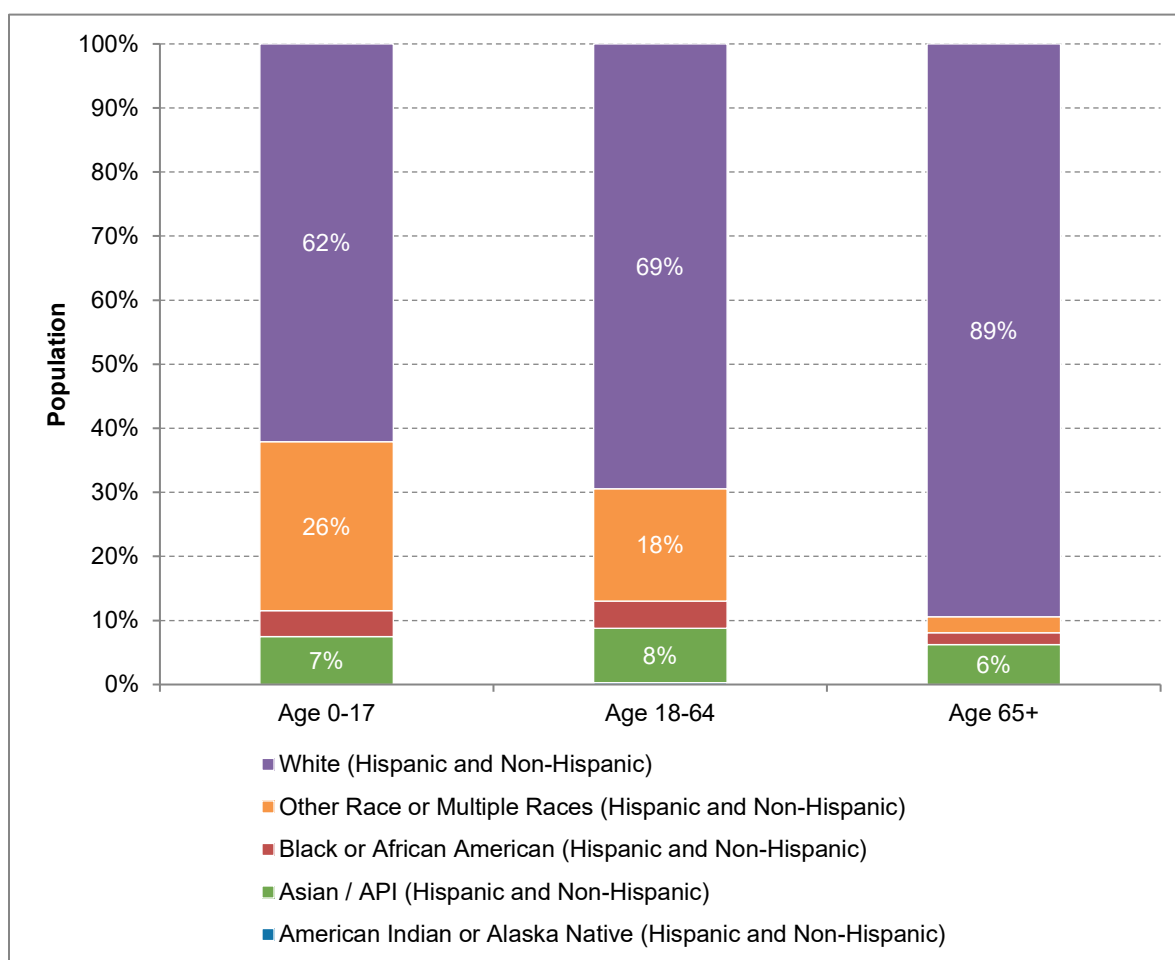
**Figure A-2: Novato Population by Age, 2000-2019, City of Novato**



Universe: Total population

Source: ABAG 2021 Pre-certified Housing Needs Data ((U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001)

**Figure A-3: Senior and Youth Population by Race, City of Novato**



Universe: Total population

In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

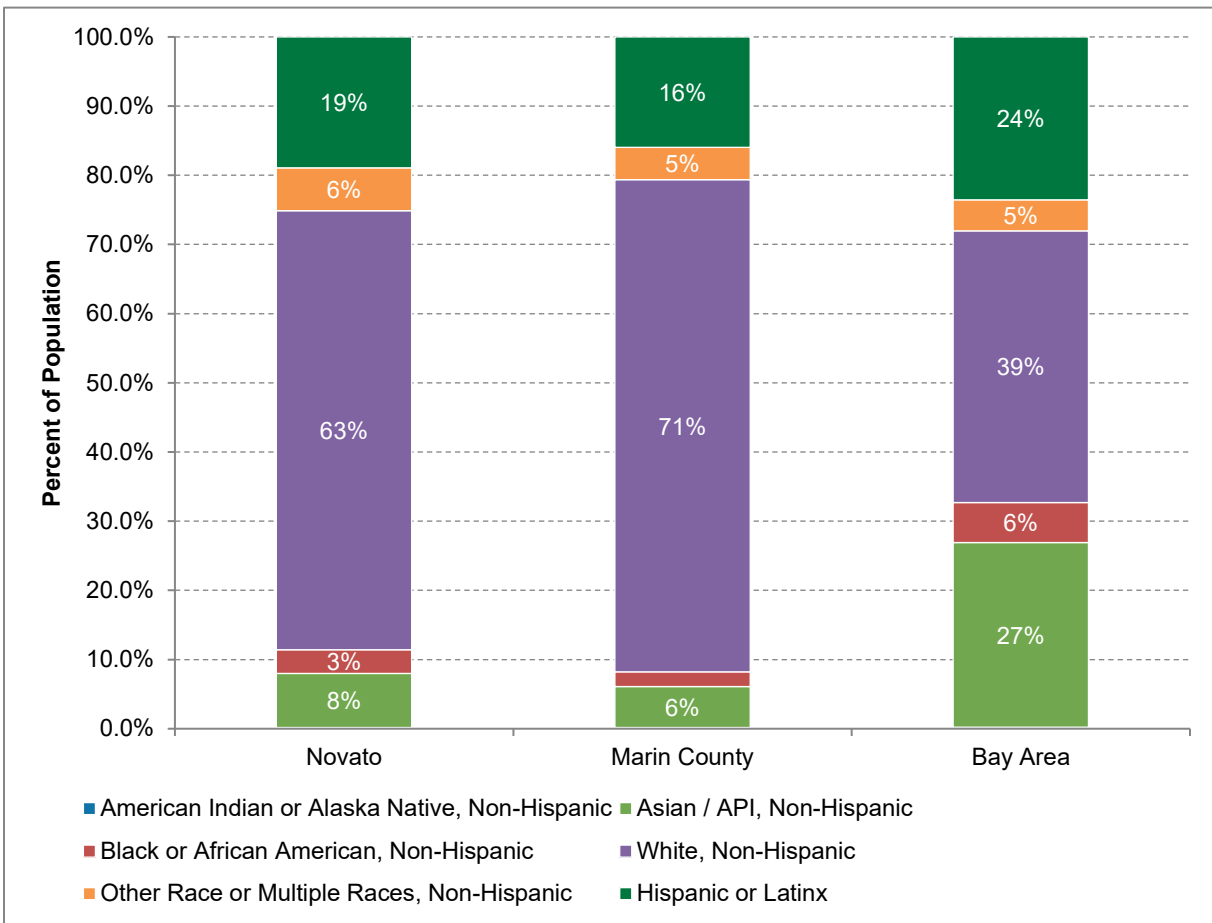
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G))

### A.2.3 Race/Ethnicity

Understanding the racial and ethnic makeup of a city and Region is important for designing and implementing effective housing policies and programs. Racial distribution is shaped by market factors and government actions, such as exclusionary zoning, discriminatory lending practices, and displacement that has occurred over time and continues to impact communities of color.

Novato has a higher share of residents identifying as White, Non-Hispanic than the Region, and a smaller share of residents identifying as American Indian or Alaska Native, Non-Hispanic, Asian/Asian Pacific Islander, Non-Hispanic, Black or African American, Non-Hispanic, and Hispanic or Latino than compared to the Region (see Figure A-4).

**Figure A-4: Population by Race and Ethnicity, 2019**



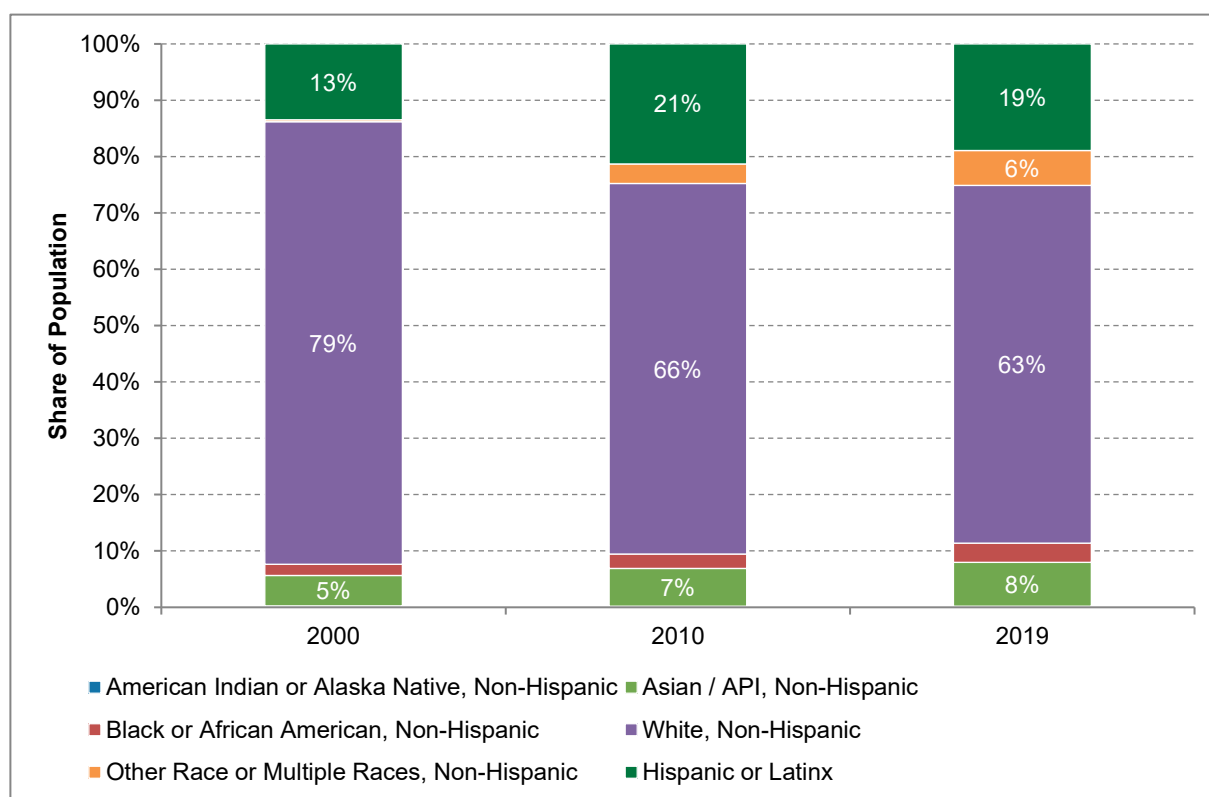
Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

Since 2000, the percentage of residents in Novato identifying as white has decreased. In the same period, the percentage of residents of all other races and ethnicities has increased by 15.1 percentage points (see Figure A-5), with the total population of all other races and ethnicities at 35,312 in 2019. In absolute terms, the Hispanic or Latino and the Other Race or Multiple Races, Non-Hispanic populations increased the most, while the Non-Hispanic White population decreased the most.

**Figure A-5: Population by Race and Ethnicity, 2000-2019, City of Novato**



Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the “Hispanic or Latino” racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

The values above do not add up to 100% as they are rounded to the nearest one-tenth.

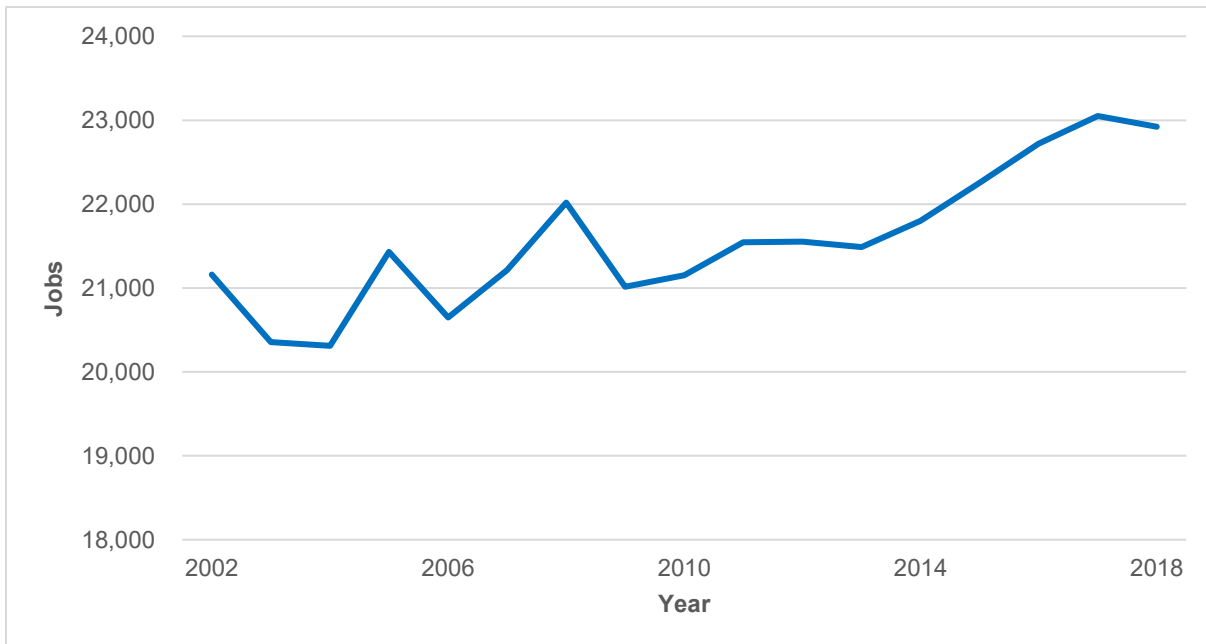
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

## A.2.4 Employment

A city’s housing serves those who work and live in the community and those who work elsewhere in the Region and commute to work. Smaller cities typically will have more employed residents than jobs and export workers, while larger cities tend to have a surplus of jobs and import workers. A good regional transportation system is set up to address this flow of workers to the Region’s job centers. At the same time, the housing affordability crisis has pushed workers further from cities and transit hubs. This imbalance burdens employees who must travel greater distances, increases reliance on the automobile or more complicated commutes on public transit.

There are 28,298 employed residents and 23,299 jobs<sup>3</sup> in Novato. The ratio of jobs to resident workers is 0.82, making Novato a net exporter of workers. Overall, in 2019, an estimated 18.6 percent<sup>4</sup> of people employed in Novato also lived in the city. Between 2002 and 2018, the number of jobs in Novato increased by 8.3 percent (see Figure A-6).

**Figure A-6: Jobs in the City of Novato**



Universe: Jobs from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment.

The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross-referenced to jurisdictions and summarized.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018)

Figure A-7 shows the balance of jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment opportunities for relatively low-income workers but have relatively few appropriate housing options. Conversely, a city may offer affordable ownership and rental options but not have appropriate or sufficient employment opportunities. Such relationships cast extra light on potentially unmet demand for housing in certain price categories (for ownership or rental). A relative surplus of jobs relative to

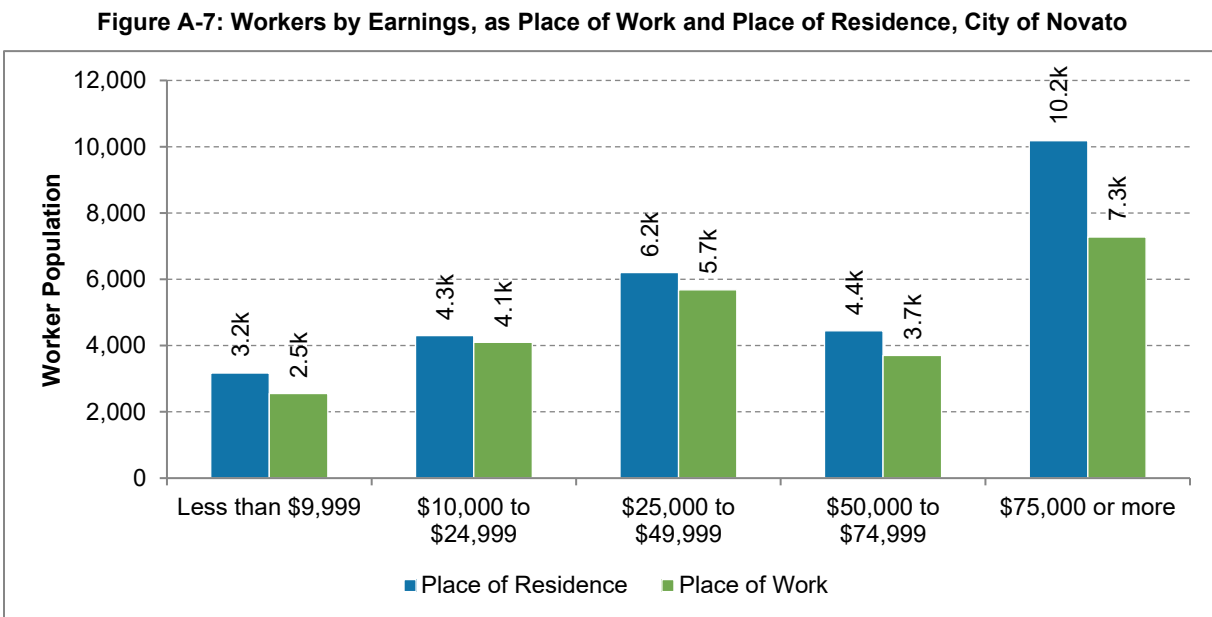
<sup>3</sup> Employed residents in a jurisdiction is counted by place of residence (they may work elsewhere) while jobs in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure A-6 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.

<sup>4</sup> U.S. Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), [OnTheMap](#). (2023)



residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, but as indicated earlier, can lead to longer, more complicated commutes, increased vehicle miles traveled and greenhouse gas emissions, lost construction investment, as well as foregone consumption of goods and services because Californians spend so much time and income on commuting.

Novato has more low-wage residents (7,472) than low-wage jobs (6,643), where low-wage refers to jobs paying less than \$25,000. At the other end of the wage spectrum, the city has more high-wage residents (10,183) than high-wage jobs (7,274), where high-wage refers to jobs paying more than \$75,000 (see Figure A-7)<sup>5</sup>. The number of workers by wage category was supplied by ABAG and sourced from the 2019 American Community Survey.



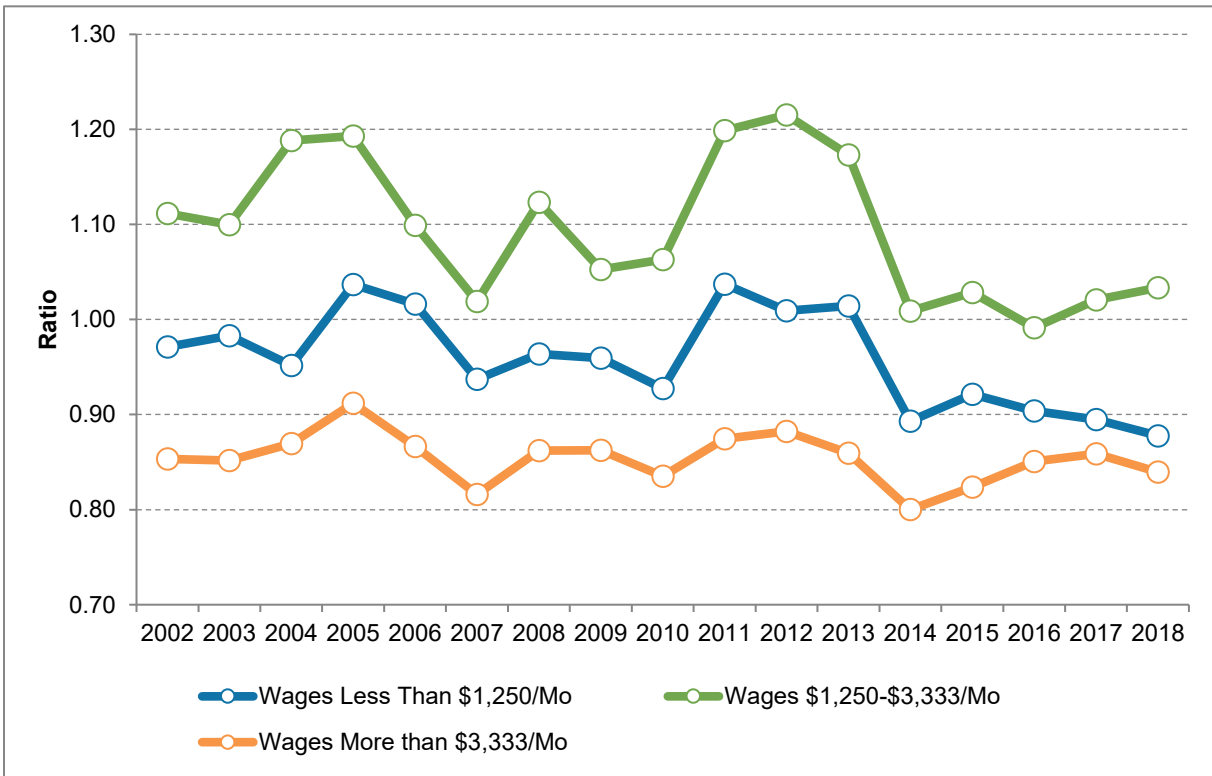
Universe: Workers 16 years and over with earning

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519)

Figure A-8 shows the balance of Novato's resident workers to jobs for different wage groups as a ratio. A value of 1 means that a city has the same number of jobs in a wage group as it has resident workers. Values close to 0 indicate a jurisdiction will need to export workers for jobs in a given wage group. At the regional scale, this ratio is 1.04 jobs for each worker, implying a modest import of workers from outside the Region (see Figure A-8).

<sup>5</sup> The source table is top-coded at \$75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

**Figure A-8: Jobs-Worker Ratios, by Wage Group, City of Novato**



Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment.

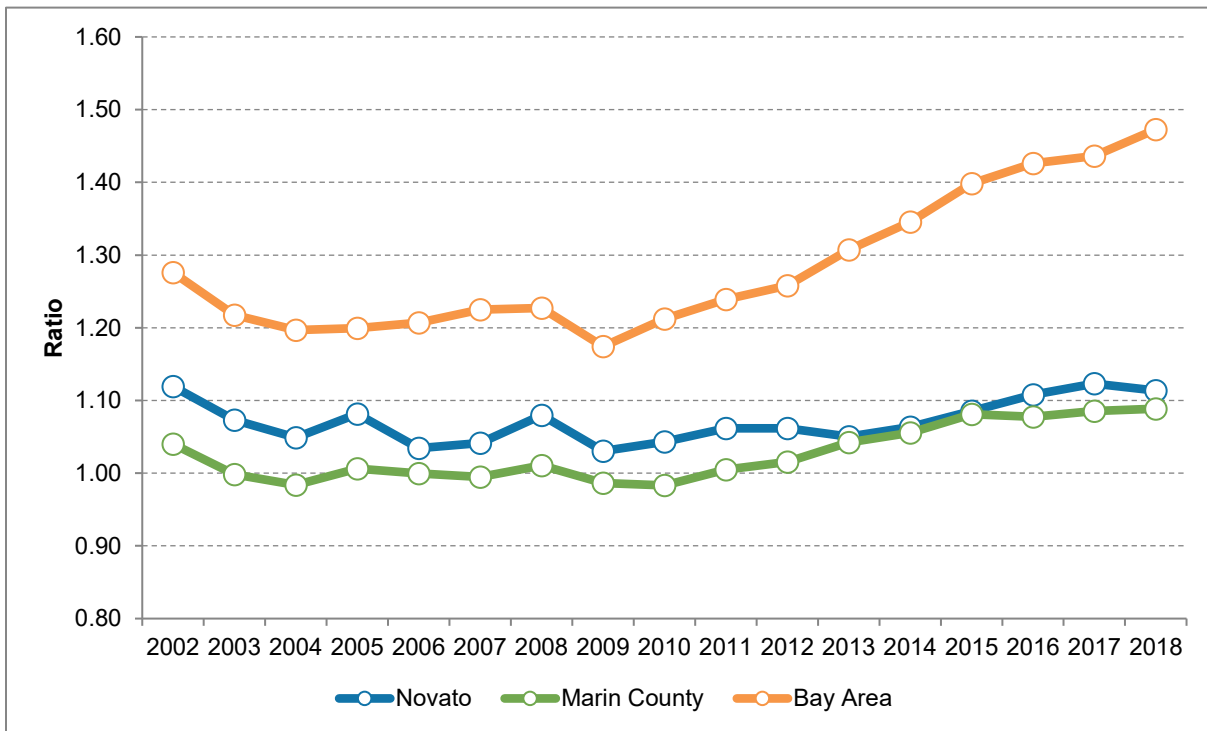
The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018)

The balance or imbalance between jobs and workers influences the housing demand and housing prices in a community. When there is high demand for housing relative to supply, workers will compete for a limited supply. As shown, many Novato workers may be unable to afford to live where they work, particularly when housing growth has been in higher income markets. This dynamic means many workers need to undertake long commutes on public transit, rely more heavily on the automobile, and contribute to the Bay Area's growing traffic congestion.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs-to-household ratio (over 1). The jobs-household ratio in Novato has decreased slightly over time, from 1.12 in 2002 to 1.11 jobs per household in 2018 (see Figure A-9). Novato's ratio is slightly higher than Marin County (1.09) and lower than the Region (1.47), suggesting the city has a lower ratio of jobs to housing units relative to the rest of the Bay Area and that while the Region is job rich, Novato houses more workers than it has jobs.

**Figure A-9: Jobs-Household Ratio**



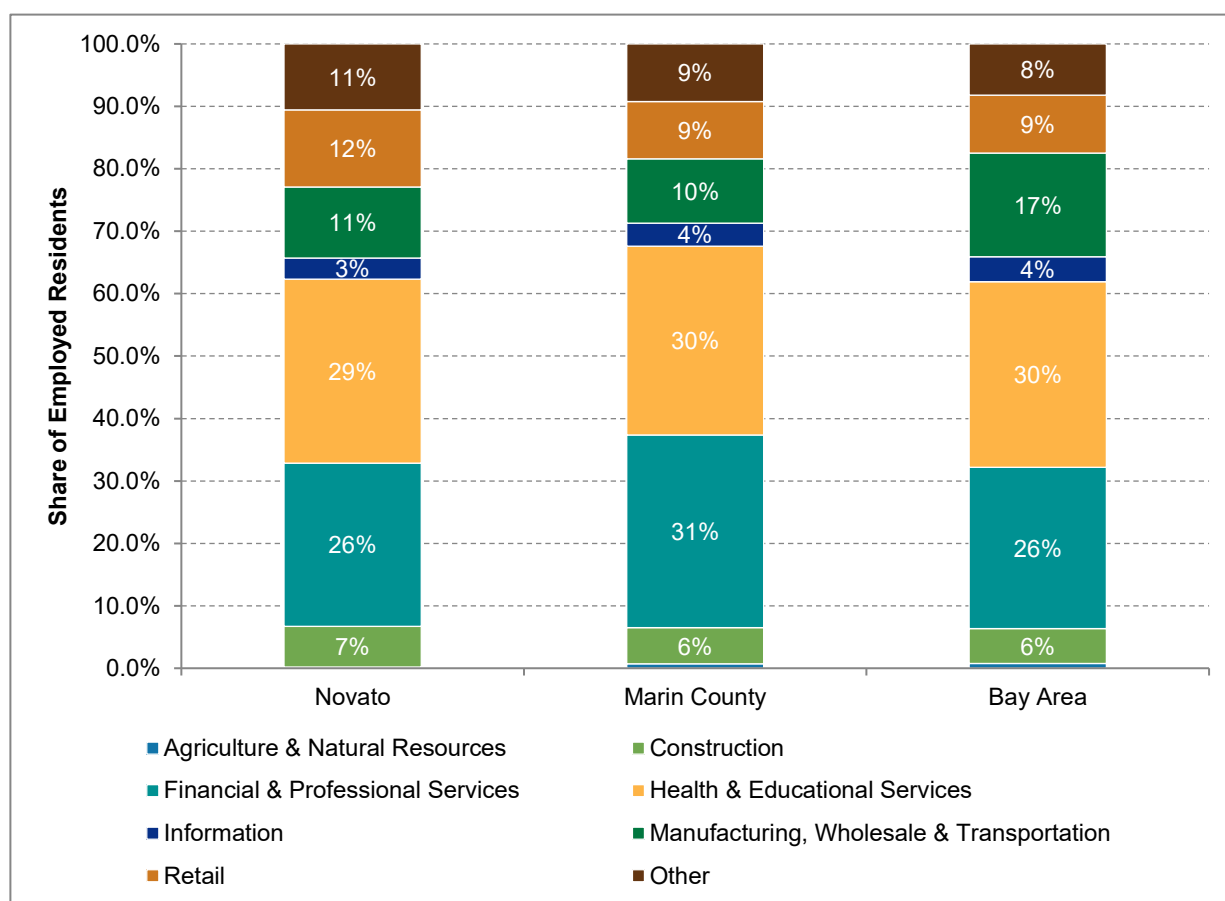
Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction.

The data are tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross-referenced to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households))

The largest industry in which Novato residents work is Health & Educational Services, and the largest sector in which Marin residents work is Financial & Professional Services (see Figure A-10). For the Bay Area as a whole, the Health & Educational Services industry employs the most workers.

**Figure A-10: Resident Employment by Industry**



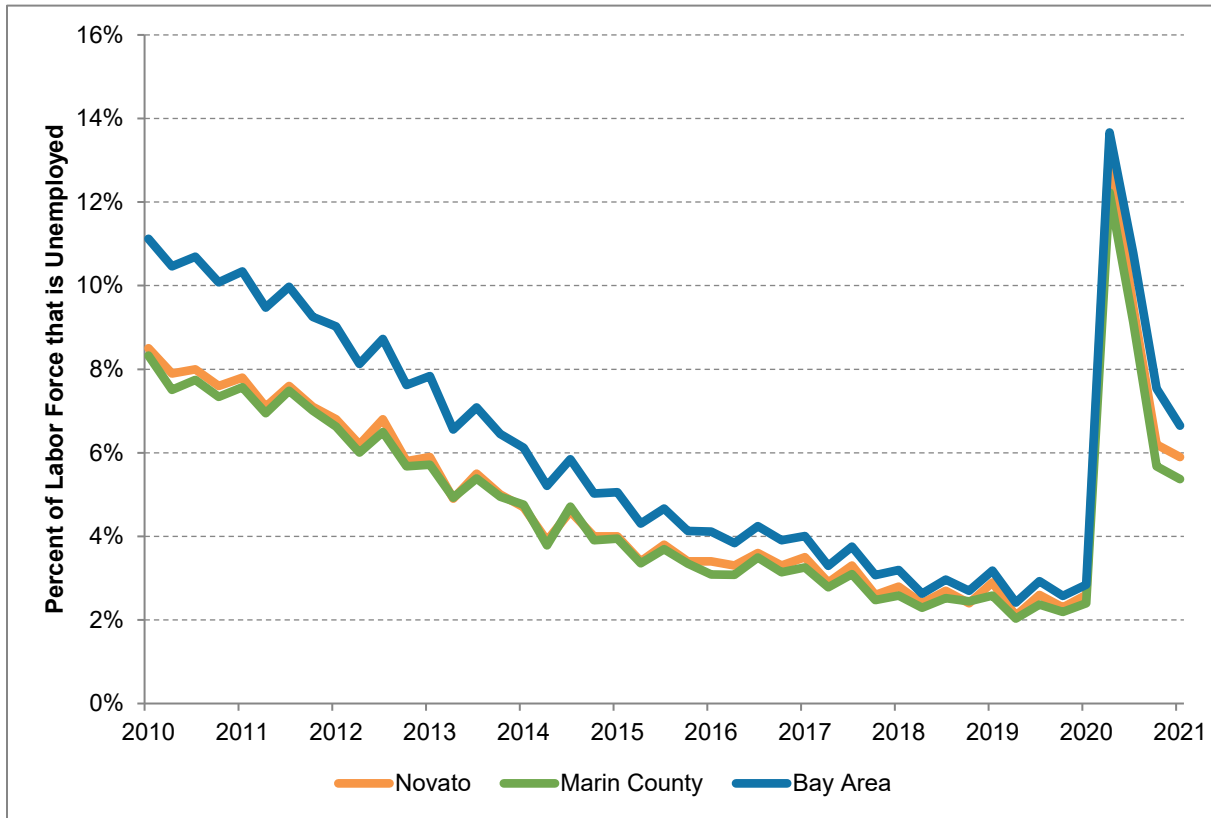
Universe: Civilian employed population age 16 years and over

The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Agriculture & Natural Resources jobs account for less than one percent of total resident employment for Novato, Marin County, and the Bay Area.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030)

In Novato, there was a 2.6 percent decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions throughout the Region experienced a sharp rise in unemployment in 2020 due to impacts of the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020.

Figure A-11: Unemployment Rate



Universe: Civilian employed population age 16 years and over

Unemployment rates for the jurisdiction level is derived from larger-geography estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021)

## Section A.3 Household Characteristics

### A.3.1 Household Size

In Novato, the largest share of households (35 percent) consists of those with two people, while the lowest share of households (7.2 percent) consists of those with five-or-more persons (renters and owners combined). Three-person households make up 15.8 percent of the occupied housing stock and four-person households make up 13.7 percent (see Table A-2). According to U.S. Census data, Novato had an average household size of 2.46 in 2020. For additional information on household size, see Section A.3.2 (Overcrowding) and A.3.4 (Special Housing Needs).

**Table A-2: Household Size, City of Novato**

	Owner Occupied	% Owner Occupied	Renter Occupied	% Renter Occupied
1-person household	3,897	25.6%	2,416	34.0%
2-person household	6,038	39.7%	1,776	25.0%
3-person household	2,517	16.5%	1,012	14.2%
4-person household	2,083	13.7%	972	13.7%
5-or-more person household	678	4.5%	936	13.2%
<b>Total occupied housing units</b>	<b>15,213</b>	<b>100%</b>	<b>7,112</b>	<b>100%</b>

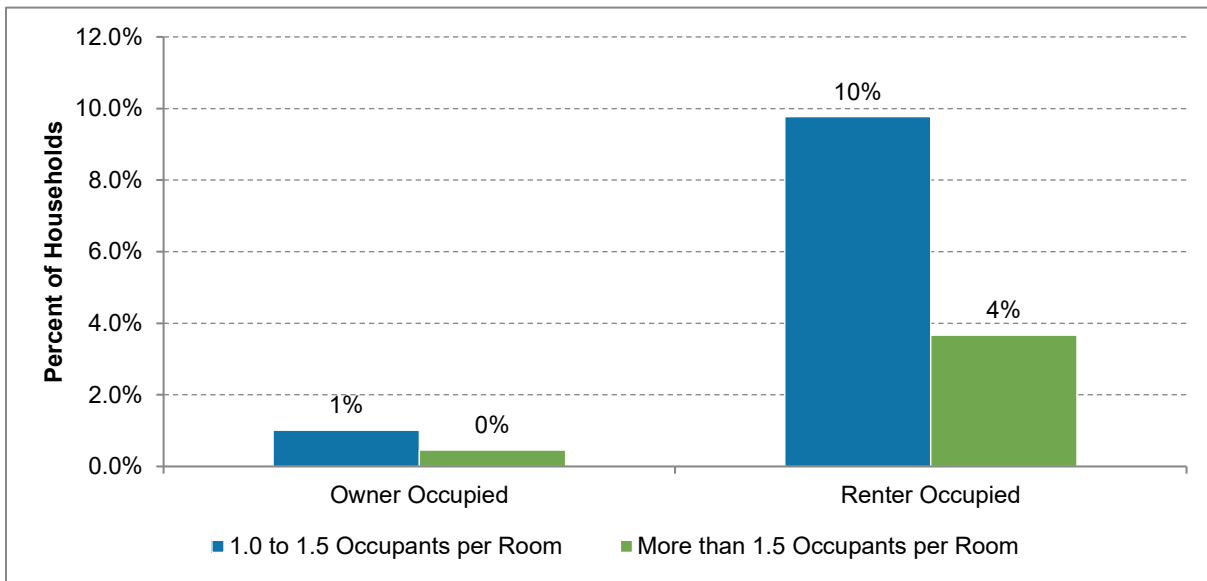
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

### A.3.2 Overcrowding

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several standards for defining overcrowding, but this report uses the U.S. Census Bureau definition: more than one occupant per room (not including bathrooms or kitchens). Additionally, the U.S. Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Overcrowding is often related to the cost of housing and typically occurs when demand is high, supply shrinks, and prices rise. In many cities, overcrowding is seen more in the rental sector, sharing a unit to make it possible to stay in a community or near employment. In Novato, 3.7 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.5 percent of households that own (see Figure A-12). 9.8 percent of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to one percent for those owned.

**Figure A-12: Overcrowding by Tenure and Severity, City of Novato**



Universe: Occupied housing units

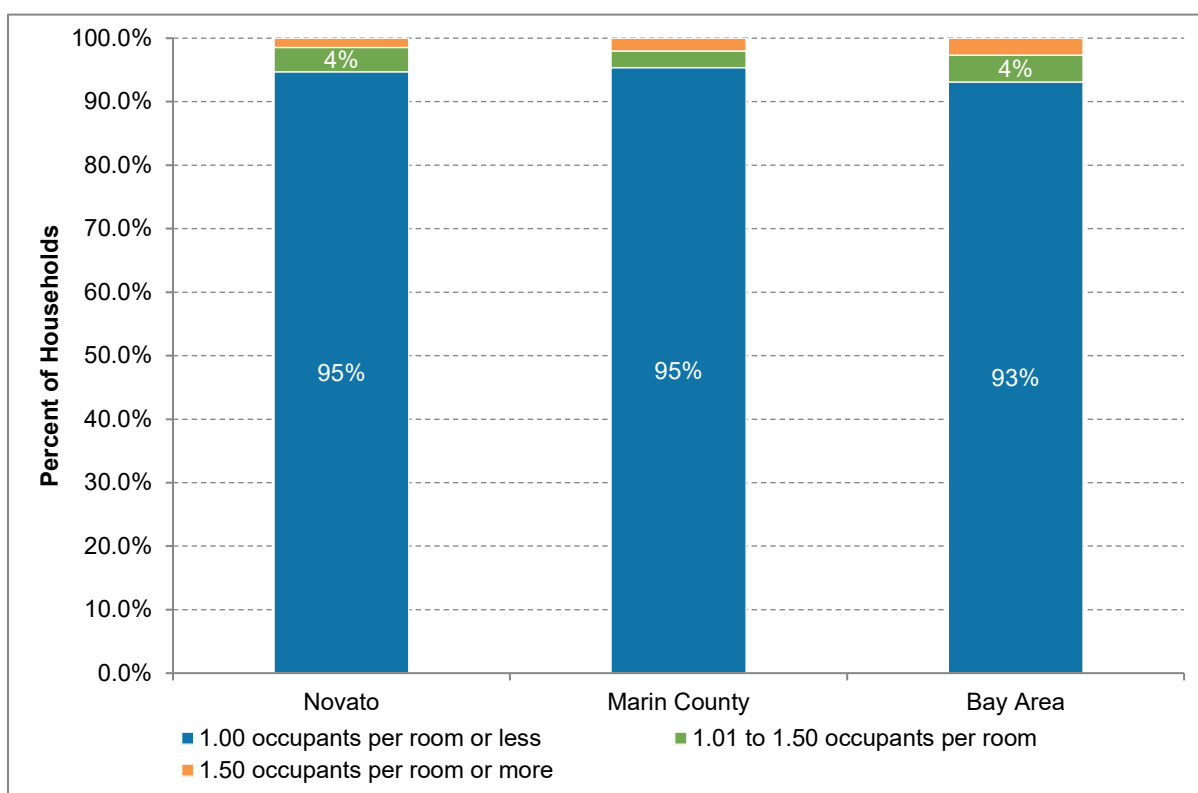
The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overall, the rate of overcrowding in Novato is higher than in Marin County and lower than in the Bay Area. 5.3 percent of Novato residents face overcrowded conditions, compared to 4.7 percent of Marin County residents and 6.9 percent of Bay Area residents.



**Figure A-13: Overcrowding Severity**



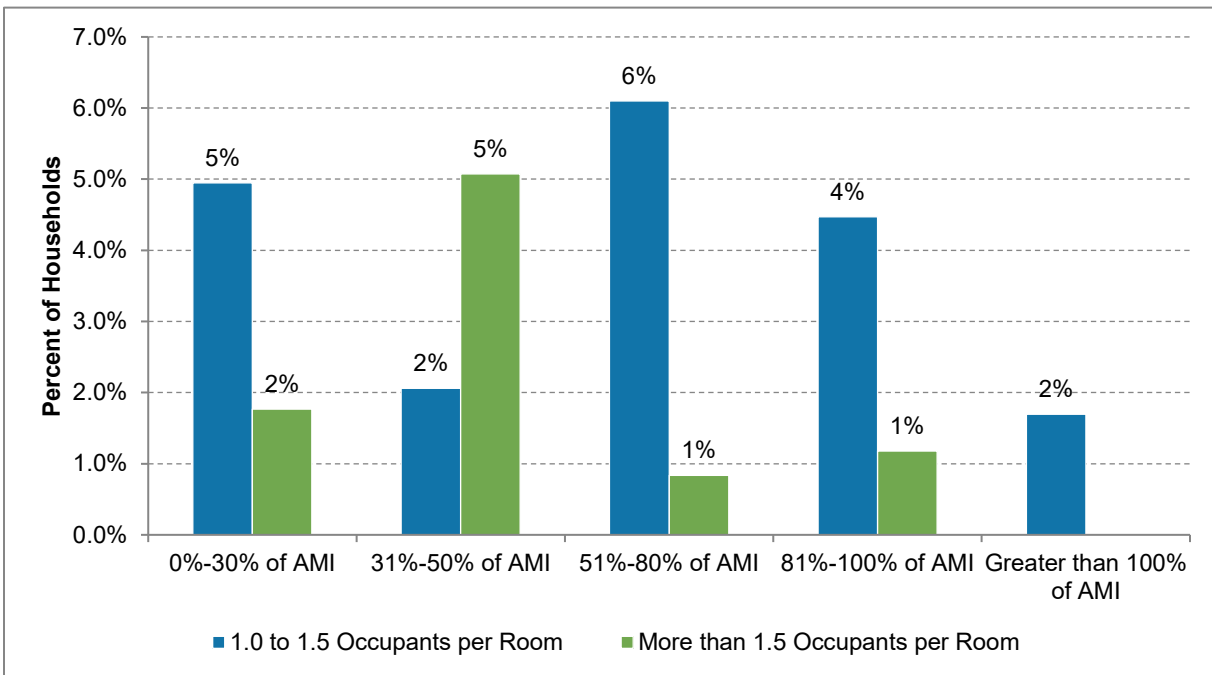
The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overcrowding often disproportionately impacts low-income households, causing cascading impacts to individual and public health – such as the strong link between overcrowded housing and infections observed in California during the COVID-19 pandemic.<sup>6</sup> In Novato, 1.8 percent of very low-income households (below 50 percent AMI) experience severe overcrowding, while 0.0 percent of households earning above 100 percent of the AMI experience this level of overcrowding (see Figure A-14).

<sup>6</sup> CalMatters, [The neighborhoods where COVID collides with overcrowded homes](#), (2020).

**Figure A-14: Overcrowding by Income Level and Severity, City of Novato**



Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

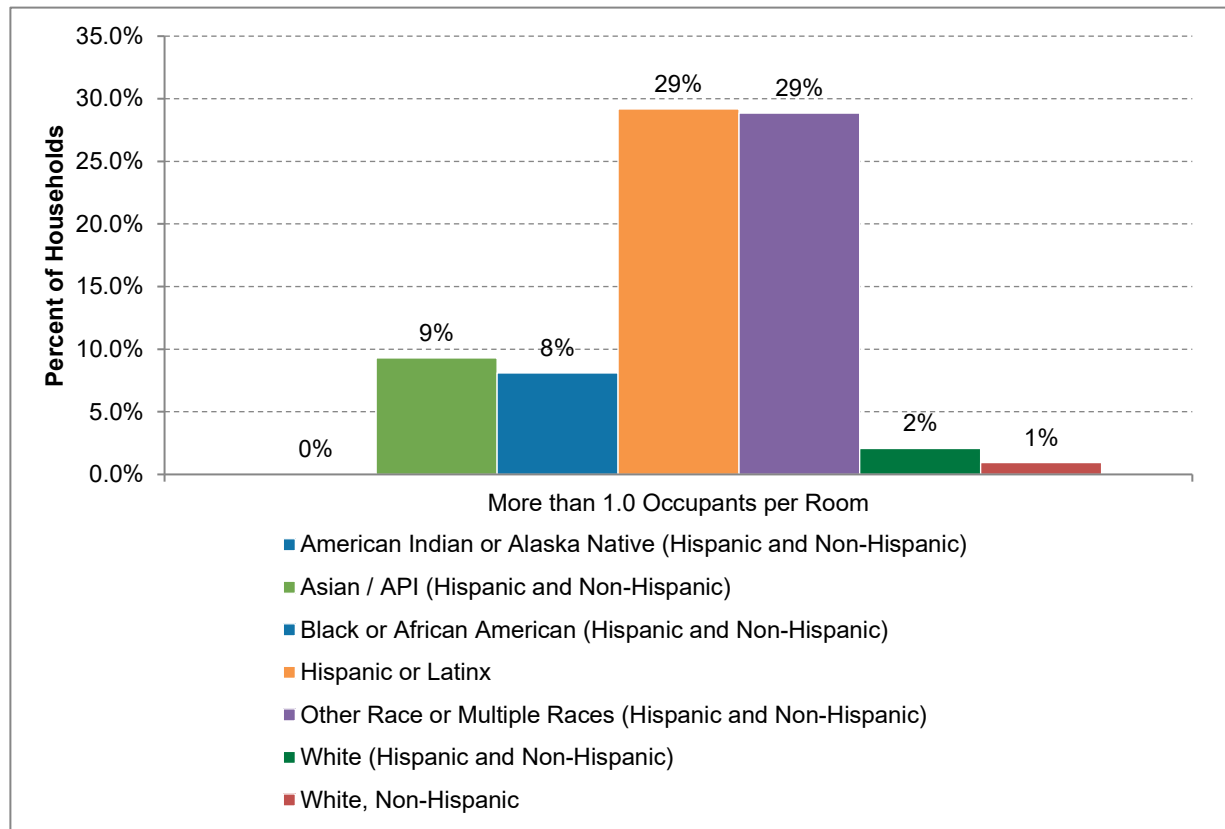
Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Also observed during the COVID-19 pandemic – people of color are much more likely to live in crowded households, exacerbating intergenerational poverty, and housing insecurity.<sup>7</sup> In Novato, the racial group with the largest overcrowding rate is “Hispanic or Latino” (see Figure A-15).

<sup>7</sup> Ibid.

**Figure A-15: Overcrowding by Race, City of Novato**



Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here.

The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014)

### A.3.3 Household Income

Household income is a critical component of housing affordability. Income impacts the decision to rent versus own, as well as the size and location of housing. Overall, household income in Novato is lower than that of Marin County. Novato's median household income in 2020 was \$101,629, which is 16.5 percent lower than the County's median income of \$121,671. The mean income in Novato (\$135,258) is 25.6 percent lower than in Marin County (\$181,737).

**Table A-3: Household Income, City of Novato**

	<b>Novato</b>	<b>Marin County</b>
<b>Median Income</b>	\$101,629	\$121,671
<b>Mean Income</b>	\$135,258	\$181,737

*Source: U.S. Census Bureau, American Community Survey 5-Year Data (2016-2020), Table S1901*

The Regional Housing Needs Allocation (RHNA) established by HCD includes specific income categories defined by their respective proportion of the County AMI. Table A-4 defines these income categories.

**Table A-4: Income Categories as a Percentage of AMI**

	<b>% of AMI</b>
<b>Acutely Low <sup>1</sup></b>	0-15%
<b>Extremely Low</b>	0-30%
<b>Very Low</b>	30-50%
<b>Low</b>	50-80%
<b>Moderate</b>	80-120%
<b>Above Moderate</b>	>120%
<sup>1</sup> New income category effective January 1, 2022.	

*Source: Department of Housing and Community Development, 2021*

Table A-5 shows the 2021 income limits for these income categories in Marin County. The above moderate category includes all households earning above the upper limit of the moderate-income category.

**Table A-5: Marin County 2021 Annual Income Limits by Household Size**

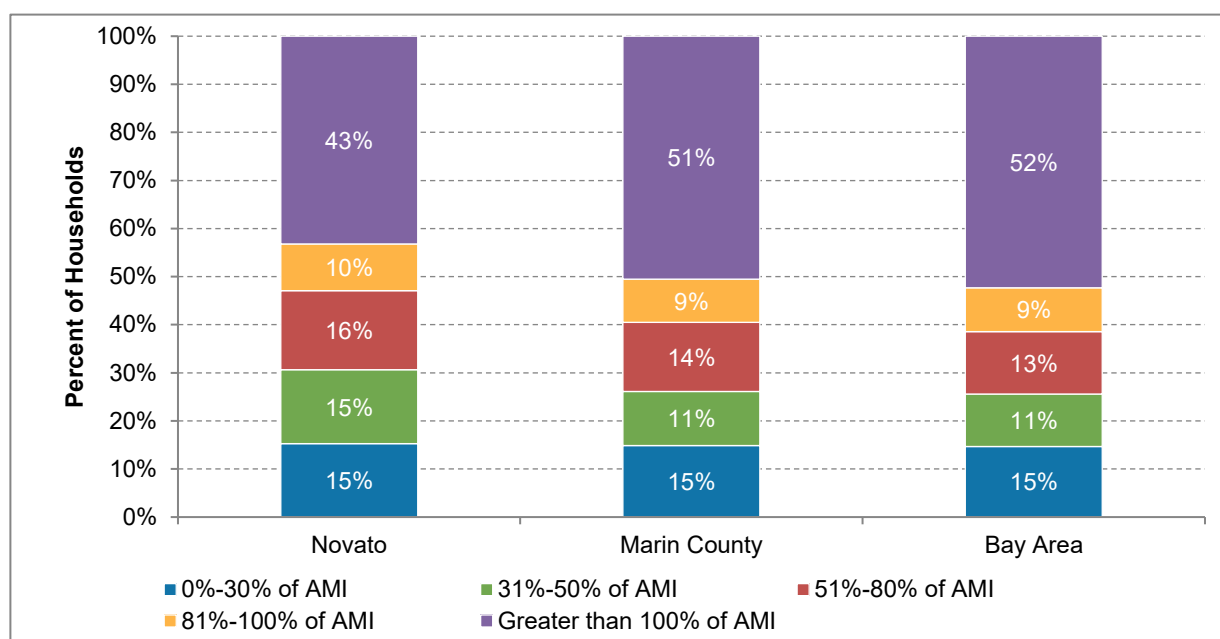
Number of Persons in Household:		1	2	3	4	5	6	7	8
<b>Marin County Area Median Income: \$149,600</b>	Acutely Low	15,700	17,950	20,200	22,450	24,250	26,050	27,850	29,650
	Extremely Low	38,400	43,850	49,350	54,800	59,200	63,600	68,000	72,350
	Very Low Income	63,950	73,100	82,250	91,350	98,700	106,000	113,300	120,600
	Low Income	102,450	117,100	131,750	146,350	158,100	169,800	181,500	193,200
	<b>Median Income</b>	104,700	119,700	134,650	<b>149,600</b>	161,550	173,550	185,500	197,450
	Moderate Income	125,650	143,600	161,550	179,500	193,850	208,200	222,600	236,950

Source: Department of Housing and Community Development, 2021

Despite the economic and job growth experienced throughout the Region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State.

In Novato, 43.2 percent of households make more than 100 percent of AMI, compared to 15.2 percent (3,325 households) making less than 30 percent of AMI, which is considered extremely low-income (see Figure A-16). Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent (396,952 households) make less than 30 percent AMI. Of Novato's total households, 47.1 percent (10,269 households) are considered lower income (earning 80 percent of AMI or less), while around 38.6 percent (1,041,740 households) of households in the Bay Area are deemed lower income. Many households with multiple wage earners – including food service workers, full-time students, teachers, farmworkers, and healthcare professionals – can fall into lower AMI categories due to relatively stagnant wages in many industries.

**Figure A-16: Households by Household Income Level**



Universe: Occupied housing units

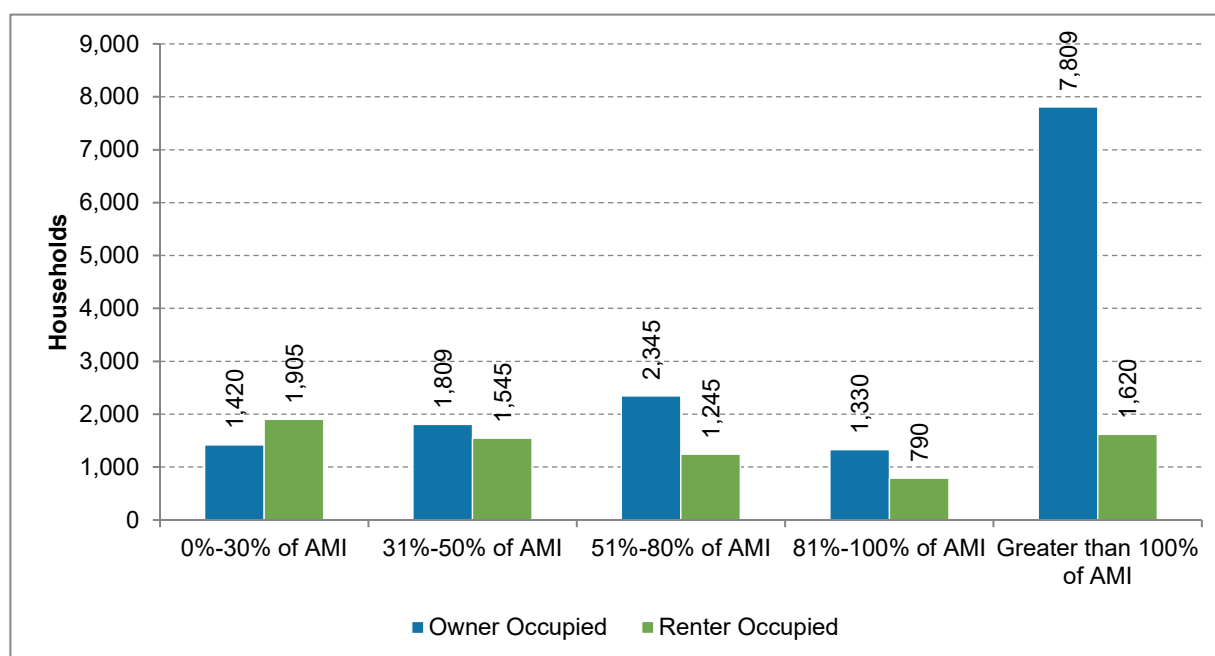
Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Throughout the Region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters outpaces the amount of affordable housing available.

In Novato, the largest portion of renters and owners falls in the “Greater than 100 percent of AMI” income group (see Figure A-17). The only income group in Novato with more renters than owners falls under “0 to 30 percent of AMI”. Overall, Novato has a higher number of homeowners than renters.

**Figure A-17: Household Income Level by Tenure, City of Novato**



Universe: Occupied housing units

Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

### A.3.4 Special Housing Needs

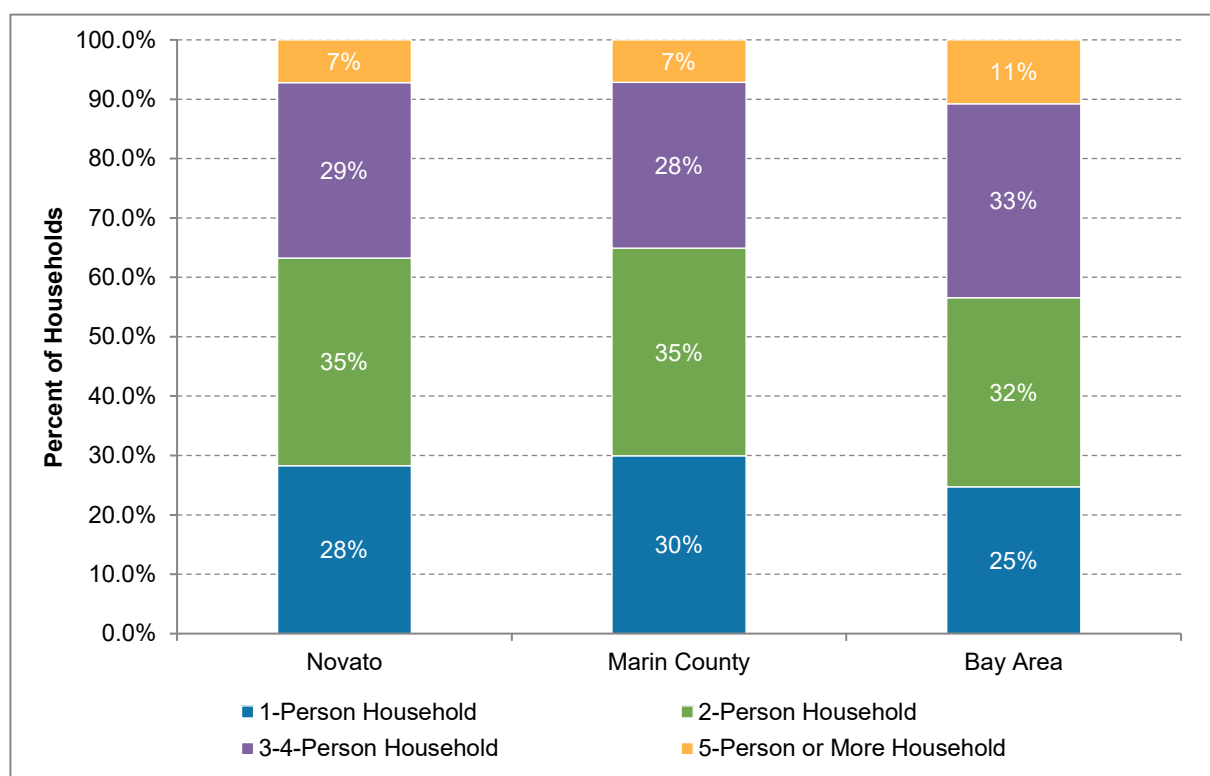
#### Large Families

Large households (five or more persons) have different housing needs than smaller households. Outcomes for large households in a city where housing stock lacks units with enough bedrooms could mean overcrowded conditions and/or overpaying for housing. Of all households in Novato, 7.2 percent or 1,614 households, are considered large households.

As noted in Table A-2, 4.5 percent of large households in Novato live in owner-occupied housing. About 7.2 percent of households in Novato are large, five or more person households, which is similar to the household composition of the County (7.2 percent) and lower than that of the Region (10.8 percent). In 2017, 31.1 percent of large households were very low-income, earning less than 50 percent of AMI (see Figure A-19). Furthermore, only 1.5 percent of owner-occupied households are overcrowded (see Section A.3.2 – Overcrowding), indicating overpayment and overcrowding are less of an issue for large households in Novato.



**Figure A-18: Households by Household Size**



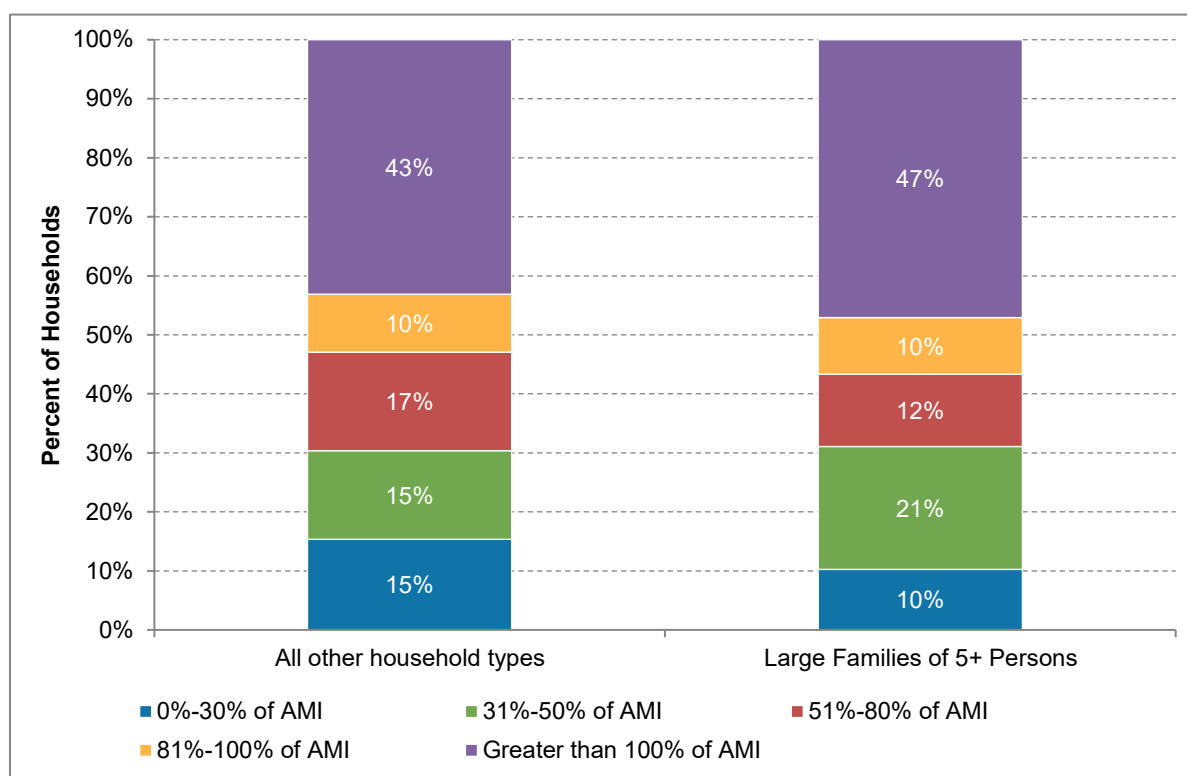
Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

Throughout the Region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of available affordable options.

In Novato, the largest proportion of renters falls in the “0 to 30 percent of AMI” income group, while the largest proportion of homeowners fall in the “Greater than 100 percent of AMI” group (see Figure A-17).

**Figure A-19: Household Size by Household Income Level, City of Novato**



Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

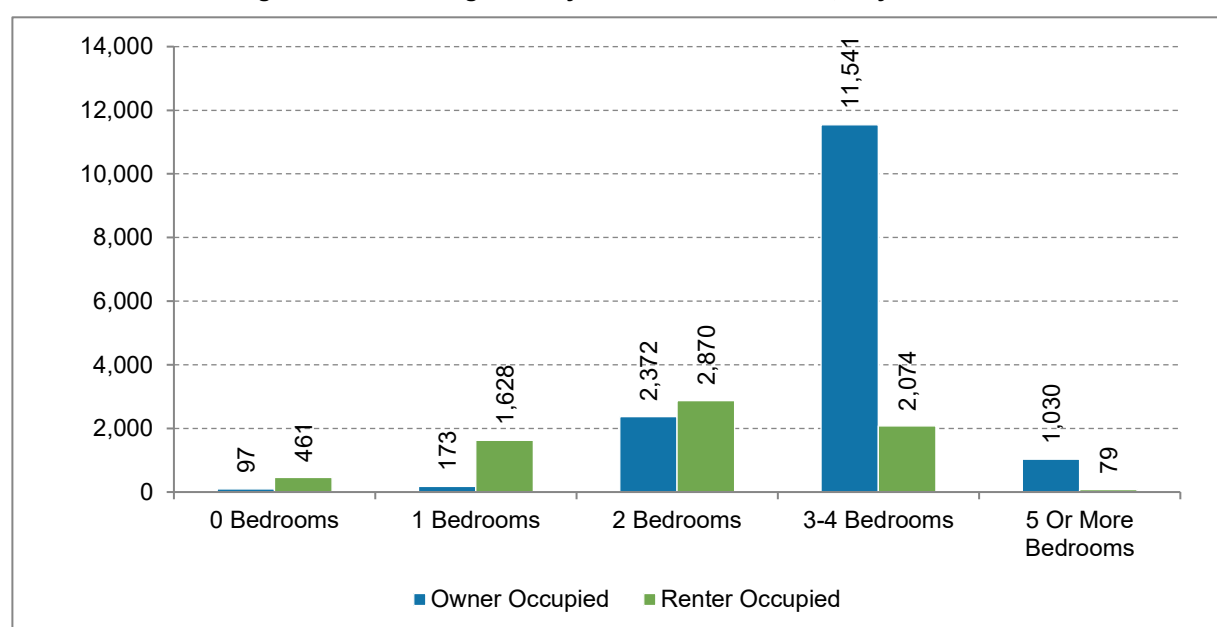
The unit sizes available affect the types of households that can access a community. Large families are generally served by housing units with three or more bedrooms, of which there are 14,724 units, or 66 percent of all units in Novato (see Table A-6). Among these large units with three or more bedrooms, 14.6 percent are renter-occupied, and 85.4 percent are owner-occupied (see Figure A-20). Compared to the number of large households, the housing mix of Novato is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a constraint.

**Table A-6: Housing Units by Number of Bedrooms, City of Novato**

Number of Bedrooms	Owner Occupied	Renter Occupied
0 Bedrooms	97	461
1 Bedrooms	173	1,628
2 Bedrooms	2,372	2,870
3-4 Bedrooms	11,541	2,074
5 Or More Bedrooms	1,030	79
<b>Totals</b>	<b>15,213</b>	<b>7,112</b>

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042

**Figure A-20: Housing Units by Number of Bedrooms, City of Novato**



Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042)

## Senior Households

Senior households often experience a combination of challenging factors to accessing or keeping housing. Senior households are more likely to depend on fixed incomes and more likely to have disabilities, chronic health conditions, and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges due to housing cost differences between these groups. In Novato, 44.4 percent of senior renters are in the extremely low-income category (earning 0 to 30 percent of the AMI), compared to 15.5 percent of senior owners. A majority of seniors, renters and owners, earn more than 100 percent of the AMI (see Figure A-21). However, extremely low- and very low-income seniors (both renters and owners)

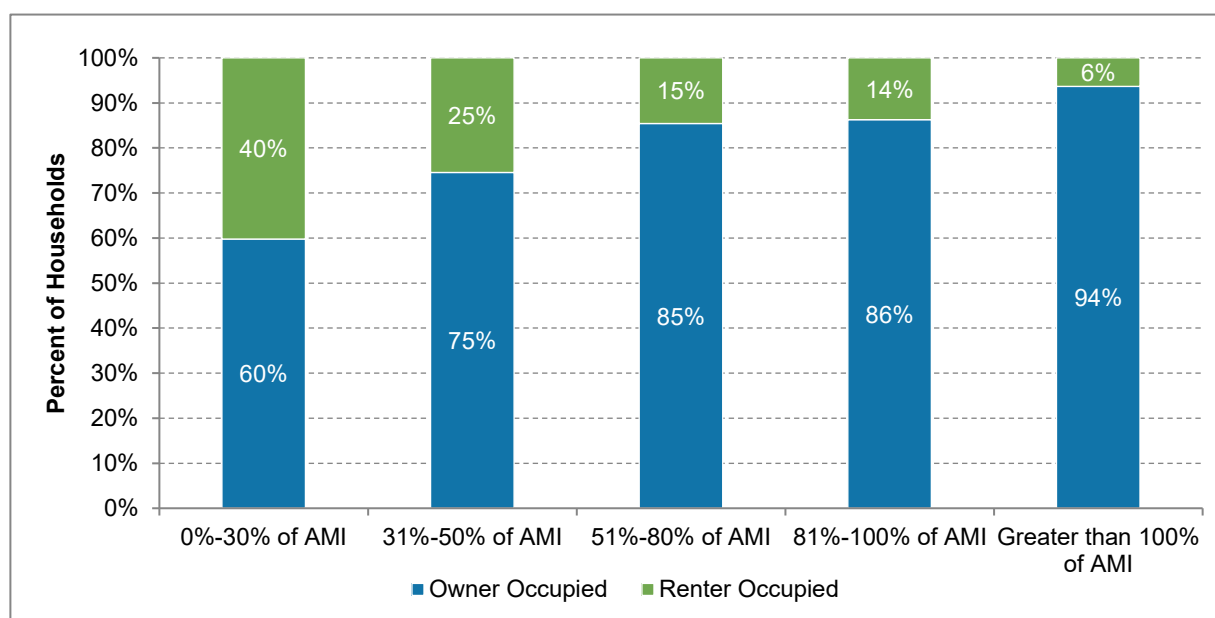
are more likely to be cost-burdened compared to higher earning seniors, with 70 percent of seniors in these income categories overpaying for housing (see Table A-7).

**Table A-7: Cost-Burdened Senior Households by Income Level, City of Novato**

Income Level	0%-30% of Income Used for Housing	30%-50% of Income Used for Housing	50%+ of Income Used for Housing
0%-30% of AMI	460	270	1,010
31%-50% of AMI	485	390	540
51%-80% of AMI	935	475	165
81%-100% of AMI	555	195	50
Greater than 100% of AMI	2,430	325	0
<b>Totals</b>	<b>4,865</b>	<b>1,655</b>	<b>1,765</b>

Source: ABAG 2021 Pre-certified Housing Needs Data

**Figure A-21: Senior Households by Income and Tenure, City of Novato**



Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

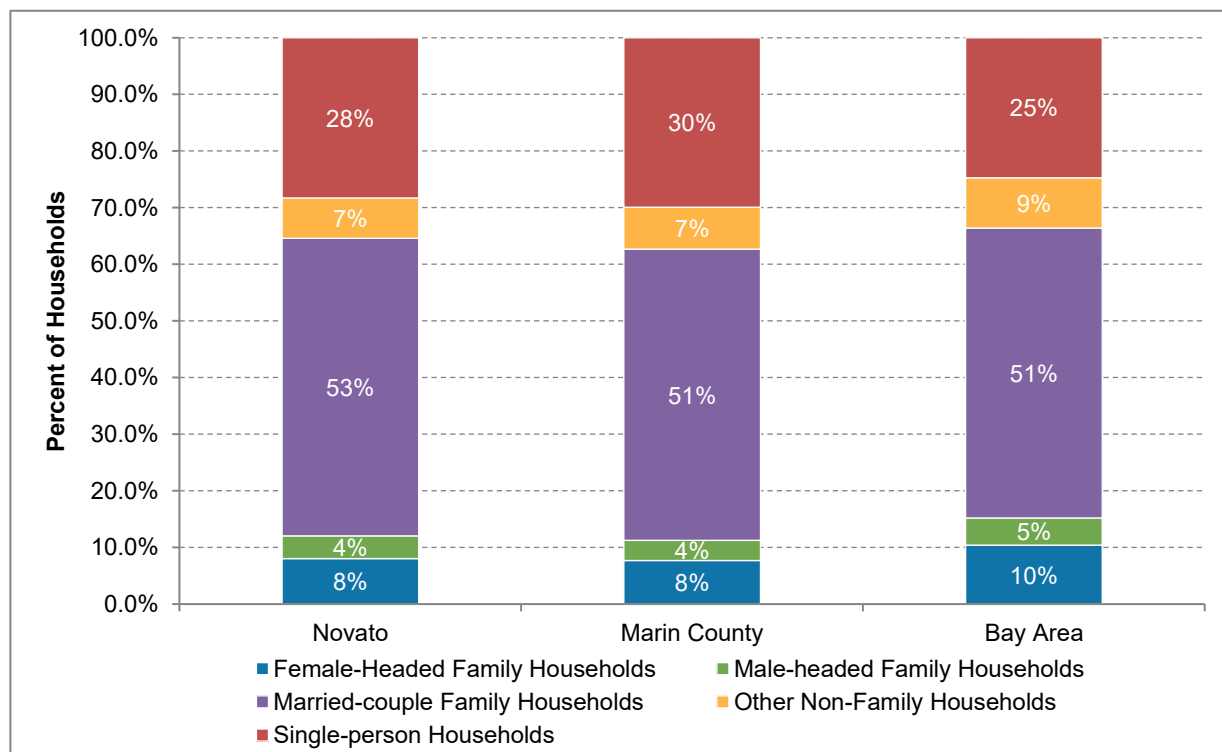
The City of Novato has one public housing development, Casa Nova. It includes 40 units owned by Marin Housing Authority near shopping and bus lines for income-eligible seniors or disabled people capable of independent living. Rent is federally subsidized, so tenants pay 30 percent of

their monthly gross income, less a utility allowance. Other affordable ownership and rental developments for seniors with minimum age restrictions starting at 55 years are listed in Appendix G (Housing Resources). Beyond housing, the City's Parks, Recreation & Community Services manages the Margaret Todd Senior Center and sponsors the Novato Senior Club that meets there. The Center and Club provide social and recreational opportunities for anyone 50+ years old who pays a \$40 annual membership fee.

## Female-headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In Novato, the largest proportion of households is "Married-couple Family Households" at 52.6 percent, followed by "Single person (no children) Households" at 28.3 percent, while Female-Headed Households make up eight percent of all households (see Figure A-22).

**Figure A-22: Household Type**



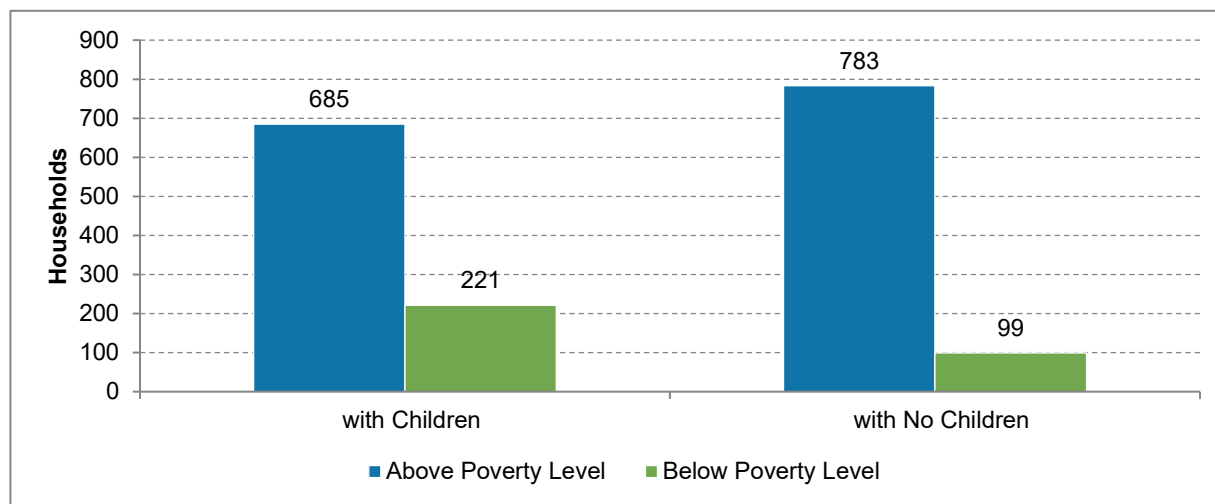
For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001)

Female-headed households with children may face particular housing challenges, with pervasive gender inequality and lower wages for women. Moreover, the added cost and logistics of childcare can make securing an affordable home even more challenging.

Of the 1,788 female-headed households in Novato, 906 include children and 24.4 percent of these families fall below the Federal Poverty Level, while 11.2 percent of female-headed households without children live in poverty (see Figure A-23).

**Figure A-23: Female-Headed Households by Poverty Status, City of Novato**



The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to AMI.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012)

Local resources for female-headed households are offered by Gilead House, which provides housing, support, and learning opportunities for up to twelve low-income single mothers and their children at two locations in Novato. Their 24-month program offers women the opportunity to learn vital skills in a supportive environment and make permanent and positive changes in their life.

### Persons with Disabilities

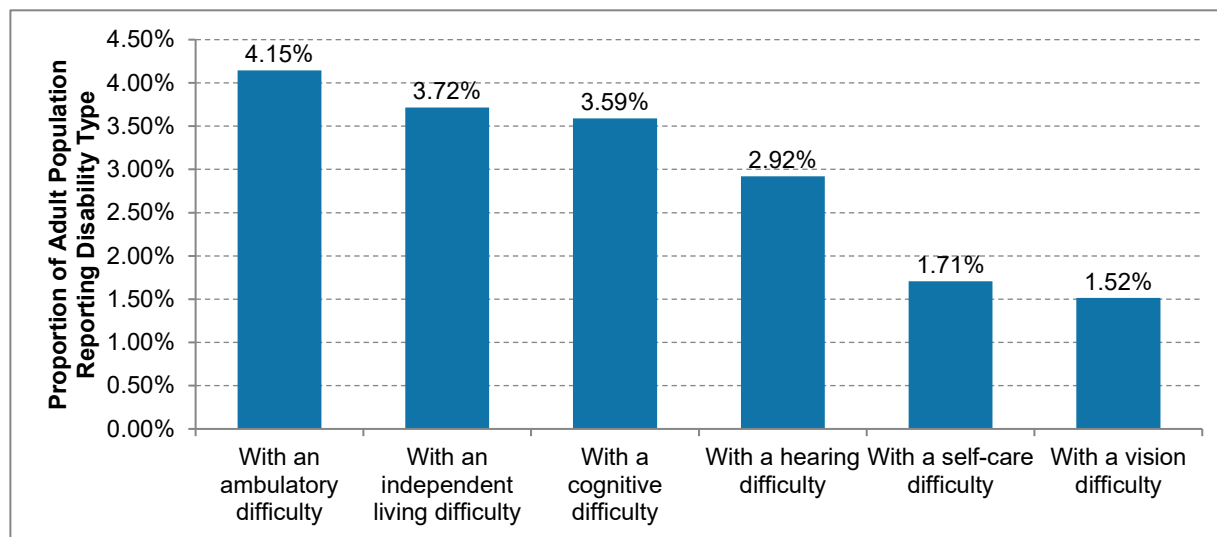
Persons with disabilities face added challenges of finding housing that accommodate greater accessibility, mobility, and the opportunity for independence. Additionally, many individuals living with physical, cognitive, and sensory impairments, rely on fixed incomes and need specialized and costly care and medical equipment.

Unfortunately, the need for housing that can accommodate persons with disabilities typically outweighs the supply, particularly in a housing market with such high demand. People with disabilities are at an elevated risk for housing insecurity, homelessness, and institutionalization, particularly when they lose caregivers (such as parents or family members) due to aging. Figure A-24 shows the rates at which different disabilities are present among residents of Novato. Overall, 5,370 persons, or 10 percent of people in Novato, have some type of disability.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and

attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe intellectual disabilities. Many with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

**Figure A-24: Disability by Type, City of Novato**



Universe: Civilian noninstitutionalized population 18 years and over

These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107)

In Novato, children under the age of 18 make up 25.9 percent of the population with a developmental disability, while adults account for 74.1 percent (see Table A-8). The most common living arrangement for individuals with developmental disabilities in Novato is the home of a parent, family member, or guardian (see Table A-9).



**Table A-8: Population with Developmental Disabilities by Age, City of Novato**

Age Group	Number of People with a Developmental Disability
Age Under 18	341
Age 18+	119

Universe: Population with developmental disabilities

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross-referenced to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020))

**Table A-9: Population with Developmental Disabilities by Residence, City of Novato**

Residence Type	Number of People with a Developmental Disability
Home of Parent /Family /Guardian	228
Community Care Facility	111
Independent /Supported Living	105
Other	13
Foster /Family Home	5
Intermediate Care Facility	5

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross-referenced to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020))

Casa Nova, mentioned above, is a 40-unit public housing development funded by the federal government and administered by the Marin Housing Authority. Disabled individuals capable of independent living are eligible provided they pay 30 percent of their monthly gross income, less a utility allowance.

For individuals who are chronically homeless and suffer from a qualifying disability, the Marin County Shelter plus Care Program offers a housing subsidy funded by the U.S. Department of Housing and Urban Development (HUD) and Marin County Behavioral Health and Substance Use Services. Participants pay approximately 30 percent of their income toward rent and receive ongoing supportive services from Marin Housing Authority case managers.

Also in Novato are the Margaret Duncan Greene Apartments, operated by EAH Housing, which provide 16 one-bed units for disabled/special needs residents.

Outside Novato, Marin County Health and Human Services and Golden Gate Regional Center provide a variety of programs to support developmentally disabled individuals and their families.

**Residents Living Below the Poverty Level**

The Federal Poverty Level is an estimate of the minimum annual income a household needs to pay for essentials, such as food, housing, clothes, and transportation. This level considers the number of people in a household, their income, and the state in which they live. In Novato, 6.4 percent of the total population (3,441) experience poverty, slightly below the rate of poverty compared to Marin County residents (6.9 percent).

**Table A-10: Poverty Status**

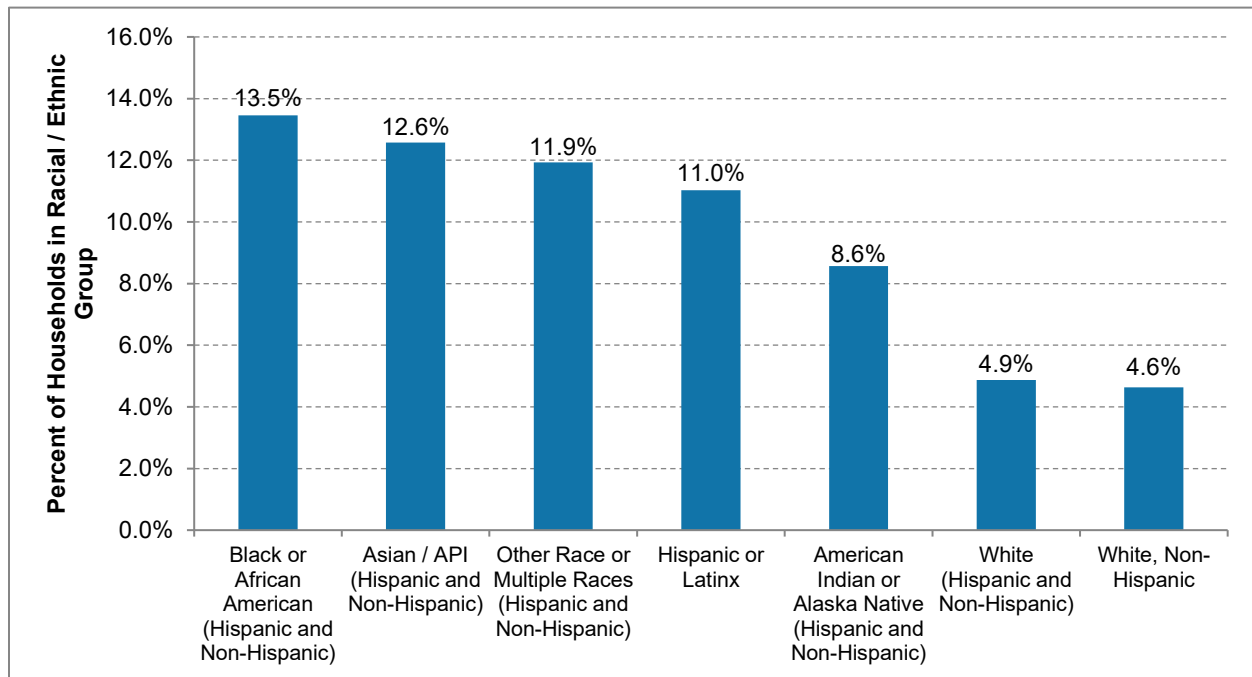
	Novato	Marin County
% of Population Below Poverty Level	6.4%	6.9%

*Source: ACS 5-year estimates (2020), S1701*

As mentioned above, female-headed households with children experience poverty at a disproportionate rate, with 24.4 percent of female-headed households with children living below the Federal Poverty Level in Novato.

People of color are also more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from opportunities extended to white residents. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness. In Novato, Black or African American (Hispanic and Non-Hispanic) residents experience the highest rates of poverty followed by Asian/Asian Pacific Islander (Hispanic and Non-Hispanic) (see Figure A-25).

**Figure A-25: Poverty Status by Race, City of Novato**



Universe: Population for whom poverty status is determined

The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to AMI. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I))

## Farmworkers

The California Department of Housing and Community Development (HCD) identifies farmworkers as having special housing needs due to their limited income and the unstable nature of their employment.<sup>8</sup> Farmworkers are some of the lowest-paid workers in the U.S., according to a 2021 report from The Economic Policy Institute. On average, farmworkers in 2020 earned about \$14.62 per hour, "far less than even some of the lowest-paid workers in the U.S. labor force." Farmworkers are also more likely to have temporary and changing housing needs. Over the past two decades, along with efforts to assure overtime pay and a decent wage, there has been a shift to a more permanent workforce for many farms. This trend has shifted the bulk of the housing need from seasonal housing for migrant workers to permanently affordable housing for low-wage

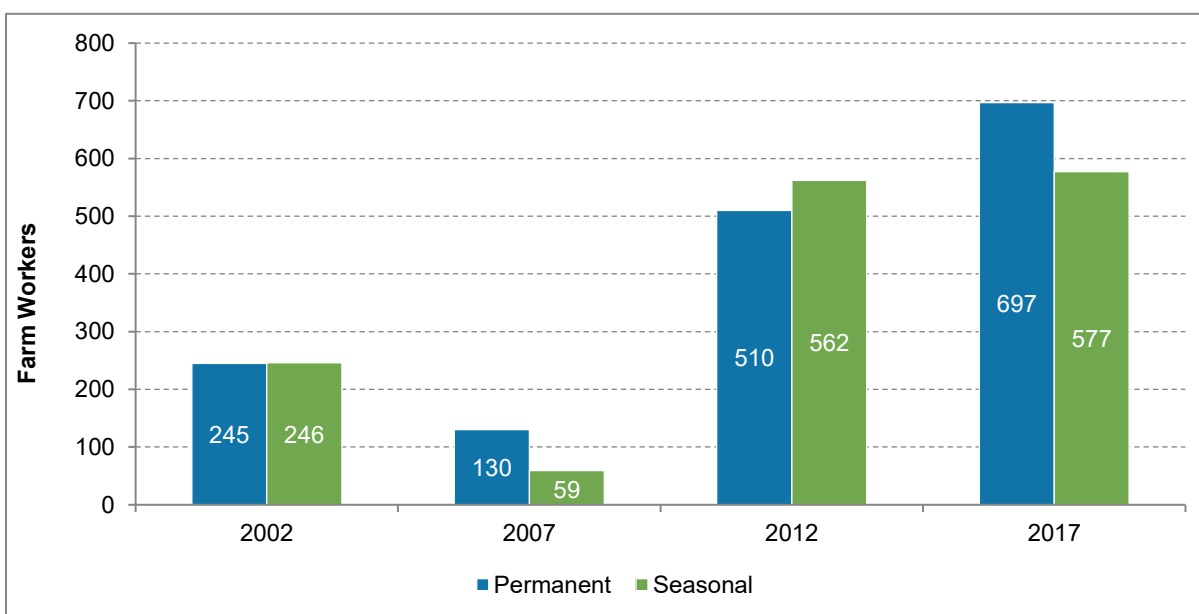
<sup>8</sup> California Department of Housing and Community Development, [Farmworkers](#).

working families. Farmworkers commuting to their place of work often experience long commutes, 75 miles on average according to the U.S. Department of Agriculture.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent and seasonal farmworkers in Marin County has increased since 2002. From 2002 to 2017, the number of permanent farmworkers increased from 245 to 697, and the number of seasonal farmworkers increased from 246 to 577 (see Figure A-26).

Although publicly available data does not provide an estimate specifically for the number of farmworkers in Novato, less than one percent of Novato residents work in the agriculture and forestry industry according to 2019 ACS data (see Figure A-10).

**Figure A-26: Farm Operations and Farm Labor by County, Marin County**



Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors)  
Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor)

In Novato, there were no reported students of migrant workers in the 2019-20 school year. The trend for the Region for the past few years has been an overall decline of 2.4 percent in the number of migrant worker students since the 2016-17 school year. The change at the County level is a 100 percent decrease in the number of migrant worker students since the 2016-17 school year (see Table A-11).

**Table A-11: Migrant Worker Student Population**

Academic Year	Novato	Marin County	Bay Area
2016-17	0	0	4,630
2017-18	0	0	4,607
2018-19	0	11	4,075
2019-20	0	0	3,976

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded, and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

## People Experiencing Homelessness

Homelessness remains an urgent challenge in many communities across California, reflecting a range of social, economic, and psychological factors. The Bay Area has some of the highest housing costs in the world, and an increasing number of low-income residents experiencing housing insecurity have found themselves unhoused as a result, either temporarily or long-term. Addressing the specific housing needs for the unhoused population remains a priority throughout the Region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances.

The Marin Point-in-Time (PIT) Count is a census and survey that identifies the sheltered and unsheltered homeless population. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. The 2022 PIT Count was conducted on February 17, 2022, by the Marin County Department of Health & Human Services, the Marin County Continuum of Care (CoC), and social research firm Applied Survey Research.

The 2022 Point-in-Time Count identified 1,121 persons experiencing homelessness in Marin County, an 8.4 percent increase from the count conducted in 2019. Of these, 291 (26 percent) were sheltered and 830 (74 percent) were unsheltered. There were 73 homeless families with 224 members counted; of these, 45 (59 percent) were sheltered and 28 (41 percent) were unsheltered. Table A-12 provides a summary of demographic characteristics of Marin County's homeless population, comparing (where possible) figures from the 2019 PIT and 2022 PIT to each other and to Marin County's general population.

**Table A-12: Marin County Homeless Population Demographics (2019-2022)**

	2019	2022	Percent Change	2020 Marin County General Pop.
<b>Total Population</b>	1,034	1,121	8%	262,321
Sheltered	326	291	-11%	–
Unsheltered	708	830	17%	–
<b>Age</b>				
0-17	9%	8%	-11%	20%
18-24	10%	14%	40%	7%
25-59 <sup>1</sup>	–	50%	–	–
60+ <sup>1</sup>	–	28%	–	–
<b>Gender</b>				
Male	33%	39%	18%	49%
Female	67%	59%	-12%	51%
Gender Non-Conforming/Transgender	0%	1%	100%	– <sup>2</sup>
<b>Race</b>				
White	66%	65%	-2%	68%
Black or African American	17%	22%	29%	2%
Multi-Race/Other	11%	5%	-55%	11%
Asian	2%	2%	0%	6%
American Indian or Alaska Native	3%	4%	33%	1%
Native Hawaiian or Pacific Islander	1%	2%	100%	<1%
<b>Ethnicity</b>				
Hispanic/Latino	81%	77%	-5%	81%
Non-Hispanic/Latino	19%	23%	21%	19%
<b>Location</b>				
Emergency Shelter	17%	14%	-18%	–
Transitional Housing	15%	12%	-20%	–
Vehicle	25%	41%	64%	–
Tent	15%	18%	20%	–
Boat	12%	7%	-42%	–
On the Street	12%	8%	-33%	–
Abandoned Building	4%	0%	-100%	–
<b>Region</b>				
North Marin	310	349	13%	–
Central Marin	371	427	15%	–
South Marin	144	239	66%	–
West Marin	140	37	-74%	–
Other	69	69	0%	–
<sup>1</sup> No comparison to prior years because data collected in the 2019 PIT and 2020 Decennial Census used a different set of age ranges. <sup>2</sup> Data not collected as part of the 2020 Decennial Census.				

Source: County of Marin PIT Report on Homelessness (2019, 2022); U.S. Census, Census 2020 – PL94 Redistricting Data; U.S. Census, ACS 2020 (5-Year Estimates)

Table A-13 provides the most recently available data on homelessness in Novato as reported in the PIT Counts from 2015 to 2022. According to these data, Novato saw an estimated 29 percent decrease in sheltered homelessness and 2 percent increase in unsheltered homelessness from 2019 to 2022. However, as noted in Table A-13, the 2022 PIT Count recategorized portions of

Novato and its environs to Unincorporated North Marin, underscoring the importance of the City's participation in countywide efforts to address homelessness holistically and across jurisdictional boundaries.

**Table A-13: Homeless Population by Shelter Status, City of Novato (2015-2022)**

	Unsheltered	Sheltered	Total
<b>2015</b>	112	257	369
<b>2017</b>	169	181	350
<b>2019</b>	147	163	310
<b>2022</b>	150	115	265
Unincorporated Marin County <sup>1</sup>	84	0	84
<sup>1</sup> In 2022, areas previously categorized as Novato were assigned to Unincorporated North Marin.			

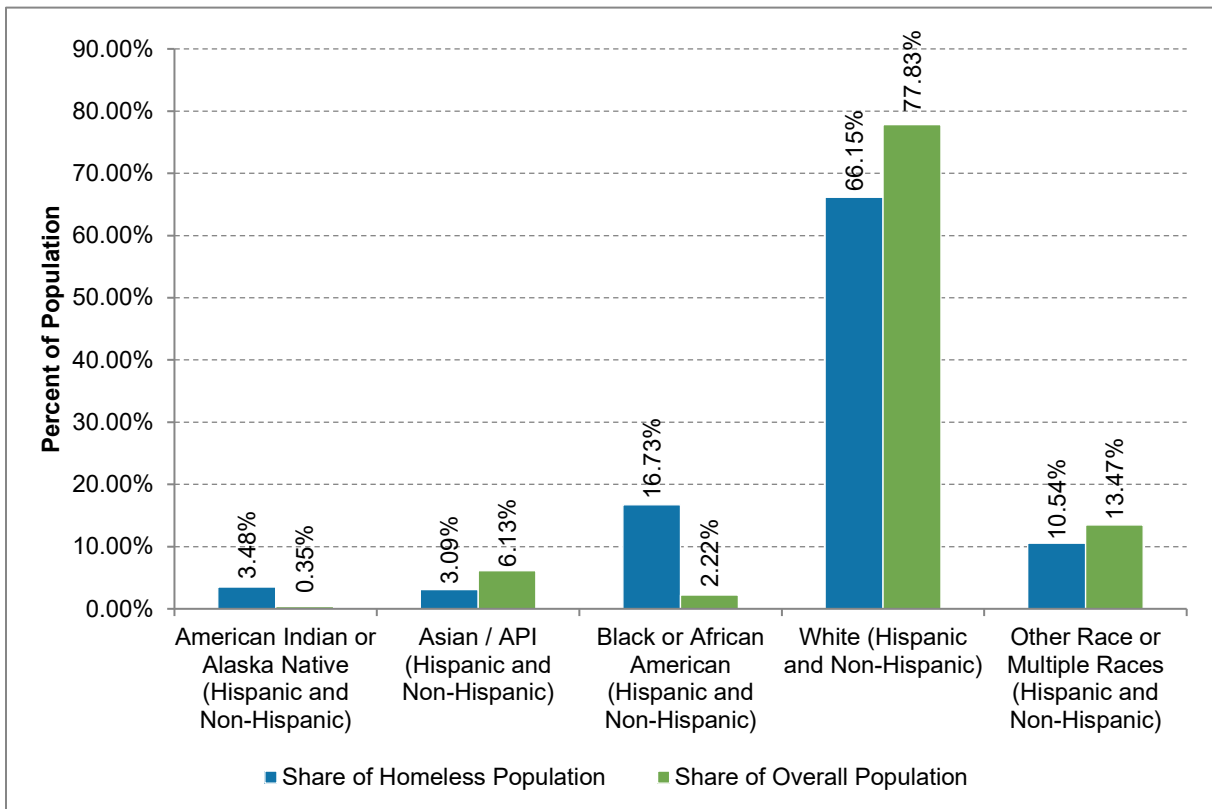
*Source: County of Marin PIT Report on Homelessness (2019, 2022)*

As noted above, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black or African American residents of the Bay Area.

In Marin County, white (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness, accounting for 66.2 percent of the homeless population and 63.5 percent of the total population. Hispanic and Latino residents and Black or African American (Hispanic and Non-Hispanic) residents account for 18.8 percent and 16.7 percent of the population experiencing homelessness while only making up 15.9 percent and 2.2 percent of the total population, respectively (see Figures A-27 and A-28).



**Figure A-27: Racial Group Share of General and Homeless Populations, Marin County**

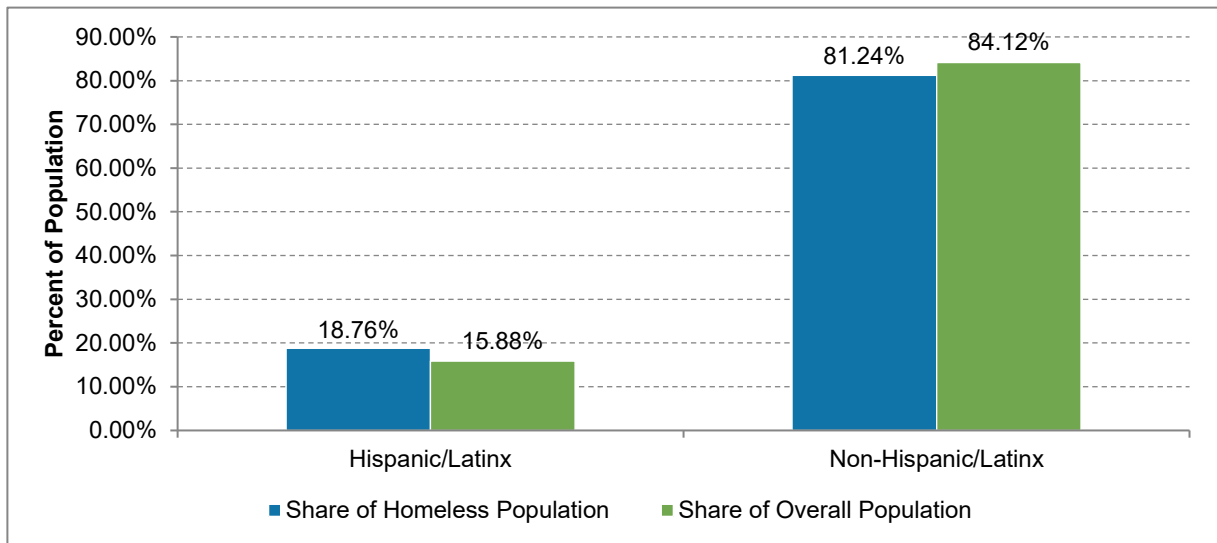


Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latino ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latino ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latino and non-Hispanic/Latino individuals.

*Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))*

**Figure A-28: Hispanic/Latino Share of General and Homeless Populations, Marin County**



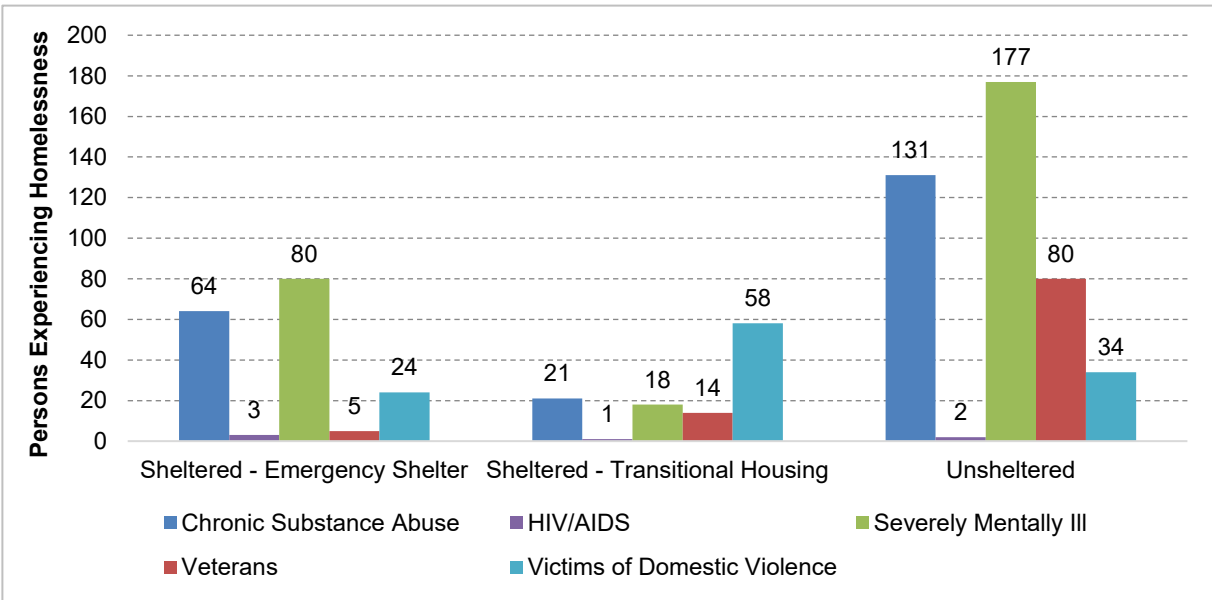
Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latino ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latino or non-Hispanic/Latino) could be of any racial background.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), CoC Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

Many of those experiencing homelessness are dealing with severe health issues, including mental illness, alcoholism, substance abuse, and domestic violence, many of which are potentially life threatening and require additional assistance. In Marin County, individuals experiencing homelessness are commonly challenged by severe mental illness, with 275 reporting this condition (see Figure A-29). Of those, 64.4 percent are unsheltered, further adding to the challenge of supporting these individuals.

**Figure A-29: Characteristics for the Population Experiencing Homelessness, Marin County**



Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area County is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), CoC Homeless Populations and Subpopulations Reports (2019))

In Novato, the student population experiencing homelessness totaled 176 during the 2019-20 school year and increased by 95.6 percent since the 2016-17 school year. By comparison, Marin County has seen a 29.9 percent increase in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the Region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

**Table A-14: Students in Local Public Schools Experiencing Homelessness**

Academic Year	Novato	Marin County	Bay Area
2016-17	90	976	14,990
2017-18	45	837	15,142
2018-19	75	1,126	15,427
2019-20	176	1,268	13,718

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded, and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

## Emergency Shelters/Transitional Housing

Since the vast majority of Marin County's homeless support services are located in either San Rafael or Novato, it is likely that most of Marin County's 291 sheltered individuals recorded in the 2022 PIT Count were residing in one of these two jurisdictions. As shown in Table A-15, there are currently 80 emergency shelter beds and 55 units of transitional housing located in Novato. The Constraints Analysis (Appendix C) describes how the City regulates emergency shelters and transitional and supportive housing and will continue to do so in compliance with State law, including AB 139 (parking standards) and AB 2339 (land use regulations and sufficient capacity).

**Table A-15: Emergency Shelters and Transitional and Supportive Housing, City of Novato**

Facility/Program Name	Provider Name	Number of Beds/Units		
		Emergency Shelter (beds)	Transitional Housing (units)	Supportive Housing (units)
Gilead House	Gilead House	–	12	–
New Beginnings Center	Homeward Bound of Marin	80	–	–
Next Key Center	Homeward Bound of Marin	–	29	–
Oma Village	Homeward Bound of Marin	–	14	–
Hamilton Meadows	EAH Housing	–	–	101
<b>Total</b>		<b>80</b>	<b>55</b>	101

Source: [Gilead House](#), [Homeward Bound of Marin](#)

Homeward Bound of Marin is the chief provider of emergency shelter and transitional and long-term housing and support services for homeless individuals and families in Marin County, serving approximately 2,000 people each year. The New Beginnings Center (NBC) located in Novato is

an 80-bed dormitory style facility built at the former Hamilton Army Airfield. NBC provides basic health care, around-the-clock counseling, an on-site 12-step program, relapse prevention workshops, a dining room that serves three meals a day, five on-site vocation training programs and other services as necessary to help residents move into and maintain long-term housing. The Next Key Center also provides 29 units of transitional housing next door to NBC.

Gilead House has provided a stable home environment for homeless single mothers and their children for over two decades. Originally located on 7<sup>th</sup> Street, the organization now provides 12 units of transitional housing at an apartment building on Leafwood Drive.

Most recently, in August 2022 the Novato City Council approved Homeward Bound of Marin's development of 24 one-bedroom apartments of permanent supportive housing for veterans, 26 one-bedroom apartments of workforce affordable housing, and a job training center at 826 State Access Road. This project was made possible due in part to support from the City Council, who had previously committed \$750,000 of the City's affordable housing fund to it in 2020 and advocated for further county and State grants in Summer 2022. Construction began on Phase I of the project in November 2022.

### **Resources for People Experiencing Homelessness**

Regionally, the Marin County CoC coordinates housing and services funding for individuals and families experiencing homelessness. The CoC is responsible for outreach, intake, and assessment of service and housing needs, providing immediate and safe alternatives to sleeping on the streets, facilitating individuals' and families' access to transitional housing with supportive services, and ensuring that individuals and families have access to affordable, permanent housing. Additionally, the CoC is responsible for tracking and managing the population of people experiencing homelessness.

The City will often collaborate with Marin County CoC to implement proven strategies to support homeless residents. For example, since 2017 both jurisdictions partnered with the non-profit [Downtown Streets Team \(DST\)](#) to connect individuals with vital social services and stable employment opportunities through sidewalk and street cleaning. DST operations in Novato have also included a [pilot mobile shower program](#) which provides basic hygiene at encampments, churches, medical facilities, and other places in need.

In response to an infusion of new federal housing subsidies, the Novato City Council voted in 2022 to authorize the allocation of up to \$240,000 in one-time federal American Rescue Plan stimulus funds to support the County of Marin in hiring additional case managers to help unhoused community members secure and maintain housing. This contribution will assist Marin County CoC in implementing its Housing First approach to homelessness, its Homeless Outreach Team, and other collaborative regional efforts.

In FY 22/23, the City hired two full-time staff to manage the City's local response to homelessness, develop best practice-oriented public policy, and coordinate homeless outreach efforts. The new Homeless Services Division supports individuals and families experiencing homelessness to

achieve stability, security, and self-sufficiency. The City also maintains and operates the Temporary Encampment at Lee Gerner Park. This city-sanctioned encampment provides temporary shelter for up to 17 individuals and includes case management, outreach services, security, showers, and bathrooms. In FY 22/23, the City partnered with Community Action Marin's Community Alternative Response Engagement (CARE) Team to provide outreach services to individuals in the encampment. The City also recently established the new Housing and Homeless Committee, whose purpose is to provide information and make recommendations to the City Council regarding homeless policy and issues within the City.

## **Non-English Speakers**

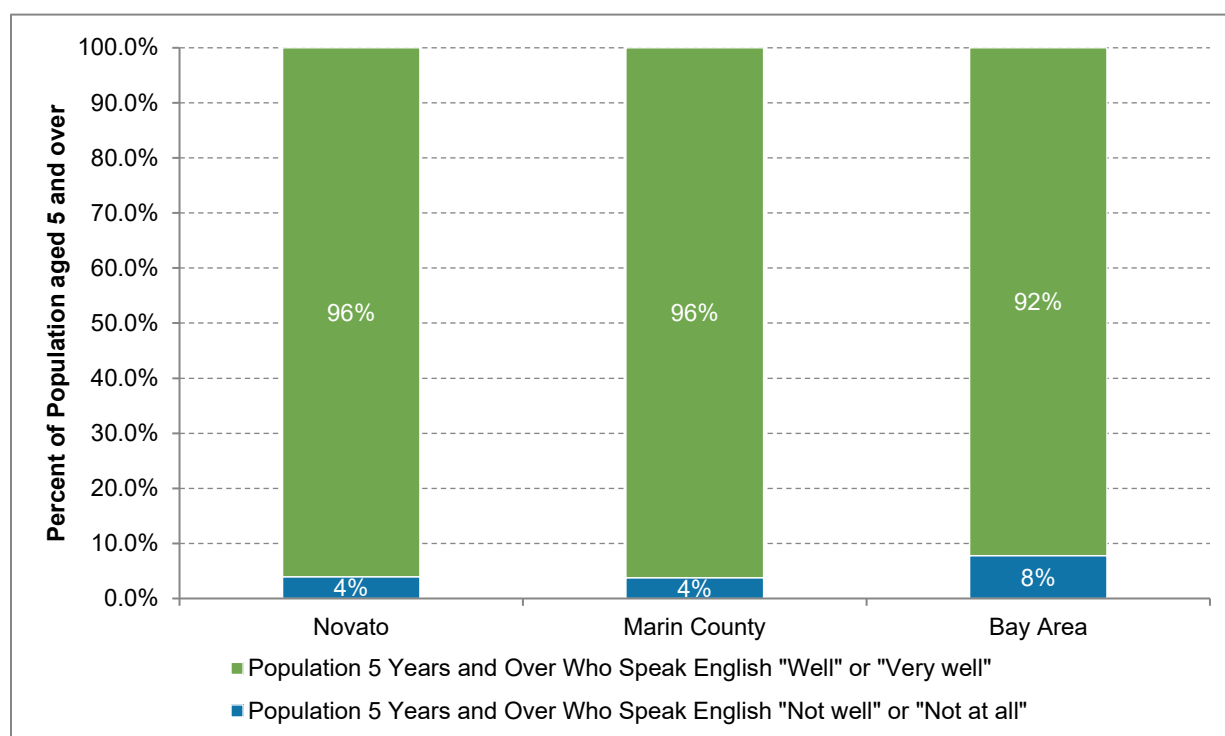
California adopted a bilingual state constitution in 1849<sup>9</sup> and has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is common for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to act due to immigration status concerns.

In Novato, four percent of residents five years and older identify as speaking English not well or not at all, equivalent to the proportion for Marin County. Throughout the Region the proportion of residents five years and older with limited English proficiency is 7.8 percent.

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<sup>9</sup> The provision for bilingual publication of laws, decrees, and regulations was removed in the subsequent California Constitution of 1878.

**Figure A-30: English Proficiency—Population Over Five Years of Age**



Universe: Population 5 years and over

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005)

### A.3.5 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement (sometimes called gentrification) has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they are at greater risk of losing their support network.

In 2018, the Urban Displacement Project (a joint research initiative of UC Berkeley and the University of Toronto) mapped all neighborhoods in the Bay Area and identified their risk for displacement (e.g., Susceptible to Displacement, Stable, etc.).<sup>10</sup> They found that in Novato, 9.9 percent of households lived in neighborhoods that are susceptible to displacement and 10.6 percent lived in neighborhoods at-risk of gentrification.

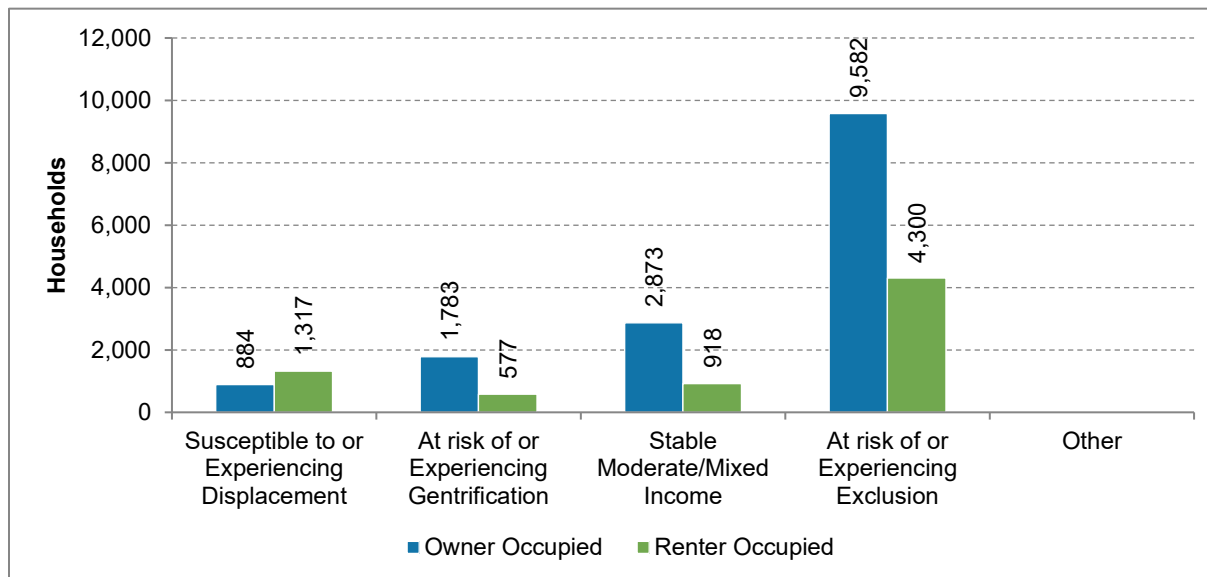
Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. The same research initiative estimated that 62.4 percent of

<sup>10</sup> Urban Displacement Project. [SF Bay Area – Gentrification and Displacement](#). (2018.)



households in Novato lived in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.

**Figure A-31: Households by Displacement Risk and Tenure, City of Novato**



Universe: Households

Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources.

Source: ABAG 2021 Pre-certified Housing Needs Data (Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure)

## Section A.4 Housing Stock Characteristics

### A.4.1 Housing Type and Vacancy

In recent years, most housing produced in the Region and across the State consisted of single-family homes and larger multi-unit buildings. As a result, some communities are investigating “missing middle housing,” including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Novato in 2020 was made up of 58.6 percent single-family detached homes, 16 percent single-family attached homes, 6.3 percent multifamily homes with two to four units, 16.6 percent multifamily homes with five or more units, and 2.6 percent mobile homes.

**Table A-16: Housing Type Trends, City of Novato**

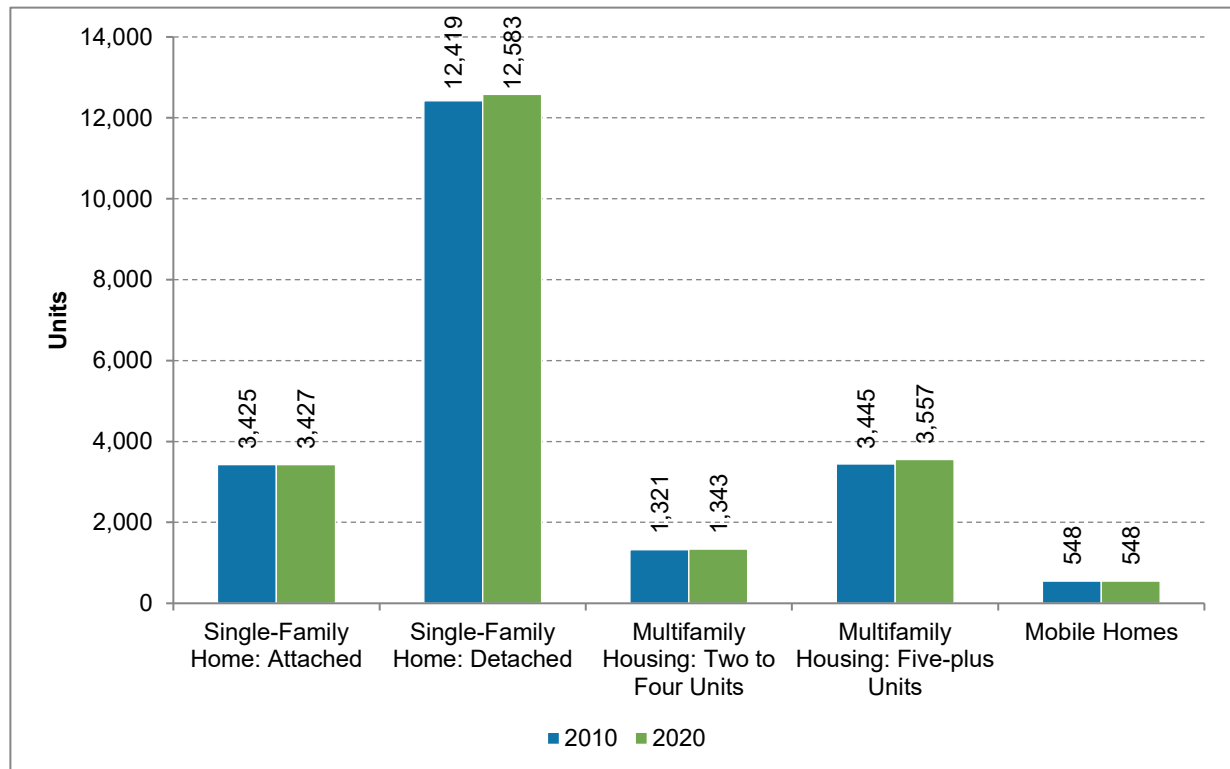
	2010	2020	Change (in Units)	% Change
Single-Family Home: Attached	3,425	3,427	2	0.1%
Single-Family Home: Detached	12,419	12,583	164	1.3%
Multifamily Housing: Two to Four Units	1,321	1,343	22	1.7%
Multifamily Housing: Five-plus Units	3,445	3,557	112	3.3%
Mobile Homes	548	548	0	N/A
<b>Total</b>	<b>21,158</b>	<b>21,458</b>	<b>300</b>	<b>1.4%</b>

Universe: Housing units

Source: California Department of Finance, E-5 series

In Novato, single-family detached homes (see Figure A-32) saw the most growth between 2010 and 2020.

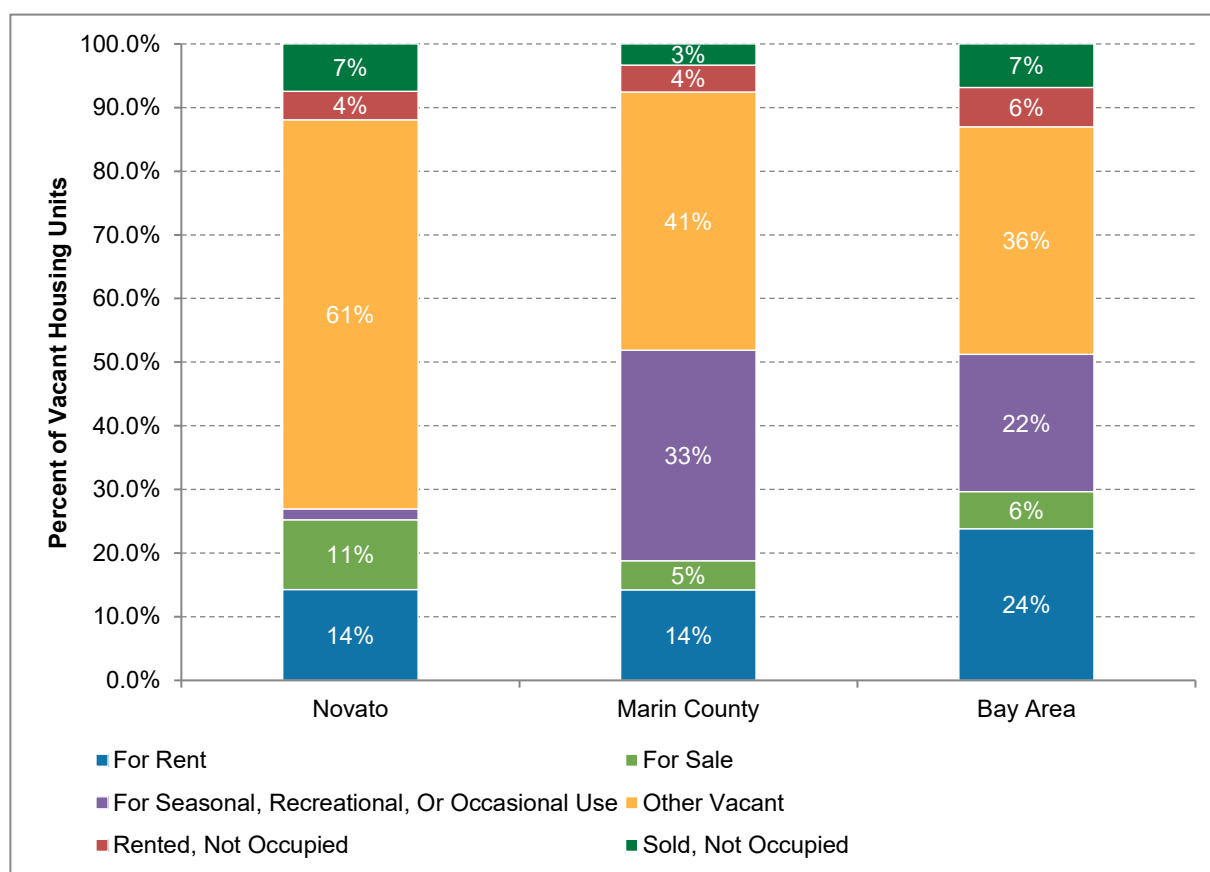
**Figure A-32: Housing Type Trends, City of Novato**



Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

**Figure A-33: Vacant Units by Type**



Universe: Vacant housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004)

Vacant units make up 3.3 percent of the overall housing stock in Novato, compared to 6.6 percent in the County and six percent in the Region. Of the 765 vacant units, 109 are available to rent, 84 available to buy, and the most common type of vacancy is “Other Vacant” (61 percent). Novato has significantly more vacant units classified as “Other Vacant” and a lower number of vacant units for seasonal, recreational, or occasional use compared to the County and the Region (see Figure A-33).<sup>11</sup>

Throughout the Bay Area, vacancies make up six percent of the total housing units, with homes listed “For Rent,” units used for “Seasonal, Recreational, or Occasional Use,” and units not otherwise classified (“Other Vacant”) making up the majority of vacancies. The Census Bureau

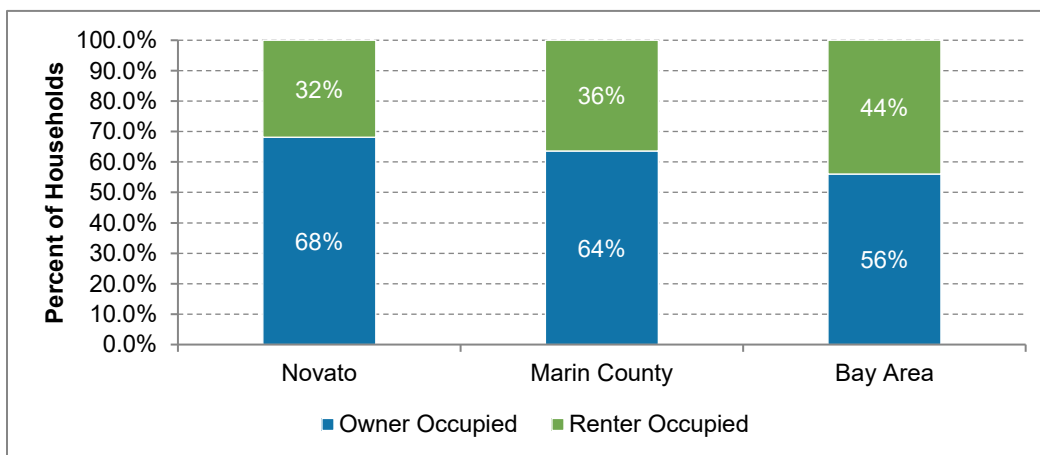
<sup>11</sup> The vacancy rates by tenure are for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (2.5 percent). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a significant number of vacancy categories, including the numerically significant “other vacant.”

classifies a unit as vacant if no one is occupying it when Census interviewers are conducting the ACS or Decennial Census. Vacant units classified as “For Seasonal, Recreational, or Occasional Use” are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like those listed on AirBnB and VRBO are likely to fall in this category. The Census Bureau classifies units as “Other Vacant” if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration. In a region with a thriving economy and housing market like the Bay Area, units being renovated/repared and prepared for rental or sale are likely to represent a large portion of the “Other Vacant” category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of “Other Vacant” units in some jurisdictions. The largest share of vacancies in Novato is due to “Other Vacant” reasons, similar to that of Marin County and the Bay Area.

#### A.4.2 Housing Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the degree of potential housing insecurity or instability (number of persons or households that may lose access to housing due to overpayment, overcrowding, or lack of housing options, etc.). Generally, renters may be displaced more quickly if rental prices increase. In Novato, there are a total of 22,325 housing units, and fewer residents rent than own their homes (31.9 percent versus 68.1 percent) (see Figure A-34). By comparison, 63.7 percent of households in Marin County are renters, while 43.9 percent of Bay Area households rent their homes.

**Figure A-34: Housing Tenure**

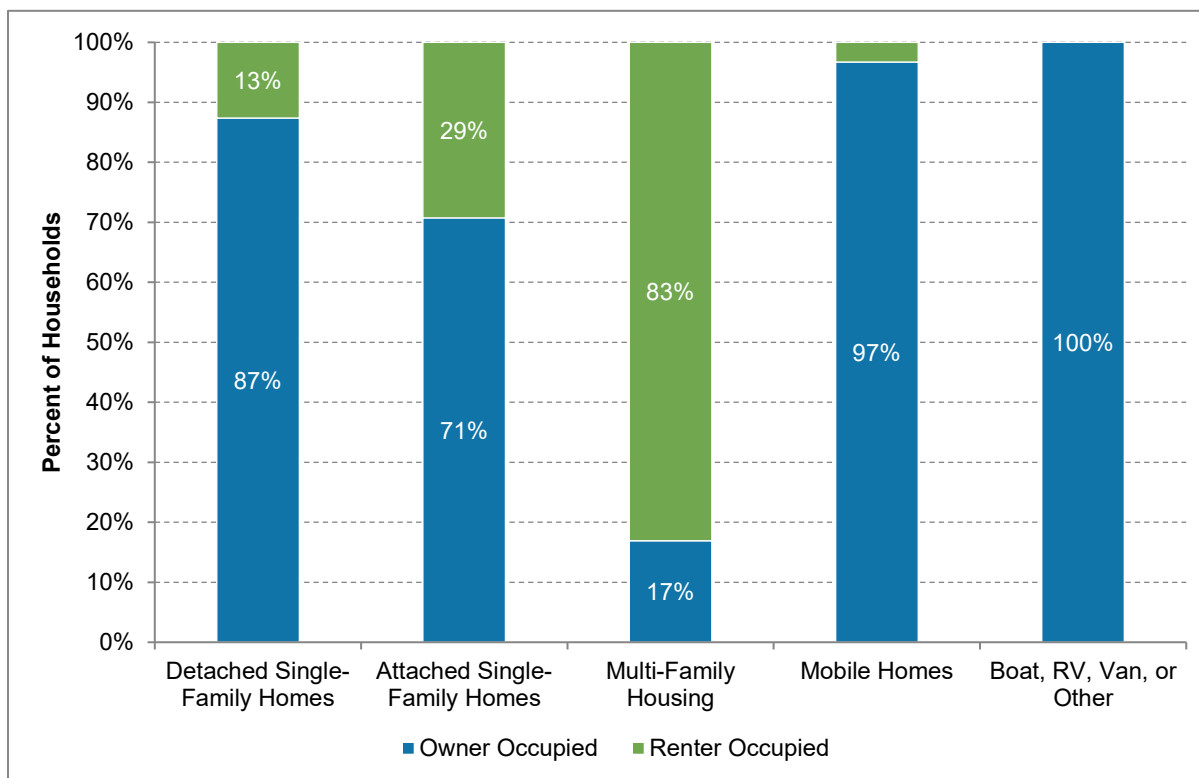


Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multifamily housing. In Novato, 87.4 percent of households

in detached single-family homes are homeowners, while 16.9 percent of households in multifamily housing are homeowners (see Figure A-35). Therefore, most multifamily units in Novato are rented.

**Figure A-35: Housing Tenure by Housing Type, City of Novato**



Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032)

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policies are still evident across many Bay Area communities.

In Novato, 37.8 percent (31 of 82 total households) of American Indian or Alaska Native householders own their homes, while homeownership rates are 40.5 percent for Hispanic or Latino householders (1,152 of 2,841 total), 43.3 percent for Other Race or Multiple Races householders (928 of 2,141 total), 47.7 percent for Black or African American householders (218 of 457 total), 62.5 percent for Asian or Pacific Islander householders (1,015 of 1,623 total), and 73 percent for white householders (25,426 of 34,844 total). Notably, recent changes to State law

require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

**Table A-17: Housing Tenure by Race of Householder, City of Novato**

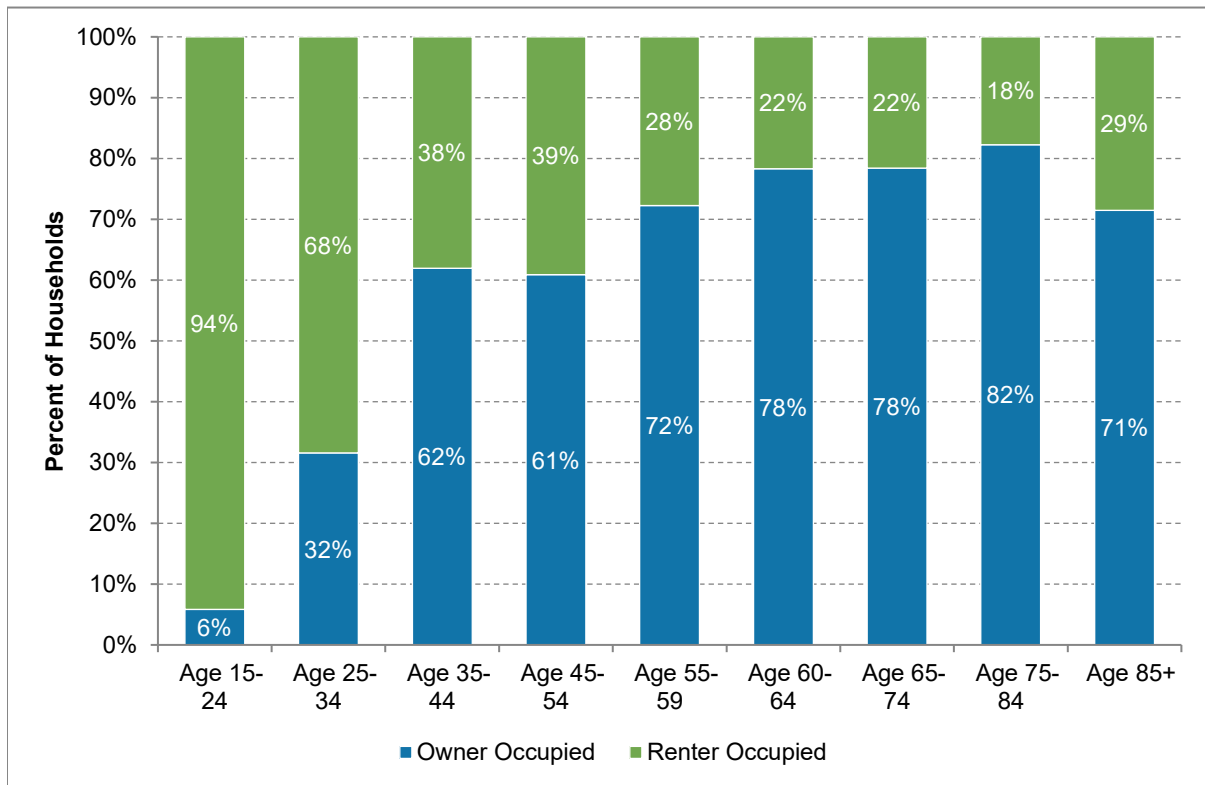
Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non-Hispanic)	31	0.1%	51	0.4%	82
Asian / API (Hispanic and Non-Hispanic)	1,015	3.5%	608	4.6%	1,623
Black or African American (Hispanic and Non-Hispanic)	218	0.8%	239	1.8%	457
Hispanic or Latino	1,152	4.0%	1,689	12.8%	2,841
Other Race or Multiple Races (Hispanic and Non-Hispanic)	928	3.2%	1,213	9.2%	2,141
White (Hispanic and Non-Hispanic)	13,021	45.3%	5,001	37.8%	18,022
White, Non-Hispanic	12,405	43.1%	4,417	33.4%	16,822
<b>Total</b>	<b>28,770</b>	<b>100.0%</b>	<b>13,218</b>	<b>100.0%</b>	<b>41,988</b>
Universe: Occupied housing units For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.					

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I))

The age of residents who rent or own their home can also signal a community's housing challenges. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options to move or downsize in an expensive housing market.

In Novato, 49.5 percent of householders between the ages of 25 and 44 and 21.1 percent of householders over 65 are renters. The age group with the most renters is the 15 to 24 age group with 94 percent as renters (see Figure A-36).

**Figure A-36: Housing Tenure by Age, City of Novato**



Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007)

### **A.4.3 Housing Units Permitted**

Between 2015 and 2019, 266 housing units were issued permits in Novato. Of these, 58.6 percent were for above moderate-income housing, 17.3 percent were for moderate-income housing, and 24.1 percent were for low- or very low-income housing (see Table A-18).



**Table A-18: Housing Permitting, City of Novato**

Income Group	Number of Units
Above Moderate-Income Permits	156
Moderate Income Permits	46
Low Income Permits	41
Very Low-Income Permits	23
<b>Total</b>	<b>266</b>
Universe: Housing permits issued between 2015 and 2019 HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the AMI for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the AMI for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the AMI for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the AMI for the county in which the jurisdiction is located.	

Sources: ABAG 2021 Pre-certified Housing Needs Data (California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020))

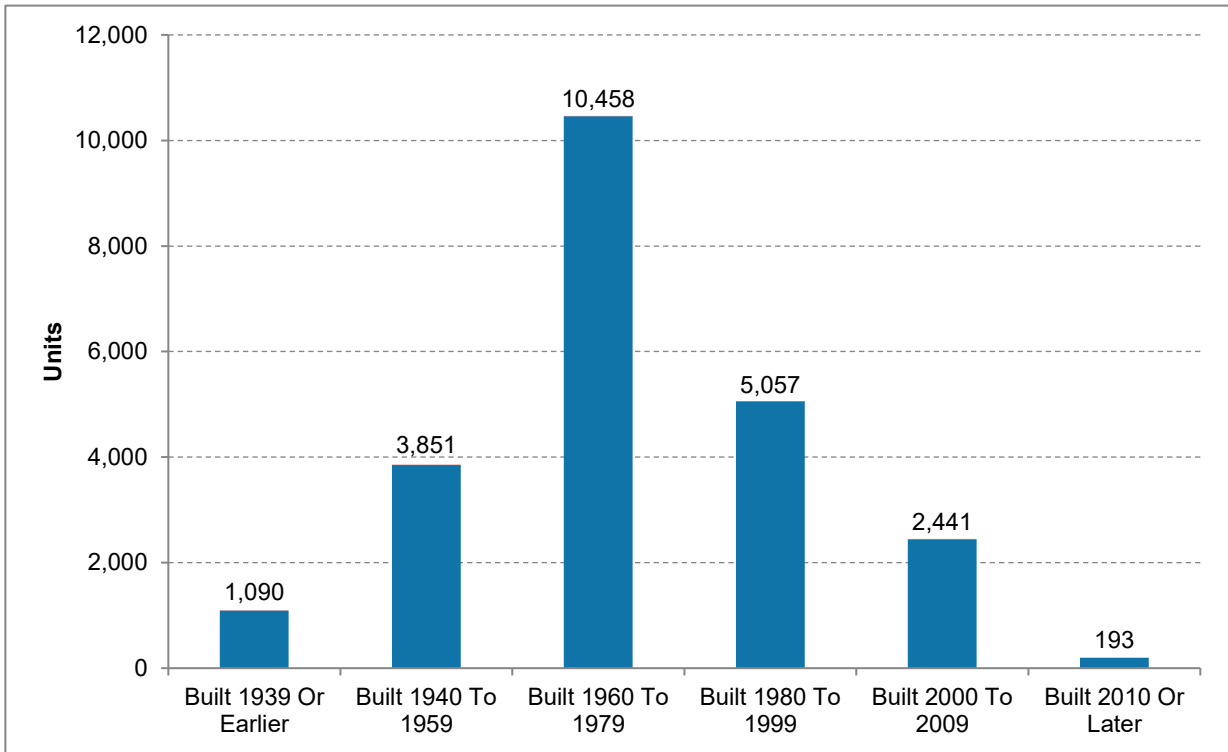
#### **A.4.4 Housing Age and Condition**

The age of housing stock is a key indicator of the community's overall housing condition. As homes age, there is a greater need for maintenance, repair, and/or replacement of key elements (plumbing, electric, roof, gutters, walks, and patios). If not properly addressed, an aging housing stock can represent poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not come close to meeting the population and job growth experienced throughout the Region.

In Novato, the largest proportion of the housing stock (45.3 percent) was built between 1960 and 1979, with 10,458 units constructed during this period (see Figure A-37). This is consistent with Marin County, where the largest portion of units were also built between 1960 and 1979. Of Marin County's housing stock, 37.9 percent was built before 1960 while 21.4 percent of Novato's housing stock was built before 1960. Only 193 units (0.8 percent of the current housing stock) were built after 2010. In Marin County, 1.4 percent of housing units were built in 2010 or later.

**Figure A-37: Housing Units by Year Structure Built, City of Novato**



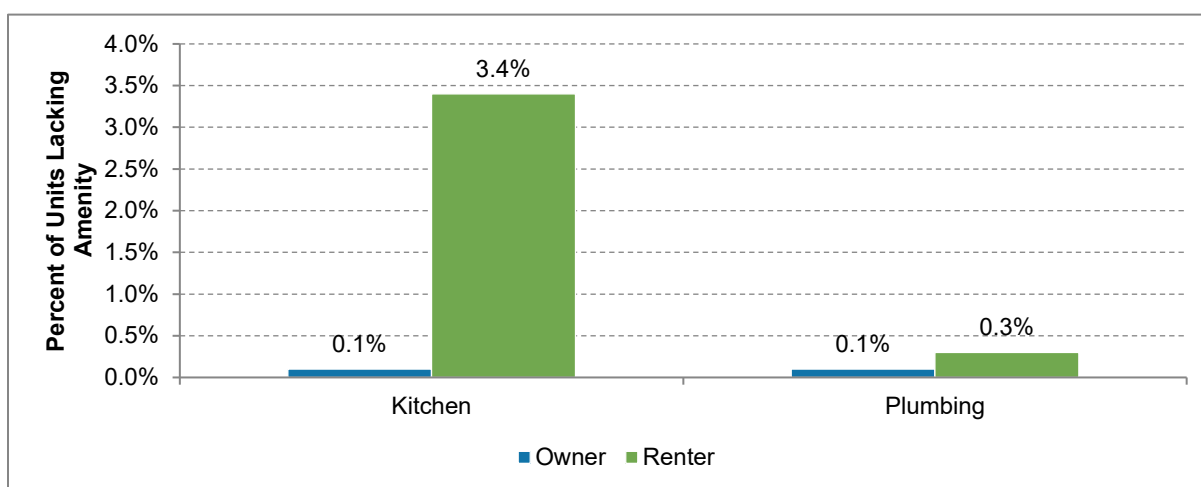
Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034)

## Substandard Housing

Housing costs in the Region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau gathers data to gain a sense of some of the substandard conditions that may be present, including lack of kitchen facilities or lack of plumbing. In Novato, 3.4 percent of renters in Novato reported lacking a kitchen and 0.3 percent of renters lack plumbing, compared to 0.1 percent of owners who lack a kitchen and 0.1 percent of owners who lack plumbing (see Figure A-39).

**Figure A-39: Substandard Housing Issues**



Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049)

The National Center of Healthy Housing (NCHH) estimates that in the San Francisco Area, 5.6 percent of housing units are in substandard condition. Among these units, 3.4 percent had moderate physical problems and 2.2 percent had severe physical problems.<sup>12</sup> Assuming the same share of units in Novato in 2018 (22,848) were substandard, an estimated 1,279 units would be in substandard condition in the City. However, these figures do not seem to reflect conditions in Novato, primarily due to the relative “youth” of the City’s housing stock, the high value of residential property, and recent new construction. Generally, property owners are motivated to keep housing in good condition because of the high value of houses and rents, and minor to extensive remodeling is common throughout the City.

The ongoing habitability of housing units is important to the City, especially to prevent deterioration and delayed maintenance in rented multifamily housing. Code Enforcement staff annually inspect all multifamily properties containing three units of more as part of the [Multi-Family Inspection Program](#) (Municipal Code [Chapter 4-14](#)). This program has been successful in the most recent planning period and as a result, Code Enforcement staff have seen a substantial decrease in the frequency and severity of substandard housing issues. Common code violations often involve unpermitted activity, such as structures being used as dwellings without being permitted for habitation, improperly placed room dividers, window relocations, and improper water heater installation/maintenance. The hygiene of inspected units is also a concern, often pest infestation, sewer leakage, or other issues caused by property mismanagement. In all cases, the

<sup>12</sup> The NCHH estimate is based on data from the 2018 U.S. Census Bureau American Housing Survey.

City works diligently with property owners to address these issues and brings in outside agencies, such as the Marin County Department of Health and Human Services, as needed.

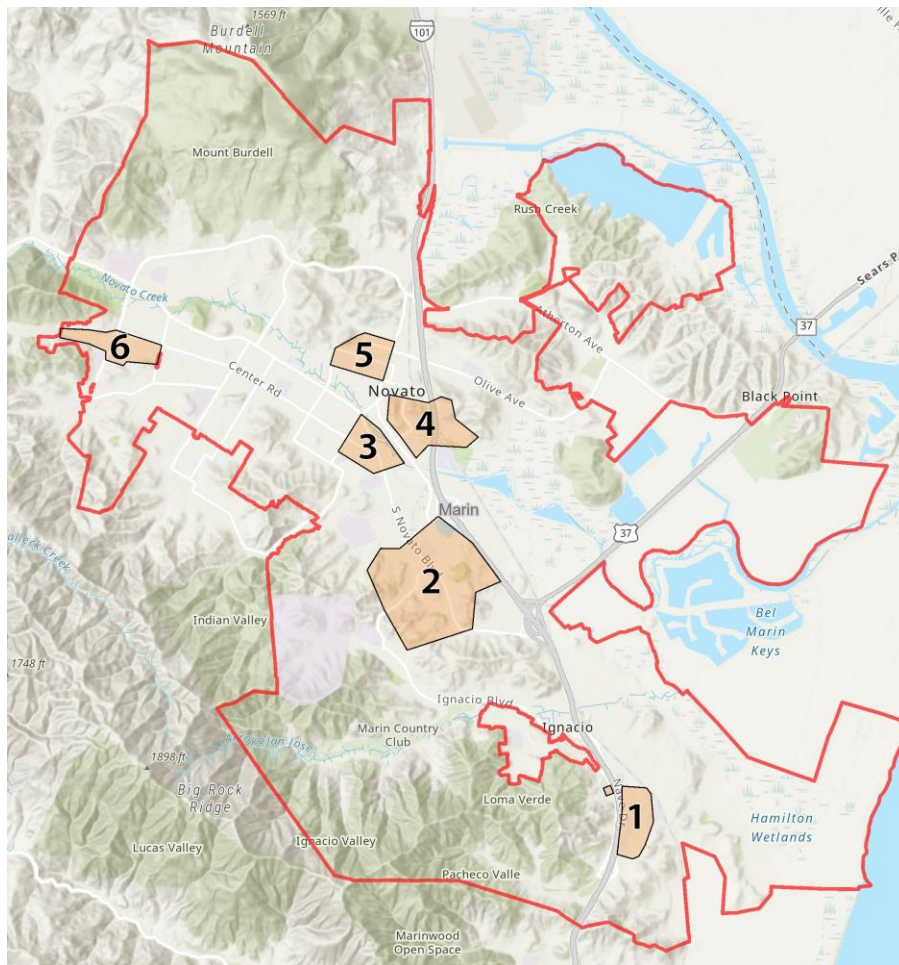
From July 2017 to July 2022, 116 code enforcement cases related to substandard housing conditions have been filed with the City. There are currently four active cases involving substandard housing conditions. Recent code enforcement cases include a backed-up bathtub in a multifamily complex, causing problems with the building's fire and electrical systems and damage to six residential units. Another case involved a fire which damaged a complex's electrical system, leading to the temporary displacement of 20 residential units. In both cases, Code Enforcement staff have made diligent efforts to prevent future problems and return residents to their homes as quickly and safely as possible.

The City's Code Enforcement Division staff estimate that three units per year (or 24 units total during the 2023-2031 planning period) will require major rehabilitation. This estimate is based on the Division's history with code compliance cases and familiarity with the City's neighborhoods and structures. The City will continue to implement its code inspection and enforcement program to address substandard housing conditions.

### **2023 Windshield Survey**

To ensure the accuracy of the above estimates of substandard housing conditions, a windshield survey was conducted on May 17, 2023, focused on six subareas located across the City (see Figure A-40). These subareas were selected based on their higher concentration of structures built before 1960 (according to U.S. Census data) and/or a higher concentration of renter and lower-income households. The survey was limited by its consideration only of areas visible from the public right-of-way (i.e., exterior housing conditions), meaning interior problems or foundation/seismic issues could not be conclusively determined. However, the focus areas were selected to increase the likelihood of observing substandard conditions if they exist, both due to available data and the local knowledge of City staff.

**Figure A-40: 2023 Windshield Survey Subarea Map**



Source: City of Novato, LWC

Based on the survey, most housing in Novato is in good condition and affirms the City's experience that property owners are motivated to keep housing in good condition and remodel frequently. In fact, during the windshield survey it was observed that a greater number of homes were in the process of being remodeled than homes potentially in need of rehabilitation (of which three were observed). Though some of the City's older homes (both single-family and multi-family) could benefit from cosmetic improvements and reinvestment, there was no observed evidence of uninhabitable units in need of replacement. More details on the findings of the windshield survey are provided below in Table A-19.

**Table A-19: 2023 Windshield Survey Subarea Findings**

Subarea			Findings
#	Name	Characteristics	
1	<b>Census Tract 1050.01 / Dusel Ct.</b>	Portion of tract has median structure age of 1949. Data indicate higher prevalence of renter-occupied households, overcrowding, below-average household income.	<b>One</b> unit found in need of potential rehabilitation (siding/stucco in need of repainting/repair). Many newer multifamily/condo complexes; Census data likely out of date.
2	<b>Census Tract 1041.02</b>	Portion of tract has median structure age of 1959. Data indicate higher prevalence of multifamily units, displacement risk, poverty.	<b>One</b> unit found in need of potential rehabilitation (chipped paint). Otherwise, both single- and multi-family structures are older (corroborated by Census data), but in good condition.
3	<b>Nave Shopping Center Area</b>	Data indicate higher prevalence of multifamily units, renter-occupied households, displacement risk, poverty.	<b>One</b> unit found in need of potential rehabilitation (minor cracks in foundation, siding/stucco in need of repair). All single-family homes; older but in good condition.
4	<b>South of De Long Ave.</b>	Data indicate higher prevalence of renter-occupied households, overcrowding, poverty.	<b>No</b> units found in need of rehabilitation. All single-family homes; older but in good condition.
5	<b>Northwest Quadrant Neighborhood</b>	Data indicate higher prevalence of renter-occupied households, renter overpayment, overcrowding, below-average household income, poverty, high POC segregation.	<b>No</b> units found in need of rehabilitation. Diverse housing stock; single-family homes interspersed with 4–10-unit multi-family complexes.
6	<b>Sutro Ave. Area</b>	Data indicate higher prevalence of units built prior to 1960.	<b>No</b> units found in need of rehabilitation. All single-family homes in good condition.

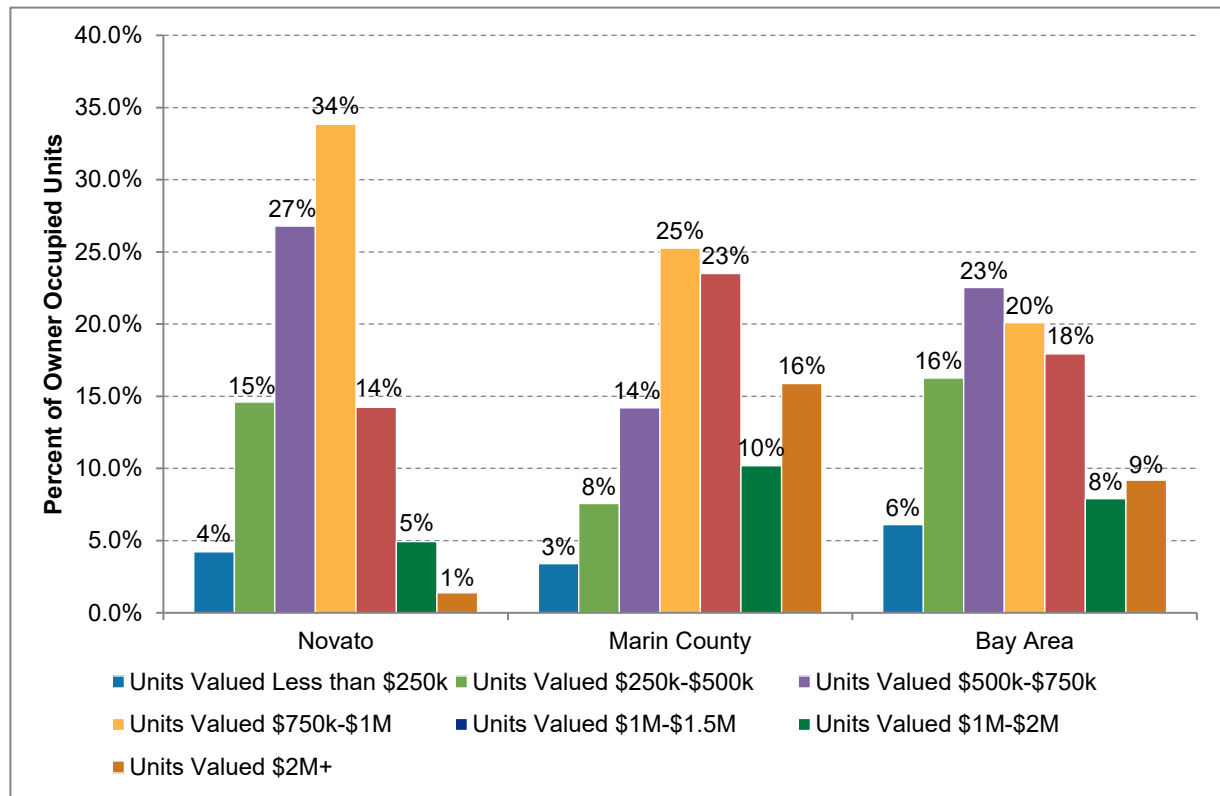
Source: City of Novato, LWC

## Section A.5 Housing Costs and Affordability

### A.5.1 Ownership Costs

Home prices reflect a mix of supply and demand factors, including an area’s demographic profile, transportation and materials costs, and the labor market, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in Novato was estimated at \$916,140 by 2020 (see Figure A-39). The largest proportion of homes in Novato were valued between \$750,000 and \$1,000,000 (see Figure A-38). By comparison, in 2020 the typical home value is \$1,288,800 in Marin County and \$1,077,230 in the Bay Area (see Figure A-41).

**Figure A-41: Home Values of Owner-Occupied Units**



Universe: Owner-occupied housing units

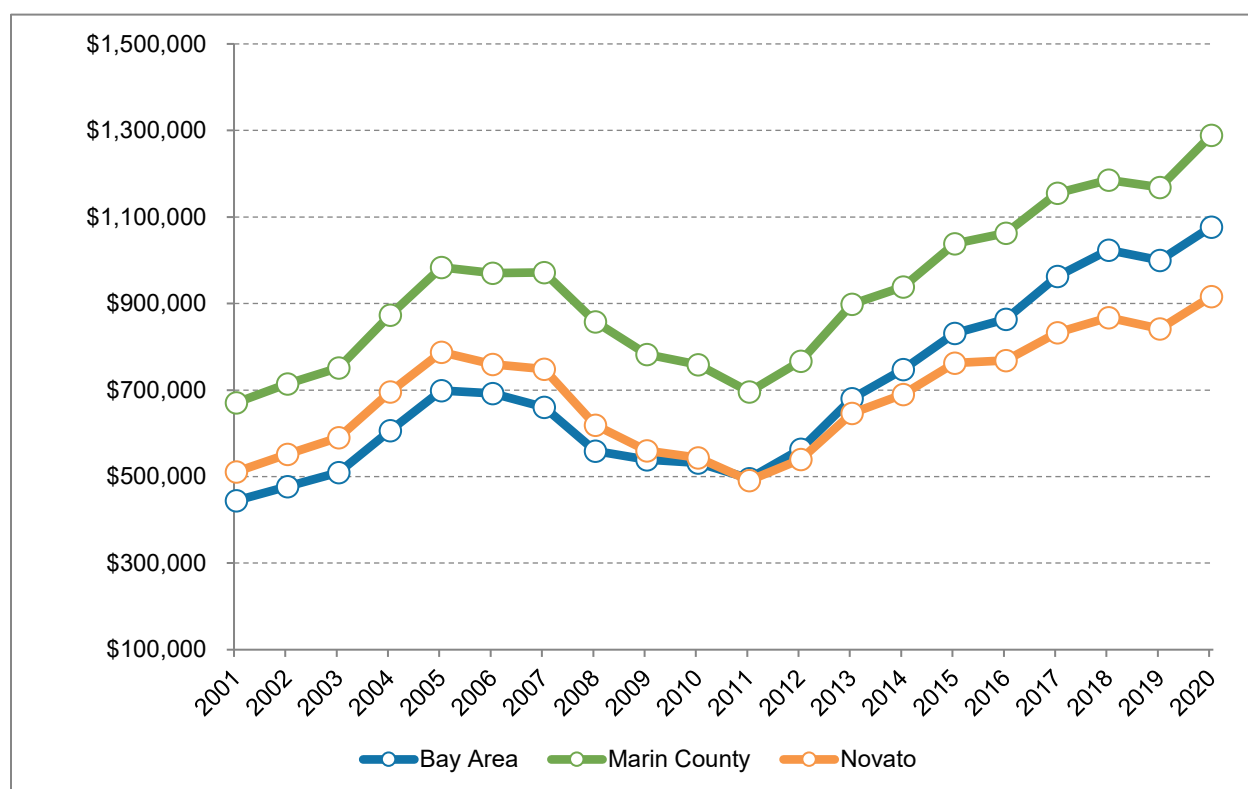
Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series.

Source: ABAG 2021 Pre-certified Housing Needs Data (Zillow, Zillow Home Value Index (ZHVI))

The Region's home values have increased steadily since 2000, with a decrease during the Great Recession (2009-2012). From 2001 to 2020, the typical home value increased 79.1 percent in Novato from \$511,466 to \$916,143 (see Figure A-42). As of August 2022, the typical home value in Novato is \$1,205,779 according to Zillow.



**Figure A-42: Zillow Home Value Index (ZHVI)**



Universe: Owner-occupied units

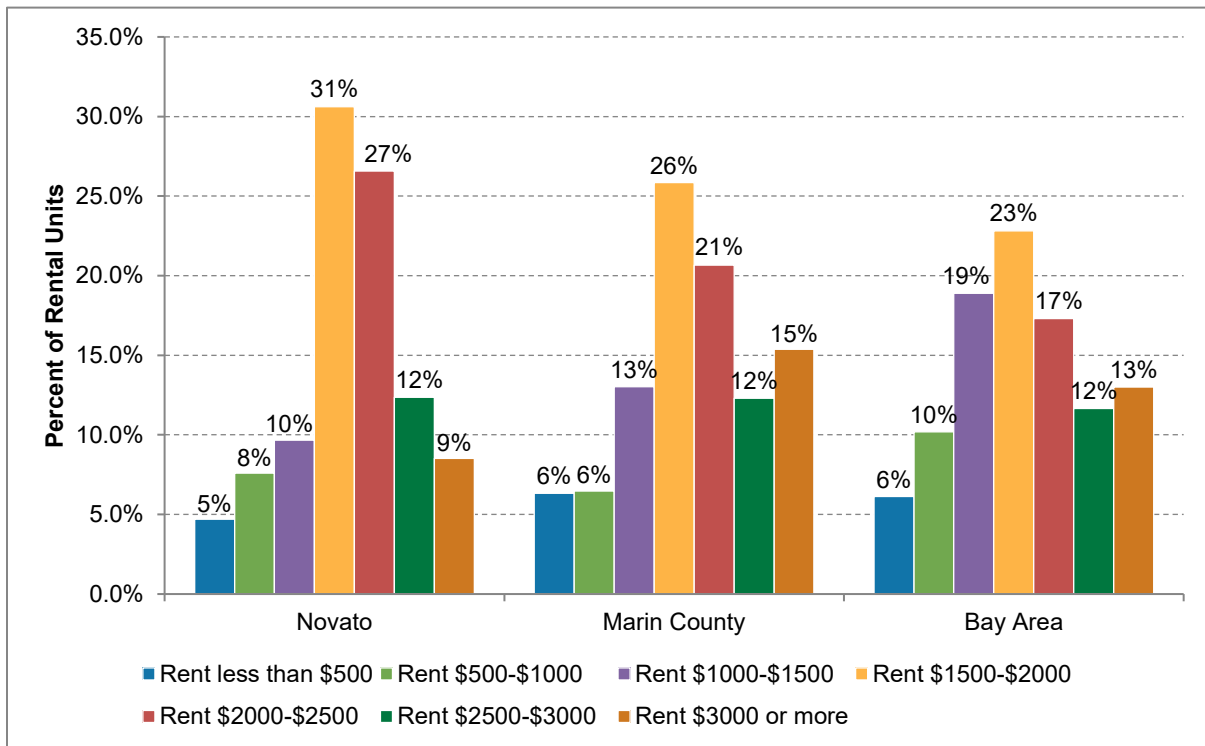
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075)

## A.5.2 Rental Costs

Like home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted, or displaced, with a disproportionate number particularly from communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the Region, and sometimes, out of the State.

In Novato, rents are less expensive than in Marin County and more expensive than in the Bay Area. Based on U.S. Census data, which often lags market valuations, 8.5 percent of rental units in Novato rented for more \$3,000 or more per month, and 12.4 percent of units rent between \$2,500 to \$3,000 per month (see Figure A-43). Similar to the Region, a majority of units in Novato are available at rents between \$1,500 to \$2,000 per month.

**Figure A-43: Contract Rents for Renter-Occupied Units**

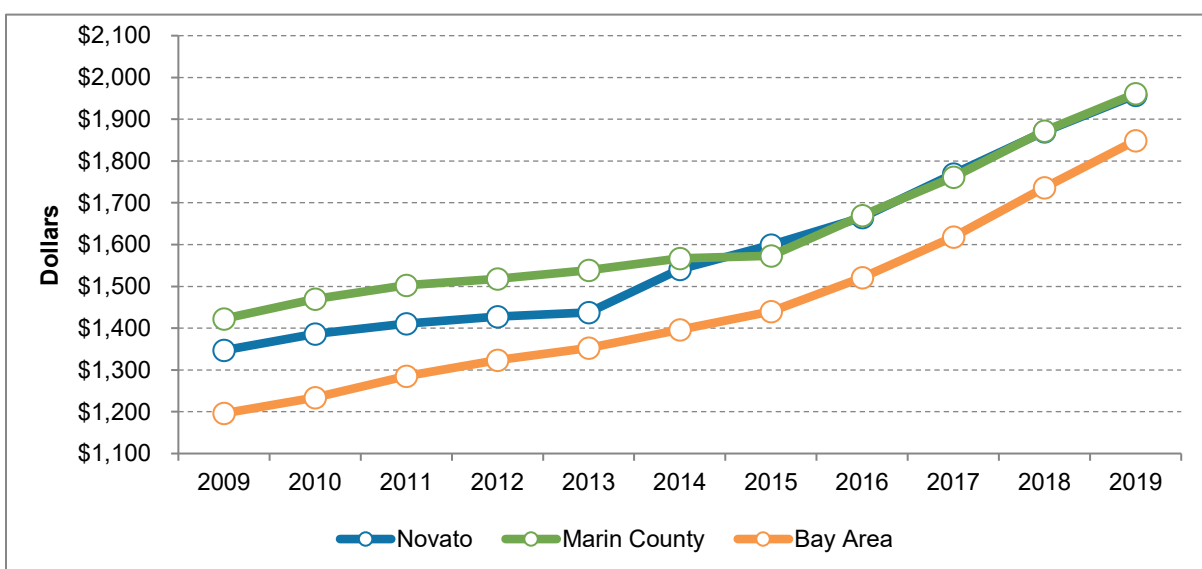


Universe: Renter-occupied housing units paying cash rent

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056)

From 2009 to 2019, according to U.S. Census data, the median rent has increased by 45.4 percent in Novato, from \$1,347 to \$1,950 per month (see Figure A-44). In Marin County, the median rent has increased 25.1 percent, from \$1,423 to \$1,960. The median rent in the Region has increased significantly during this time from \$1,200 to \$1,850, approximately a 54 percent increase. Though less than the Bay Area, the rent increase in Novato from 2009 to 2019 outpaced the County. As of August 2022, the typical rent for all housing unit types in Novato is \$3,665 according to Zillow.

**Figure A-44: Median Contract Rent**



Universe: Renter-occupied housing units paying cash rent

For unincorporated areas, median is calculated using distribution in B25056.

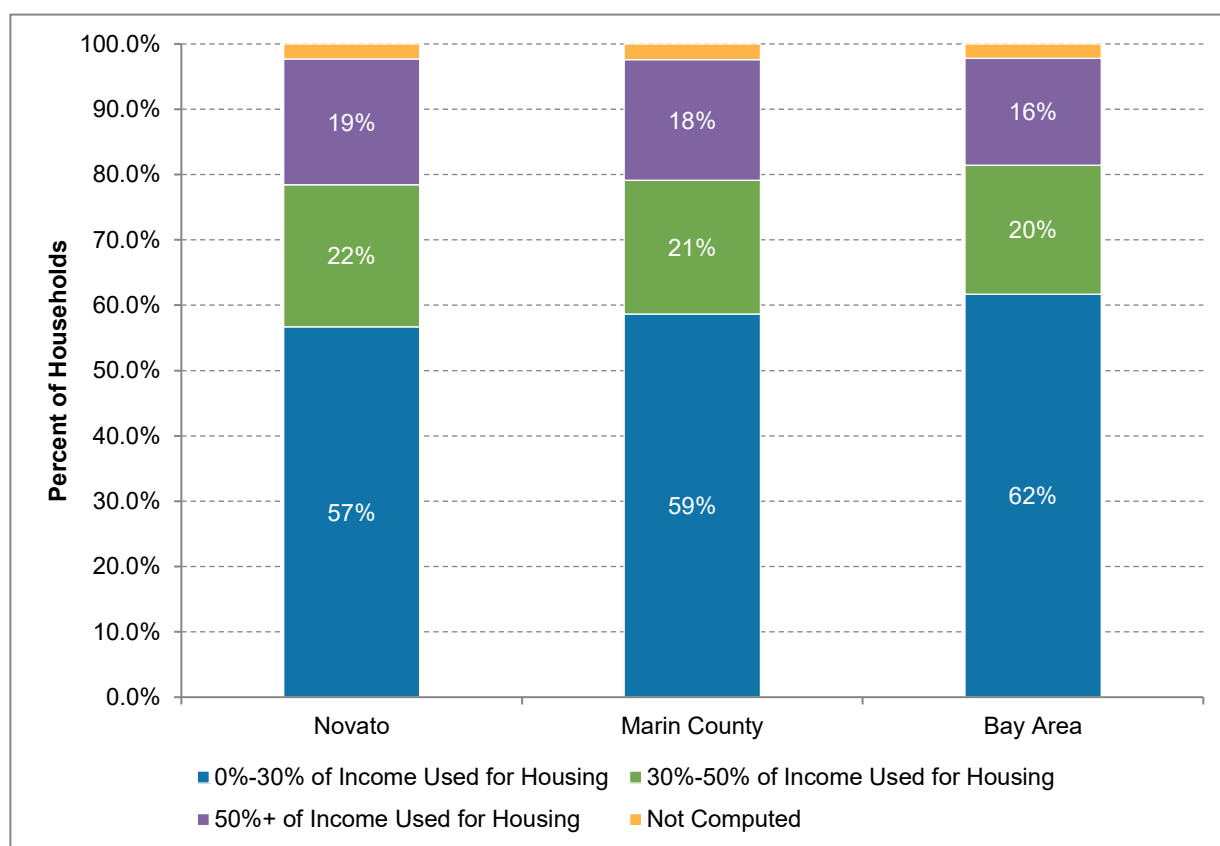
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year)

### A.5.3 Overpayment

According to HCD, households spending more than 30 percent of their income on housing, including utilities, are generally considered to be overpaying or “cost burdened.” Those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. When a household is overpaying for housing costs, there is less income for necessities such as health care, food, transportation, and clothing. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness. In the event of unexpected circumstances, such as loss of employment and health problems, lower-income households with a burdensome housing cost are more likely to become homeless or be forced to double-up with other households, which can lead to overcrowded conditions.

Novato has a slightly higher proportion of cost-burdened households compared to Marin County and the Bay Area. Of Novato’s households, approximately 22 percent are cost-burdened, and 19 percent are severely cost-burdened. In the County, the proportions are 21 percent and 18 percent, respectively (see Figure A-45).

**Figure A-45: Cost Burden Severity**

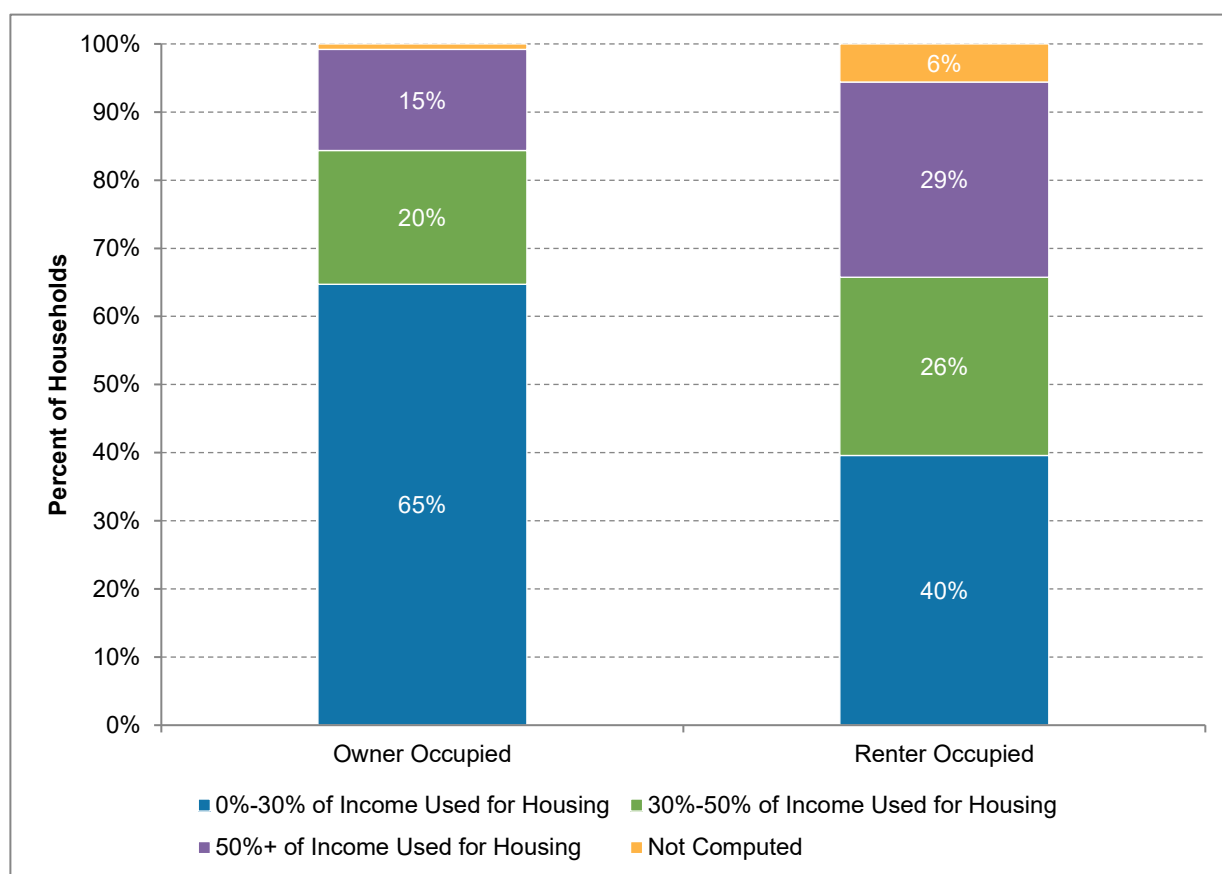


Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in Novato, 26.2 percent of renters spend 30 to 50 percent of their income on housing compared to 19.7 percent of those that own (see Figure A-46). Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing, while 14.8 percent of owners are severely cost-burdened. In total, 34.5 percent of homeowners and 54.8 percent of renters experience some level of cost burden.

**Figure A-46: Cost Burden by Tenure, City of Novato**



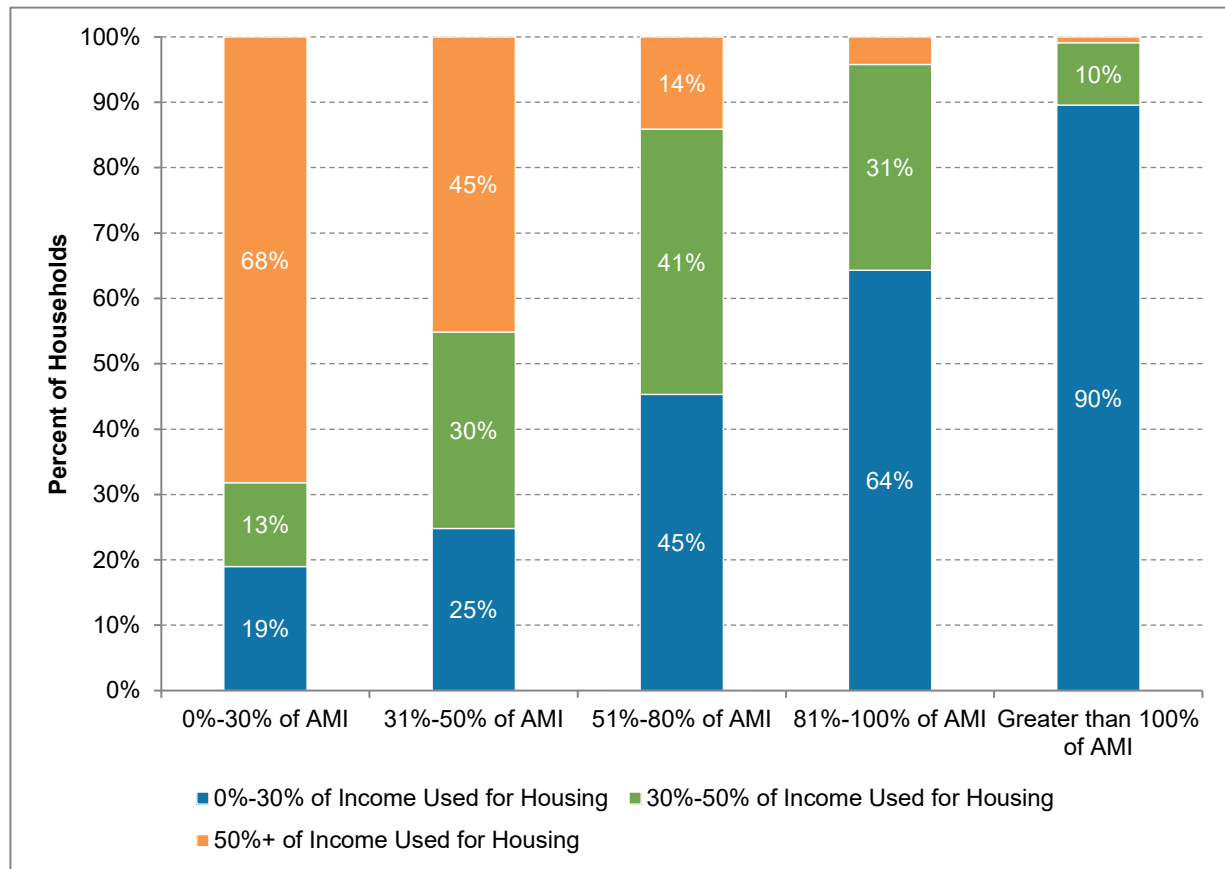
Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

In Novato, 20.3 percent of households spend 50 percent or more of their income on housing, while 20.4 percent spend 30 to 50 percent (see Figure A-47). Lower-income households are more likely to be housing cost-burdened than higher-income households. For example, 68.2 percent of Novato households making less than 30 percent of AMI spend the majority of their income on housing. For Novato residents making more than 100 percent of AMI, just 0.9 percent are severely cost-burdened, and 89.6 percent of those making more than 100 percent of AMI spend less than 30 percent of their income on housing. Of all lower-income households in Novato (10,190 households), 69.9 percent (7,120 households) are cost-burdened.

**Figure A-47: Cost Burden by Income Level, City of Novato**



Universe: Occupied housing units

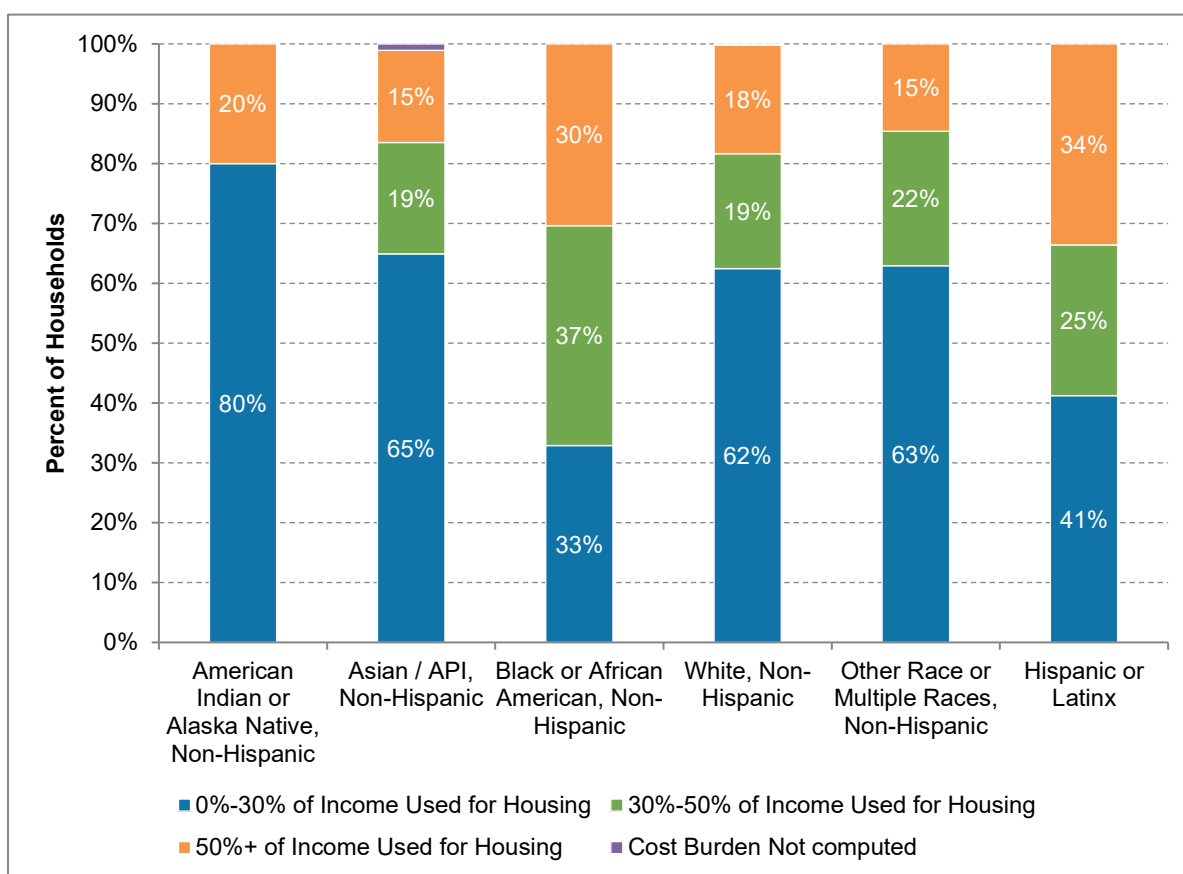
Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Black or African American, Non-Hispanic residents are the most cost-burdened with 36.7 percent spending 30 to 50 percent of their income on housing, and Hispanic or Latino residents are the most severely cost-burdened with 33.6 percent spending more than 50 percent of their income on housing (see Figure A-48).

**Figure A-48: Cost Burden by Race, City of Novato**



Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

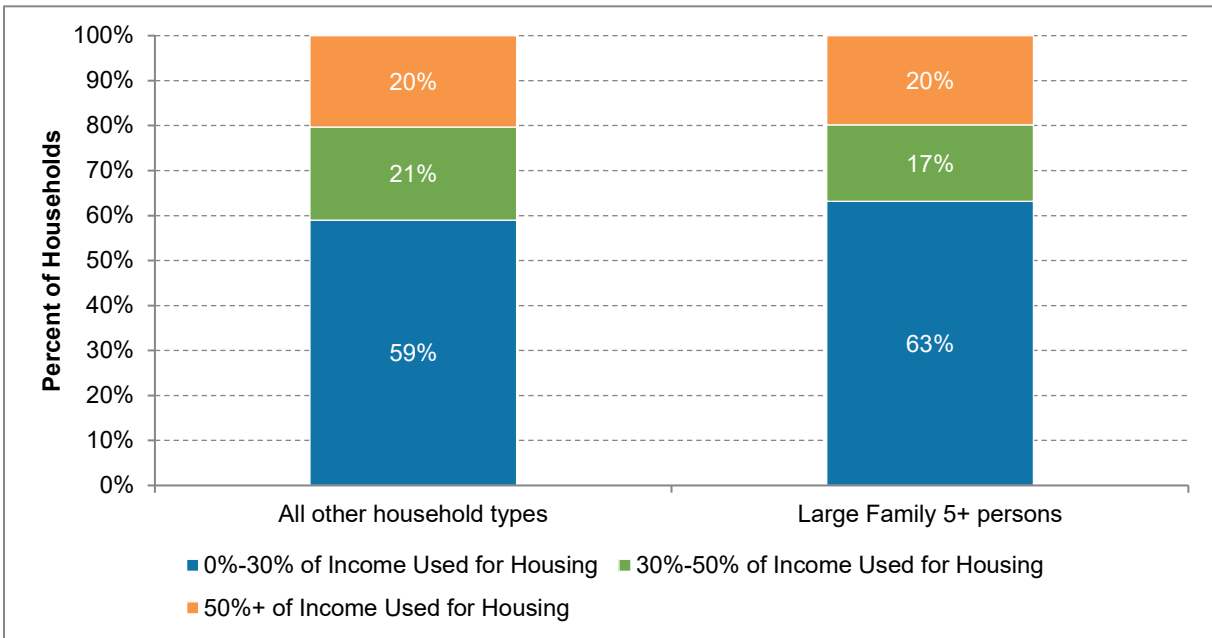
Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Large family households more often struggle to find housing due to a lack of availability of adequately sized, affordable housing. The higher costs of larger homes with multiple bedrooms can result in a disproportionate cost burden for larger families than the rest of the population and can increase the risk of housing insecurity.

Larger families in Novato, however, are not more likely to be cost-burdened than all other household types. In Novato, 17.1 percent of large family households experience a cost burden of 30 to 50 percent, while 19.8 percent of households spend more than half of their income on housing. Some 20.7 percent of all other households have a cost burden of 30 to 50 percent, with 20.3 percent of households spending more than 50 percent of their income on housing (see Figure A-49).



**Figure A-49: Cost Burden by Household Size, City of Novato**



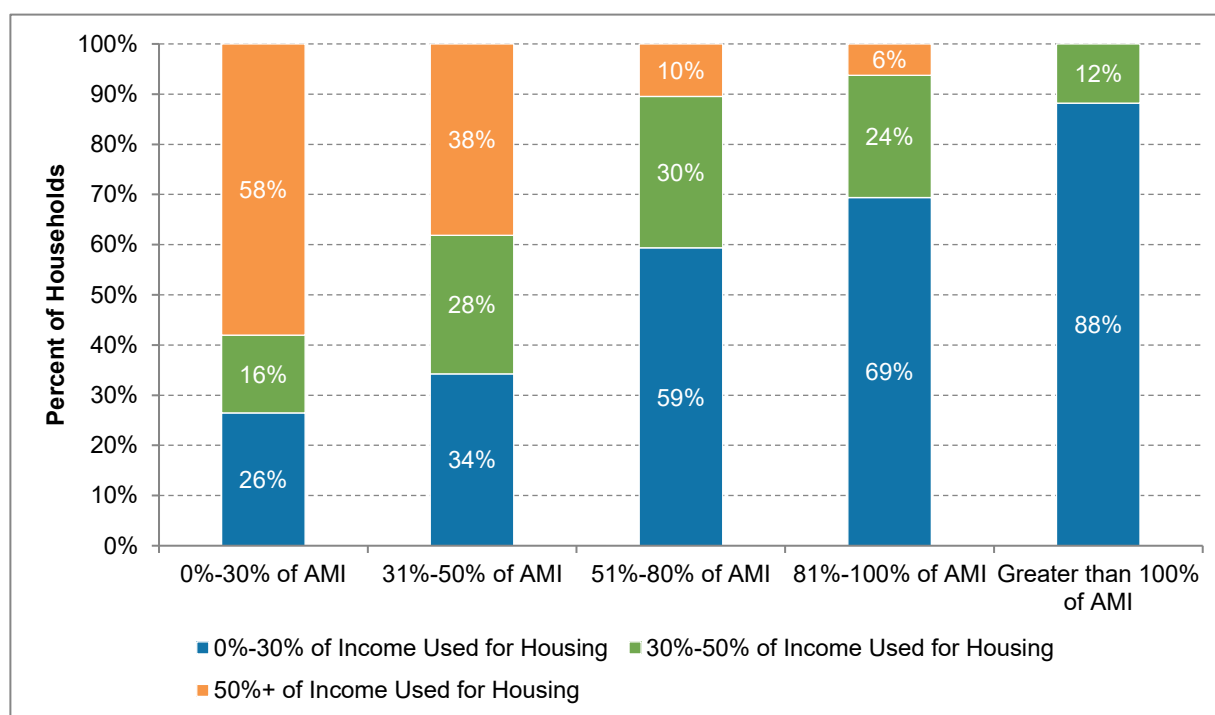
Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Displacement is a particular risk for cost-burdened seniors who are no longer able to make mortgage payments or pay rent. Understanding how seniors are cost-burdened is important, particularly for low-income seniors. 58 percent of seniors making less than 30 percent of AMI are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 88.2 percent are not cost-burdened and spend less than 30 percent of their income on housing (see Figure A-50). In total, 41.3 percent of seniors are cost-burdened.

**Figure A-50: Cost-Burdened Senior Households by Income Level, City of Novato**



Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs,” which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

## Housing Costs Compared to Ability to Pay

The ability to pay for housing is a function of housing cost and other essential living expenses in relation to household income. Given market conditions, above-moderate income households have fewer problems locating affordable units. Affordable units are frequently defined as those reasonably priced for households that are low- to moderate-income.

Table A-20 shows the 2021 income limits for Marin County and compares these income limits to affordable (no more than 30 percent of gross income) rent and purchase prices. The median gross rent in Novato (\$1,950) is generally affordable for three-person households earning 30 to 50 percent of Marin County median income (\$135,258). The median purchase price of a home in Novato (\$916,143) is generally affordable for three-person households earning more than 120 percent of AMI.

**Table A-20: 2021 Marin County Ability to Pay for Housing and Fair Market Rent and Purchase Prices**

	Number of Persons in Household			
	1	2	3	4
<b>Extremely Low (0-30% AMI)</b>				
Annual Income Limit	\$38,400	\$43,500	\$49,350	\$54,8000
Monthly Income	\$3,200	\$3,625	\$4,113	\$4,567
Max. Monthly Gross Rent <sup>1</sup>	\$960	\$1,008	\$1,234	\$1,370
Max. Purchase Price 5% down <sup>2</sup>	\$163,710	\$185,452	\$210,392	\$233,627
Max. Purchase Price 20% down <sup>3</sup>	\$194,373	\$220,188	\$249,799	\$277,386
<b>Very Low (30-50% AMI)</b>				
Annual Income Limit	\$63,950	\$73,100	\$82,250	\$91,350
Monthly Income	\$5,329	\$6,092	\$6,854	\$7,613
Max. Monthly Gross Rent <sup>1</sup>	\$1,599	\$1,828	\$2,056	\$2,284
Max. Purchase Price 5% down <sup>2</sup>	\$272,636	\$311,645	\$350,654	\$389,450
Max. Purchase Price 20% down <sup>3</sup>	\$323,701	\$370,016	\$416,332	\$462,394
<b>Low (50-80% AMI)</b>				
Annual Income Limit	\$102,450	\$117,100	\$131,750	\$146,350
Monthly Income	\$8,538	\$9,758	\$10,979	\$12,196
Max. Monthly Gross Rent <sup>1</sup>	\$2,561	\$2,928	\$3,294	\$3,659
Max. Purchase Price 5% down <sup>2</sup>	\$436,772	\$499,229	\$561,686	\$623,929
Max. Purchase Price 20% down <sup>3</sup>	\$518,580	\$592,735	\$666,890	\$740,792
<b>Median (100% AMI)</b>				
Annual Income Limit	\$104,700	\$119,700	\$134,650	\$149,600
Monthly Income	\$8,725	\$9,975	\$11,221	\$12,467
Max. Monthly Gross Rent <sup>1</sup>	\$2,618	\$2,993	\$3,366	\$3,740
Max. Purchase Price 5% down <sup>2</sup>	\$446,364	\$510,313	\$574,049	\$637,785
Max. Purchase Price 20% down <sup>3</sup>	\$529,969	\$605,896	\$681,569	\$757,243
<b>Moderate (80-120% AMI)</b>				
Annual Income Limit	\$125,650	\$143,600	\$161,550	\$179,500
Monthly Income	\$10,471	\$11,967	\$13,463	\$14,958
Max. Monthly Gross Rent <sup>1</sup>	\$3,141	\$3,590	\$4,039	\$4,488
Max. Purchase Price 5% down <sup>2</sup>	\$535,680	\$612,205	\$688,731	\$765,257
Max. Purchase Price 20% down <sup>3</sup>	\$636,013	\$726,872	\$817,731	\$908,590
<b>(120-150% AMI)</b>				
Annual Income Limit	\$157,050	\$179,550	\$201,975	\$224,400
Monthly Income	\$13,088	\$14,963	\$16,831	\$18,700
Max. Monthly Gross Rent <sup>1</sup>	\$3,926	\$4,489	\$5,049	\$5,610
Max. Purchase Price 5% down <sup>2</sup>	\$669,546	\$765,470	\$861,074	\$956,677

**Table A-20: 2021 Marin County Ability to Pay for Housing and Fair Market Rent and Purchase Prices**

	Number of Persons in Household			
	1	2	3	4
Max. Purchase Price 20% down <sup>3</sup>	\$794,953	\$908,843	\$1,022,354	\$1,135,864
<b>(150-180% AMI)</b>				
Annual Income Limit	\$188,460	\$215,460	\$242,370	\$269,280
Monthly Income	\$15,705	\$17,955	\$20,198	\$22,440
Max. Monthly Gross Rent <sup>1</sup>	\$4,712	\$5,387	\$6,059	\$6,732
Max. Purchase Price 5% down <sup>2</sup>	\$803,456	\$918,564	\$1,033,288	\$1,148,013
Max. Purchase Price 20% down <sup>3</sup>	\$953,944	\$1,090,612	\$1,226,825	\$1,363,037
<b>(180-200% AMI)</b>				
Annual Income Limit	\$209,400	\$239,400	\$69,300	\$299,200
Monthly Income	\$17,450	\$19,950	\$5,775	\$24,933
Max. Monthly Gross Rent <sup>1</sup>	\$5,235	\$5,985	\$1,733	\$7,480
Max. Purchase Price 5% down <sup>2</sup>	\$892,728	\$1,020,627	\$295,445	\$1,275,570
Max. Purchase Price 20% down <sup>3</sup>	\$1,059,938	\$1,211,791	\$350,782	\$1,514,486
<sup>1</sup> 30% of income devoted to maximum monthly rent or mortgage payment, including utilities, taxes, and insurance.				
<sup>2</sup> Assumes 95% loan (i.e., 5% down payment) @ 3% annual interest rate and 30-year term.				
<sup>3</sup> Assumes 80% loan (i.e., 20% down payment) @ 3% annual interest rate and 30-year term.				

Source: Department of Housing and Community Development, 2021

#### A.5.4 At-Risk Housing Assessment

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

Government Code Section 65583 requires the Housing Element to identify and analyze units that are at-risk of converting from affordable to market-rate within 10 years of the beginning of the planning period. If units are found to be at-risk, the Housing Element must estimate the total cost of replacing and preserving these units and include a list of entities with the capacity to acquire multifamily developments at-risk.

The data below in Table A-21 comes from the California Housing Partnership's Preservation Database, the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the State, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table.

There are 816 assisted units in Novato in the Preservation Database. Among these units, six are at moderate risk of being converted to market-rate housing by 2033. These six units are

subsidized, deed-restricted efficiency units within Stonehaven House, a group home for people with developmental disabilities owned by Stonehaven House Inc. (see Table A-22). The restrictions on these units are set to expire by May 2032. The remaining 810 assisted units have estimated affordability end dates from 2038 to 2070 and thus are not at-risk of conversion within 10 years of the beginning of the planning period.

**Table A-21: Assisted Units at Risk of Conversion, City of Novato**

Risk of Conversion	Novato	Marin County	Bay Area
Low	810	2,368	110,177
Moderate	6	0	3,375
High	0	56	1,854
Very High	0	17	1,053
Total Assisted Units in Database	816	2,441	116,459

While California Housing Partnership's Preservation Database is the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the State. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Housing Partnership uses the following categories for assisted housing developments in its database:

Very-High Risk: Affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

High Risk: Affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: Affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Low Risk: Affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Source: California Housing Partnership, Preservation Database (2022)

**Table A-22: Assisted Units at Risk of Conversion by 2033, City of Novato**

Project Name	Address	Assisted Units			Type of Subsidy	Current Owner	Earliest Date of Expiration	Risk Level
		Type	Non-Elderly	Elderly				
Stonehaven House	2 Stonehaven Ct.	Disabled	6	0	HUD (202/162) <sup>1</sup>	Stonehaven House Inc.	May 2032	Moderate

<sup>1</sup> See 24 Code of Federal Regulations Part 891 Subpart E - [Section 202 Projects for the Nonelderly Handicapped Families and Individuals—Section 162 Assistance](#)

Source: California Housing Partnership Preservation Database (2022); California Housing Partnership Affordable Housing Map & Benefits Calculator (2023)

The establishment of Stonehaven House was sponsored by Lifehouse Inc. (a non-profit social service provider) but is owned by a separate corporation (Stonehaven House Inc.) per HUD requirements. The Stonehaven corporation receives rent from Lifehouse and from clients through HUD subsidy, while Lifehouse provides staffing and other services.<sup>13</sup> According to the California

<sup>13</sup> Lifehouse, [Consolidated Financial Statements and Independent Auditor's Report \(2021-2022\)](#).

Housing Partnership's Affordable Housing Map & Benefits Calculator, Stonehaven House benefits from Section 202/162 subsidy, which provides a direct loan to non-profit organizations for project development and rent subsidy for the development of units for physically handicapped, developmentally disabled, and chronically mentally ill residents.

In the 5th Cycle Housing Element, Stonehaven House was reported as being an at-risk project with Section 202/811 HUD subsidies expiring in 2015. At the time, Lifehouse anticipated renewing its federal subsidy contracts and was successful in doing so. As Lifehouse is a non-profit dedicated to providing affordable housing for its clients in the long term, it is unlikely that it will fail to renew its contract.

## Preservation and Replacement Cost Analysis

The following section provides an analysis of the estimated cost to preserve or replace the units that are at risk of conversion to market-rate. The analysis compares the costs of providing rent subsidies, acquiring and rehabilitating the units, and constructing new units.

Rent subsidies are a potential option for preserving affordable housing units. Rent subsidies function similarly to housing choice vouchers (Section 8), which fund the difference between the affordable rent and the fair market rent. If the City were to fund rent subsidies, it could leverage a variety of sources to do so. Table A-23 shows that the estimated total rent subsidy to preserve the six at-risk units is \$54,144 per year. Assuming the difference between the affordable rents and fair market rents remains constant, then the total cost to maintain the units for the next 55 years would be \$2,977,920 (\$496,320 per unit).

**Table A-23: Estimated Rent Subsidies**

Unit Size	Units	Very Low-Income Rent	Fair Market Rent	Monthly Subsidy/Unit
Efficiency	6	\$1,598 <sup>1</sup>	\$2,350 <sup>2</sup>	\$752
<b>Total Annual Subsidy</b>				<b>\$54,144</b>
<sup>1</sup> Calculated based on 30% of the 2021 Marin County Very Low Income (50% AMI) limit for a one-person family.				
<sup>2</sup> Calculated based on the 2021 Fair Market Rent in Marin County for an efficiency unit.				

Source: [HCD 2021 Income Limits for Marin County](#); [HUD FY 2021 Fair Market Rent by Unit Bedrooms](#)

Purchasing and transferring the ownership of at-risk units to be managed by a non-profit or for-profit housing organization is another potential method for preserving the units' affordability status. Acquired assisted units, particularly older units, may also require rehabilitation to update the units and extend the life of their use. The estimated costs for acquiring and rehabilitating at-risk units are shown in Table A-24. According to recent California Tax Credit Allocation Committee (CTCAC) applications in Marin County, the average per-unit cost for acquisition and rehabilitation is \$573,066. The total cost to acquire and rehabilitate the six at-risk units would be \$3,456,396.

**Table A-24: Estimated Acquisition and Rehabilitation Costs**

Project Name	City	CTCAC Application Year	Units	Total Development Cost	Cost per Unit
Mackey Terrace	Novato	2016	50	\$25,217,815	\$504,356
Walnut Place	Point Reyes Station	2016	25	\$13,171,372	\$526,854
Piper Court Apartments	Fairfax	2017	27	\$17,391,225	\$644,119
Bennett House	Fairfax	2019	70	\$42,251,232	\$603,589
Centertown Apartments	San Rafael	2021	60	\$35,184,716	\$586,411
Average Cost Per Unit					\$573,066
Note: Cost estimates are based on applications approved by governing bodies and are not certified total development costs.					

Source: [CTCAC Annual Reports \(2016-2021\)](#)

Constructing new units could also replace the at-risk units. Table A-25 shows the estimated cost of new construction of below market-rent units. Based on recent CTCAC applications in Marin County, the average cost to build a new assisted unit is \$668,882. Using this per-unit estimate, the total replacement cost for the six at-risk units would be \$4,013,292.

**Table A-25: Estimated Replacement Costs**

Project Name	City	CTCAC Application Year	Units	Total Development Cost	Cost per Unit
Victory Village	Fairfax	2018	54	\$28,606,885	\$529,757
Vivalon Healthy Aging Campus	San Rafael	2021	67	\$47,504,043	\$709,016
Drake Avenue Apartments	Sausalito	2022	74	\$56,822,593	\$767,873
Average Cost Per Unit					\$668,882
Note: Cost estimates are based on applications approved by governing bodies and are not certified total development costs.					

Source: [CTCAC Annual Reports \(2018-2022\)](#)

Table A-26 compares the costs of the preservation and replacement methods and shows that building new units is the most expensive option. Providing rent subsidies is the least expensive method; however, this option does not allow for physical updates to the units and does not allow for the leveraging of private-sector financing. It is also important to note that none of the estimates are precise calculations and are only intended to demonstrate the relative magnitude of need.



**Table A-26: Summary of Preservation and Replacement Costs**

Method	Estimated Cost per Unit	Total Estimated Cost
Rent Subsidy	\$496,320	\$2,977,920
Acquisition and Rehabilitation	\$573,066	\$3,456,396
New Construction	<u>\$668,882</u>	\$4,013,292

Source: LWC

## Qualified Entities to Acquire and Manage Affordable Housing

There are several non-profit and for-profit organizations in the region that could facilitate the acquisition and management of assisted units. HCD maintains a list of pre-approved organizations that are interested in the acquisition and management of assisted units. As of December 2021, there are six qualified organizations in Marin County (Table A-27).

**Table A-27: HCD Qualified Entities in Marin County**

Organization	Address	City
Marin Housing Authority	4020 Civic Center Drive	San Rafael
Canal Community Alliance	91 Larkspur St	San Rafael
Affordable Housing Foundation	P.O. Box 26516	San Francisco
Northern California Land Trust, Inc.	3122 Shattuck Avenue	Berkeley
Volunteers of America National Services	1108 34th Avenue	Sacramento
L + M Fund Management LLC	1877 Palmer Ave	Westchester, NY

Source: HCD (2021)

## Funding Sources to Preserve or Replace Assisted Units

Potential funding sources to preserve or replace assisted units are provided in the list below. These resources include federal, state, and local funding programs and are described in Appendix G (Housing Resources).

- HOME Investment Partnerships Funds
- Community Development Block Grant Program (CDBG)
- Section 108 Loan Guarantee Program
- Housing Choice Voucher (Section 8) Program
- Low Income Housing Tax Credits (LIHTC)
- Section 811 Project Rental Assistance Program
- California Housing Finance Agency (CalHFA)
- Marin County Affordable Housing Trust Fund

# Appendix B: Housing Capacity Analysis and Methodology

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## Section B.1 Introduction

### B.1.1 Overview and Purpose

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According to California Government Code [Section 65580-65589](#), the Housing Element must include an inventory of adequate sites that are zoned and available within the planning period to meet the jurisdiction's fair share of regional housing needs across all income levels. The sites inventory, in addition to projected accessory dwelling units (ADUs) and entitled or in-process development projects, assists in determining whether the jurisdiction has enough developable land to meet its Regional Housing Needs Allocation (RHNA), given its current regulatory framework and market conditions. This Appendix details the sites inventory and supporting analysis methodology and assumptions.



### B.1.2 Regional Housing Needs Allocation

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Jurisdictions must provide sufficient land to accommodate enough housing for all economic segments of the community. Compliance is determined by the jurisdiction's ability to provide adequate development capacity through appropriate development regulations and land use policies. The number of new units that must be accommodated is established through each jurisdiction's share of the region's projected housing needs for the planning period. This share for each jurisdiction is called the Regional Housing Needs Allocation (RHNA).

The Association of Bay Area Governments (ABAG), a regional planning agency, is responsible for distributing the RHNA to each jurisdiction within its nine-county region. The RHNA is distributed by income category.

For the 2023-2031 Housing Element update, Novato is allocated a RHNA of 2,090 units as follows:

- Extremely Low and Very Low Income (less than 50 percent of AMI): 570 units (27 percent)
- Low Income (50 to 80 percent of AMI): 328 units (16 percent)
- Moderate Income (80 to 120 percent of AMI): 332 units (16 percent)
- Above Moderate Income (greater than 120 percent of AMI): 860 units (41 percent)

For the 6<sup>th</sup> Cycle Housing Element planning period, January 31, 2023 through January 31, 2031, the City must ensure the availability of adequate residential sites to accommodate these units. This Appendix provides an overview of the methodology used to evaluate the adequacy of sites within Novato and identifies such sites for future residential development to fulfill the City's share of regional housing needs.

### B.1.3 Data

The sites inventory analysis used data provided by the City, such as GIS data and building permit/entitlement information. The following is an overview of the data used:

- City GIS data, including Base Zoning Districts, General Plan Land Use designation, Existing Use, Assessor Parcel Number (APN), and parcel size, etc.;
- ADU applications and permit approval history;
- Entitled projects and projects in the entitlement phase;
- Prior Housing Element site inventories;
- Annual Progress Reports to HCD during the 5<sup>th</sup> Cycle; and,
- Zoning Code allowed density and floor area ratio standards (FAR).

## Section B.2 Future Residential Development Potential

### B.2.1 Accessory Dwelling Units

State laws in effect since January 1, 2018 have significantly eased the development standards and streamlined the approval process for ADUs. As a result, the City has experienced an increasing trend in ADU building permit issuance and production in recent years. Table B-1 shows the number of building permits issued for ADUs in Novato from 2018 through 2021.

**Table B-1: Permitted ADUs – Building Permits Issued**

Year	Permitted ADUs
2018	6
2019	10
2020	16
2021	27
<b>Total</b>	<b>59</b>
<b>Annual Average</b>	<b>14.75</b>

*Source: City of Novato, Annual Progress Reports (APRs) 2019-2021*

In 2022, the City adopted updated Zoning Code [Section 19.34.030](#) (Accessory Dwelling Units) and [Section 19.34.031](#) (Junior Accessory Dwelling Units) to comply with recent State laws, correcting multiple inconsistent or prohibited provisions. The City issued an average of 14.75 ADU permits per year during a four-year period from 2018 through 2021. Based on this annual average, the City is projecting that 118 ADUs will be permitted over the eight-year planning period. The

Housing Element includes Program 1.B to continue to incentivize ADU production to help meet the City's RHNA. Furthermore, the City will monitor ADU production and affordability throughout the planning period and implement additional actions if target ADU numbers are not being met.

ABAG conducted [a regional ADU affordability analysis](#) to provide local governments in the region with assumptions for ADU affordability that can be used to assign projected ADUs to income categories. The ADU affordability assumptions identified in the ABAG technical guidance memo were applied to ADUs projected over the planning period and are listed in Table B-2.

**Table B-2: Affordability per ABAG ADU Survey**

Income Level	Percent	ADU Projections
Extremely Low/Very Low	30%	35
Low	30%	36
Moderate	30%	35
Above Moderate	10%	12
Total		118

Source: ABAG, [Using ADUs to Satisfy RHNA](#), 2022

## **B.2.2 Entitled and Proposed Developments**

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Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have received a certificate of occupancy between July 1, 2022 and January 31, 2031 can be credited toward the RHNA. This includes housing developments that are proposed or received entitlement and are expected to be issued a certificate of occupancy no later than January 31, 2031. Table B-3 lists those projects that meet those criteria and can be credited toward the 6<sup>th</sup> Cycle RHNA.

As indicated in Table B-3, these projects are all either already entitled (approved) or currently under review. Though ultimate construction of units is a decision that the developer/owner makes, these projects all have the ability to be completed within the 6<sup>th</sup> Cycle planning period.

Table B-3: Entitled and Proposed Development Pipeline <sup>1</sup>

APN	Address	Status	Vacant/Existing or Previous Use	Units by Income Level <sup>2</sup>				
				Very Low	Low	Moderate	Above Moderate	Total Net New
124-282-18	200 San Marin Dr.	Approved	Vacant	–	–	6	–	6
125-180-49	8161 Redwood Blvd.	Approved	Vacant	–	40	40	–	80
125-202-03, 125-202-04, 125-202-05	773-777 San Marin Dr.	In review	Vacant office	130	130	–	1,040	1,300
125-180-23, 125-180-38	North Redwood Dr. & Pinkston Rd.	Approved	Vacant	49	8	12	61	130
141-201-12, 141-201-48	1787 Grant Ave.	In review	Vacant commercial	4	4	27	–	35
141-261-29	1316-1320 Grant Ave., 1020 Fourth St.	In review (SB 35)	Offices, residential	23	158	46	–	227
141-262-14, 141-262-13	1212-1214 Grant Ave.	In review (SB 35)	Offices	7	46	14	–	67
141-282-07, 141-282-04	1107-1119 Grant Ave.	In review (SB 35)	Vacant commercial	20	138	40	–	198
143-011-05, 143-011-08	7506 & 7530 Redwood Blvd.	In review	Vacant	18	7	40	113	178
143-151-06	Bahia Dr. & Topaz Dr.	Approved	Vacant	–	–	–	5	5
153-162-70	101 Landing Ct.	Approved	Commercial, RV storage lot	4	3	25	–	32
157-690-37, 157-690-53	115 San Pablo Ave.	Sold to developer; application pending	Former Hamilton Air Base	–	36	–	55	91
153-170-56	200 Landing Ct.	In review	Vacant	–	3	3	22	28
157-970-07	826 State Access Rd.	Under Construction	Former Hamilton Air Base	50	–	–	–	50
157-980-05	970 C St.	In review	Former Hamilton Air Base	–	3	29	–	32
Total				305	576	282	1,296	2,459

<sup>1</sup> Per project applications; current as of January 2024.

<sup>2</sup> Any low- or moderate-income units are or will be deed-restricted to the identified income level.

Source: City of Novato

## **Project Pipeline – Approved or Under Construction**

Projects in this category have received their development approvals and are either under construction or in a pre-construction phase of development.

### **124-282-18 | 200 San Marin Dr. | Comstock Commons**

This project consists of six live/work units on a 25,700 square foot infill parcel in the San Marin neighborhood of Novato. Due to its size, the project is exempt from the City's inclusionary housing requirement to provide affordable units on site, but is subject to paying in-lieu affordable housing fees; these fees are leveraged by the City to support other affordable housing projects such as



the Habitat for Humanity and Homeward Bound of Marin projects described below. Because of the unit size and type, as well as the project location, the units are assumed to serve moderate-income households.

The applicant requested a zone change from Planned District to General Commercial and a condominium map, all of which were approved by the City on March 22, 2022.

### **125-180-49 | 8161 Redwood Blvd. | Habitat for Humanity**

This 80-unit residential project was proposed by Habitat for Humanity of Greater San Francisco (Habitat). The project is required to deed-restrict 100% of the units as affordable housing with 40 low-income and 40 moderate-income units. It is located on a 13.5-acre property donated to Habitat by Pacific Gas & Electric.



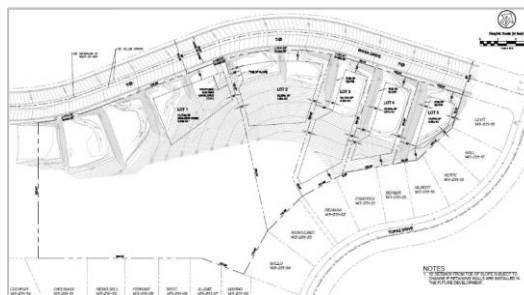
The property was formerly zoned for Light Industrial Office (LIO). A General Plan amendment and zone change, as well as all other needed entitlements, were approved by the City on January 11, 2022. In addition, the City granted tax and fee waivers totaling \$1,482,876 for the project, as well as two separate grants of \$350,000 and \$160,902 for a cumulative City contribution to the project of \$1,993,778. Habitat was able to leverage the two City grants via a three-way City-County-State program, which increased public funding of the project by another \$700,000 and \$321,804, respectively.

The project was issued a grading permit in November 2022 and is currently in plan review for building permitting.



### **143-151-06 | Bahia Dr. (east of Cerro Crest Dr., west of Topaz Dr.) | Bahia River View**

This project is a 5-lot subdivision of a vacant lot located in the Bahia neighborhood of Novato. The applicant requested a zone change from PD to R1-10 and tentative subdivision map in order to develop five single family homes. The City approved the requests in March 2022. The final map process to record the subdivision is currently in progress. The property and entitlements are currently for sale and have generated interest from residential builders.



### **153-162-70 | 101 Landing Ct. | AHO #2 (Former RV Storage Lot)**

This project site was one of the City's 5<sup>th</sup> Cyle Affordable Housing Opportunity (AHO) sites. This project redevelops a former RV, boat, and trailer storage lot into 32 townhomes. Because the site was an AHO site, it is required to deed-restrict 20 percent, or seven units, for lower-income households, set aside as four very low- and three low-income units. Because of the project location and size, the remaining units are assumed to serve moderate-income households.

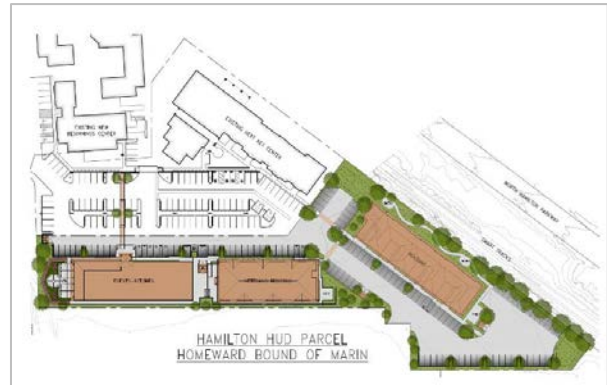


The City approved a vesting tentative map, density bonus (granting of waiver/reduction), and all other needed approvals on December 8, 2020. The property and entitlements were sold by the original project applicant to Affordable Housing Land Consultants, a limited liability corporation affiliated with AMG & Associates, a professional residential development firm. Construction of the project is pending submittal of construction detail plans and issuance of a building permit.

On July 25, 2023 the applicants submitted a revised development application that would include 350 residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

### **157-970-07 | 826 State Access Rd. | Homeward Bound of Marin Veteran's and Workforce Housing**

This project is located on a parcel at the former Hamilton Army Air Base. The property was transferred to the City of Novato by the federal government in the late 1990's and will be leased to Homeward Bound for \$1/year for the purposes of veteran's and workforce housing and jobs training. Homeward Bound is the primary operator of homeless shelters and services provider in Marin County.



The project consists of 26 workforce apartments and 24 one-bed units reserved for formerly homeless military veterans, as well as a 10,800 square foot commercial kitchen and event/dining space. The facility will house a culinary training program for residents of the new development as well as the neighboring Next Key Center. The workforce/veteran's housing will complete Homeward Bound's Hamilton campus. The campus includes Next Key, 29 studio apartments set aside for formerly homeless residents completing jobs trainings programs, and New Beginnings, an 80-bed shelter which opened in 2000, set aside for single adults and offering onsite employment skills training. The City approved the project in August 2022, along with a grant of \$750,000 to assist with development. The project pulled its first building permit in November 2022 and is currently under construction.

### **Project Pipeline – In Review**

Projects in this category are currently under active review by the City of Novato.

### **123-202-03, -04, -05 | 773-777 San Marin Dr. | Fireman's Fund**

The 777 San Marin project is proposed at the former Fireman's Fund office campus and is located in the North North Redwood Boulevard Focus Area (Site 7) of Novato General Plan 2035. General Plan 2035 was adopted in October 2020 and includes Land Use Policy 27, describing the City's perspective on future land uses and development in this focus area. In particular, Land Use Policy 27 acknowledges the City's interest in considering General Plan and zoning amendments for a mixed-use redevelopment (commercial and residential) of Site 7 if proposed by the owner. The property was purchased by San Marin Owner, LLC (Applicant), an affiliate of Bay West Development.

The City received an application for Design Review from the Applicant on July 7, 2021, together with all required forms and a deposit of \$7,206. The Applicant submitted a plan set for review by staff and the City's Design Review Commission.<sup>1</sup> Excerpts from their plan set follow:



Since that time, approximately 90 hours of City staff time and 75 hours of City consultant time have been spent working with the Applicant on redevelopment of the former Fireman's Fund Insurance campus to a mixed-density housing development. This time does not include significant staff time spent engaging the Applicant and their legal counsel in pre-property purchase and pre-application discussions prior to their formal application, including conversations about amending Novato General Plan 2035 to recognize a full residential redevelopment of the property. Based on these conversations, the Applicant subsequently purchased the property with an understanding there was staff support for a residential redevelopment proposal and an understanding of the application requirements and process to realize such development.

The Applicant filed their application prior to the City initiating its Housing Element update work. Once the update began, they requested to be brought into the Housing Element process. The Applicant was advised their proposal would be recognized in the Housing Element as a "pipeline project." Additionally, the City agreed to incorporate the project into the CEQA analysis needed for the Housing Element update to relieve the Applicant from covering the cost of separate CEQA documentation for the project.

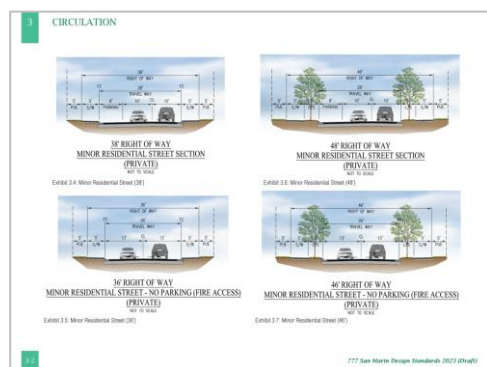
4 ARCHITECTURAL OBJECTIVE STANDARDS - SINGLE FAMILY	
Contemporary	
	<b>DEFINING CHARACTERISTICS include all, unless otherwise noted:</b> <ul style="list-style-type: none"> <li>One primary roof form</li> <li>Secondary roof forms, and/or dormers smaller than primary roof form</li> <li>Gable, Shed or Flat roofs (Max. 2)</li> <li>0-18° Eaves</li> <li>0-18° Pitch</li> </ul>
	<b>Roof Form</b> <ul style="list-style-type: none"> <li>For pitched roofs only choose one of the following (does not apply to flat roofs): <ul style="list-style-type: none"> <li>Max. 40 year dimensional composition roof shingles</li> <li>Flat Concrete Roof Tiles</li> </ul> </li> </ul>
	<b>Exterior Finish (Max. 2)</b> <ul style="list-style-type: none"> <li>Horizontal Lap Siding with 4" exposure</li> <li>Horizontal or Vertical T&amp;B Siding</li> <li>Block or Stone Veneer</li> <li>Stucco</li> <li>Smooth, smooth or fine dash finish</li> </ul>
	<b>Windows and Doors</b> <ul style="list-style-type: none"> <li>Recessed windows (min. 2") or enhanced window trim (min. 2" deep at front elevations, enhanced elevations, and 2nd story windows or exterior elevations visible from a street or common open space)</li> <li>Garage Doors - flat (no panels) or rectangular recessed panels (no benefit). Any windows to be square or rectangular</li> <li>Trim shall match adjacent material</li> </ul>
<b>Colors</b> <ul style="list-style-type: none"> <li>No more than 3 wall colors, or combination of colors and brick/stone veneer per building</li> <li>No more than 3 accent colors for trim, decorative elements, and doors per building</li> </ul>	
<b>ADDITIONAL UNLAWFUL ELEMENTS (2 required)</b> <ul style="list-style-type: none"> <li>Standing beam metal roof</li> <li>Decorative metal or wood railings</li> <li>Metal awnings or windows or doors</li> <li>Wood brackets or kickers</li> <li>Wood Porch Posts</li> <li>Wood or Smooth Foam Trim</li> <li>Rectangular, Square or Round columns and pilasters - minimum of 4" width in any direction</li> <li>Flush entry doors with no panels. Any glazing to be square or rectangular</li> </ul>	
777 San Martin Design Standards 2021 (Draft)	

During conversations about the project's relationship to the Housing Element, staff observed that the proposal requires a particular mix of product types and densities, some of which are below State "Mullen densities" and some that are above densities allowed by the City's existing zoning

<sup>1</sup> City staff are aware that a consultant working on this project has provided comments to HCD. The particular comment was that they did not have an application on file. This comment appears to be in stark contrast to the application materials, deposit monies, staff work, and public meetings associated with this project and this property.

designations. Staff also advised the Applicant that objective standards would be applied to the project consisting of the standards being developed for City-wide application to residential development in Novato (see Program 3.C).

The Applicant expressed concern about applying the City's draft standards given some of the physical characteristics of the project site, such as existing utility and drainage easements and roadway network. The Applicant desired standards with more flexibility than that offered by the City's draft objective standards. As a result, the Applicant requested to work collaboratively with City staff on the development of objective design standards specific to this development proposal and carry those standards through the City's design review process. Since that time, the Applicant has developed a 68-page set of objective design standards for the entirety of the project site and its components, including residential unit types, circulation (streets) types and locations, and open space locations and configurations.



On January 23, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, 44-acres of the property is now assigned the High-Density Multiple Family Residential (R20) land use designation of Novato General Plan 2035. This designation permits a density range of 20.0 to 30.0 dwelling units per acre, representing development potential of up to 1,300 dwelling units. The balance of the property is now designated as Open Space (OS); this area is constrained by steep slopes, oak woodlands, drainage channels, and wetlands. The City Council's action also included adopting an ordinance establishing a site-specific master plan/ precise development representing the zoning regulations applicable to future residential development projects at the property. The master plan/ precise development incorporates the objective design standards developed by the Applicant and recommended by the City's Design Review Commission. Of note, the master plan/precise development plan includes a provision requiring a minimum of 25% of the single-family residences proposed at the property to include a junior accessory dwelling units, representing the potential for an additional 40 to 60 dwelling units.



## 125-580-23, 125-180-38 | North Redwood Dr. & Pinkston Rd. | Valley Oaks

This proposed residential development includes 61 attached and detached single family homes with 42 attached junior accessory dwelling units (JADUs) and 20 townhome-style condominium units on a 37.6-acre site. The site has been laid out to avoid oak woodland habitat and creek crossings and has been sensitively designed around one of the City's other AHO sites from the 5<sup>th</sup> Cycle (the area shown in gray in the graphic and labeled "Land Use: BPO, Zoning: PD)."



Similar to the Fireman's Fund site at 777 San Marin (above), this project included a mix of densities and housing products. The City worked with this developer to design project-specific objective design standards for the build-out of the proposed project's housing units, streets, parking areas, and open space. The site-specific objective design standards were recommended for approval by the Design Review Commission on April 19, 2023. The developer has notified City staff that he has successfully negotiated a purchase deal with a builder and the project could complete permitting before the end of 2024 and be under construction.



The project will provide 16 to 20 units affordable to low- and moderate-income households in order to comply with the City's inclusionary ordinance. These units will be guaranteed through deed restrictions. In addition, the 49 JADU units are assumed to serve very low-income households due to their size and situation. The remaining units are assumed to serve above moderate-income households.

On January 9, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, portions of the property are now assigned the High-Density Multiple Family Residential (R20; 20- to 30- units per acre), Medium Density Residential (R5; 5.1 to 10.0 units per acre), and Open Space (OS) land use designations of Novato General Plan 2035. The City Council's actions also included adopting an ordinance establishing a site-specific master plan/precise development representing the zoning regulations applicable to future residential development projects at the property, as well as a tentative subdivision map. The master plan/precise development incorporates the objective design standards developed by the Applicant and recommended by the City's Design Review Commission.

This residential project proposal is for 35 new attached single-family homes on two parcels, totaling 2.15 acres. The site was formerly occupied by Bridgepoint Academy, a private preschool facility. The site includes several constraints, including a creek and floodway easement, making more density difficult to achieve. This site was one of the City's AHO sites in the 5<sup>th</sup> Cycle and will need to meet the more

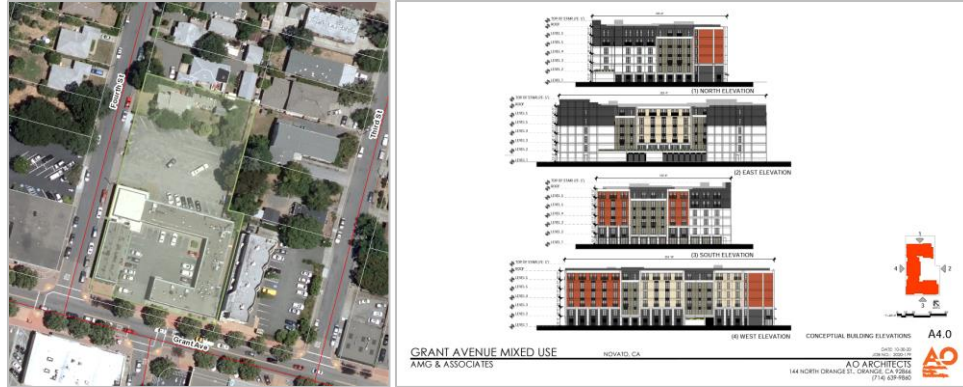


**141-261-29 | 1316-1320 Grant Ave., 1020 Fourth St. | AMG #1**

The proposed project is located on two parcels in Downtown Novato which combine to 1.2 acres and are currently improved with single story medical and dental office buildings and a single-family home. These improvements would be demolished to accommodate the proposed project. The applicant proposed a 75 percent density bonus project based on proximity to the City's Sonoma-Marin Area Rail Transit (SMART) station for a total of 225 units and 41 parking spaces. The developer's Notice of Intent (dated 10/30/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units (23 units) at 50% AMI for Marin County
- 10% of affordable units (23 units) at 60% AMI for Marin County
- 60% of affordable units (133 units) at 80% AMI for Marin County
- 20% of affordable units (46 units) at 110% AMI for Marin County.

1 City staff are aware that AMG & Associates has communicated to HCD about what they perceive to be an unwarranted amount of time spent in the AB 168 tribal consultation process. It is the City's perspective that the State legislature, through enacting AB 168, has confirmed that Native American tribes have a right to consult with developers and it is the City's role to facilitate that consultation process. The City has followed all applicable laws regarding these required consultations. Several of the consultation outcomes have been the sole decision of the developer or were the result of the developer's actions.



The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

#### **141-262-13, -14 | 1212-1214 Grant Ave. | AMG #2**

This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020. This project is referred to as AMG #2 (City case file #P2020-013).

The proposed project is located on two parcels in Downtown Novato which are occupied by two small, single-story structures which currently house small service and retail businesses, including a travel agency. These improvements would be demolished to accommodate the proposed project. The two parcels combine to just over one-third of an acre (0.37 acres). The developer proposed an 80 percent density bonus project based on proximity to the City's SMART station for a total of 67 units; no parking is included. The developer's Notice of Intent (dated 11/11/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units at 50% AMI for Marin County
- 10% of affordable units at 60% AMI for Marin County
- 60% of affordable units at 80% AMI for Marin County
- 20% of affordable units at 110% AMI for Marin County.





The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

### 141-282-04, -07 | 1107-1119 Grant Ave. | AMG #3

This project is one of three SB 35 Notice of Intent and tribal scoping consultation packages submitted by AMG & Associates of Encino, CA in November 2020. This project is referred to as AMG #3 (City case file #P2021-012).

The proposed project is located on two parcels in Downtown Novato which are occupied by a vacant building formerly occupied by Pini Hardware and its adjacent parking lot. These improvements would be demolished to accommodate the proposed project. The two parcels combine to just less than an acre (0.85 acres) and are one of the largest underutilized holdings Downtown. The applicant proposed an 80 percent density bonus project based on proximity to the City's SMART station for a total of 198 units and 32 parking spaces. The developer's Notice of Intent (dated 11/10/2020) included the following breakdown of units by income category (with the exception of two manager's units):

- 10% of affordable units at 50% AMI for Marin County
- 10% of affordable units at 60% AMI for Marin County
- 60% of affordable units at 80% AMI for Marin County
- 20% of affordable units at 110% AMI for Marin County



The developer has proposed these affordability levels in accordance with State Density Bonus Law (Government Code Section 65915), the Housing Accountability Act (Government Code Section 65589.5), and the City's Affordable Housing Requirements (Municipal Code Division 19.24).

On July 25, 2023, AMG & Associates submitted a revised development application that would include additional residential units utilizing provisions of AB 2011. This project application is currently in review by the City.

**143-011-05, -08 | 7506 & 7530 Redwood Blvd. | Village at Novato**

This project is a proposed mixed-use development of 178 new residential units and 14,00 square feet of retail space located along Redwood Boulevard, the City's major north/south arterial. It will be developed in one 3-story and two 4-story buildings on a currently vacant site which was designated as AHO Site #4 in the City's 5<sup>th</sup> Cycle Housing Element.



The applicant requested a density bonus with six requests for waivers or concessions. The identified affordability is based on the density bonus request of 46.25 percent in exchange for a very low-income unit contribution of 14.75 percent of the base yield of 122, or 18 units. The development will provide another seven units restricted for low-income households in order to meet the City's inclusionary requirements. These units will be guaranteed by deed restriction. In addition, the AHO designation carries a density of 20-23 units/acre, with a 20 du/acre minimum. At this density range and based on unit size, staff estimated 40 units will be rented to moderate-income households and the remaining 113 units would serve above moderate-income households.

On January 23, 2024, the Novato City Council approved General Plan amendments and zoning regulations supporting the residential redevelopment of the property. As a result, portions of the property are now assigned the Mixed Use (MU; 20- to 30- units per acre) and Affordable Housing Overlay (AHO) land use designations of Novato General Plan 2035. The City Council's actions also included rezoning the property to Mixed Use (MU) and approving a design review and density bonus request (additional units, concessions, and waivers) to support the project.

**157-690-37, -53 | 115 San Pablo Ave. | Bachelor Officers' Quarters and Officer's Club**

This project is the adaptive reuse of the historic Bachelor Officers' Quarters of the former Hamilton Army Airfield, together with the non-historic Officers' Club building and the non-historic Hamilton

Gym. The total site holdings are approximately nine acres. The property is currently being remapped for sale, so size is approximate. The City offered the parcels for sale through the Surplus Land Act process and has successfully negotiated a deal with a developer experienced with the renovation of historic properties. That developer has entered into a Purchase and Sale Agreement with the City and is in the process of developing their project plans.

The developer's plan is to renovate the Officers' Quarters and replace both the Officers' Club and Gym. Though early in the process, the developer has projected 91 total units and is anticipating setting aside no less than 40 percent of those units (or 36) for low-income households. This high percentage is the result of their particular funding sources. The remaining 55 units are assumed to accommodate above moderate-income households due to the project location, site, and amenities.



The developer has committed to timelines through the sales agreement which would result in the units being produced within the 6<sup>th</sup> Cycle planning period.

### **153-170-56 | 200 Landing Ct. | The Pavilions Eco Village**

The subject site consists of a single parcel and is currently vacant and undeveloped. Surrounding uses and zones are mixed, with R1 and R4 single-family residential neighborhoods to the north and west, and parcels zoned General Commercial (GC) to the south and southeast. Immediately east of the property is Highway 101. One of the nearby GC parcels (101 Landing Ct.) is in the project pipeline and described above.

The site is considered feasible for a live/work development of 28 residential units of three affordability categories: three low-, and three moderate-, and 22 above moderate-income. Approximately two acres of the site area nearest to the existing street are considered developable. The remainder of the site has considerable slope, which has been difficult to design around. The plan shown to the right illustrates the development footprint that is feasible for development.

This neighborhood has been generally attractive for development/redevelopment as evidenced by the neighboring site with approval for residential development. This market evidence, together with the property owner's interest in residential zoning, proximity to amenities, and transit combine to make this site attractive for residential development.

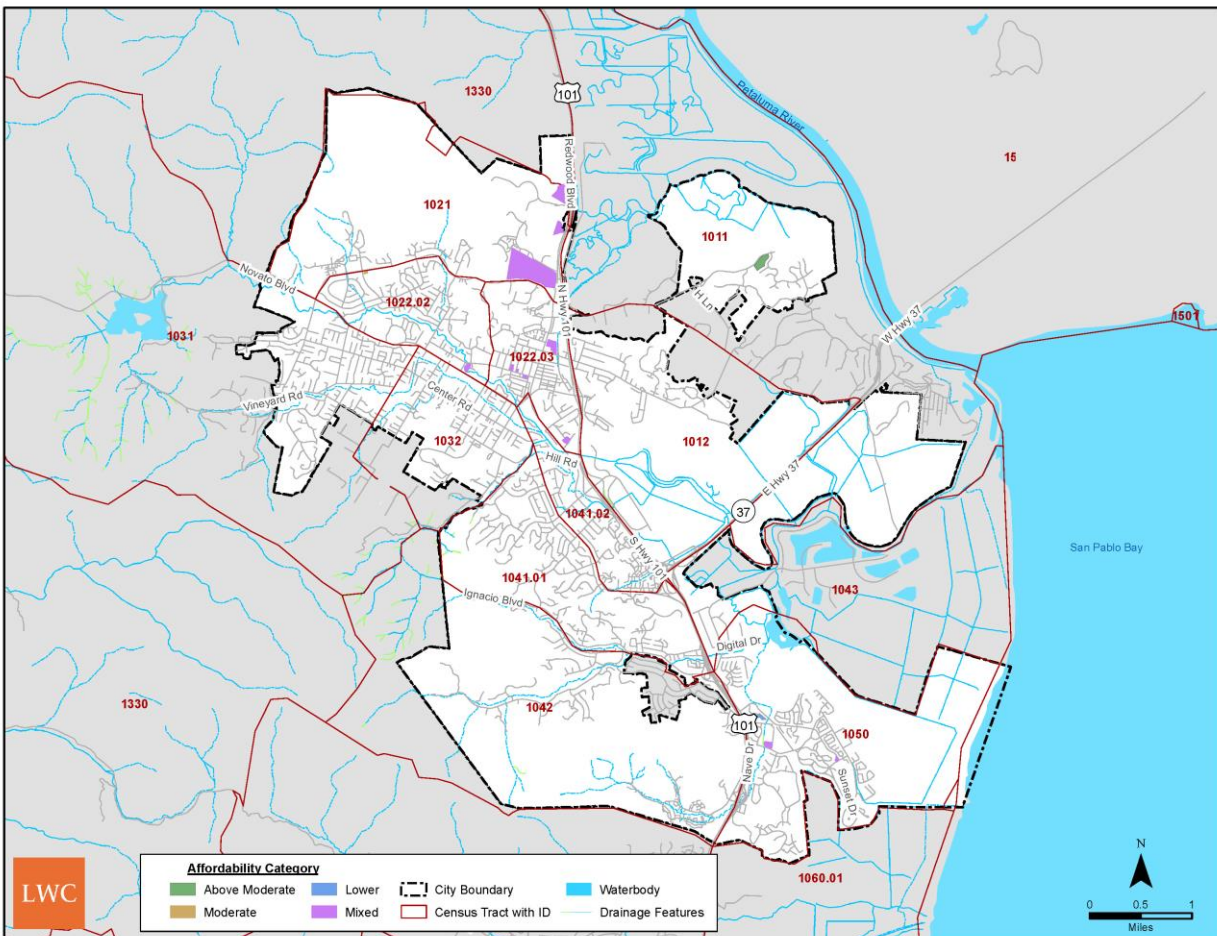
### **157-980-05 | 970 C St. | C Street Village**



This proposed project is a co-housing development of 32 townhomes and flats, together with a 3,738 square foot clubhouse for community activities, located on a 2.68-acre parcel in Novato's Hamilton neighborhood. The project will be required to meet the City's 20 percent inclusionary requirement which would result in seven units being set aside for low- (4) or moderate- (3) income households. The unit sizes range from 840 to 1818 square feet. This project applicant is the actual group of buyers who will eventually own the housing units. They will essentially be acting as owner/builders and eliminating the typical mark-up that would come from a builder. Based upon this fact, as well as the unit sizes, the project density, and the project location, the remaining 25 units were also assumed to accommodate moderate-income households.



**Figure B-1: Entitled and Proposed Developments by Income Affordability Category**



### B.2.3 Density and Capacity Assumptions

Table B-4 identifies the maximum allowed densities for zoning districts that allow residential uses. Novato does not have any minimum density standards in any of the following zones.

**Table B-4: Maximum Density for Zones that Allow Residential Development**

Zoning District		Max Density
<b>Residential Districts</b>		
<b>RR</b>	<b>Rural Residential</b>	0.49 du/ac
<b>RVL</b>	<b>Very Low Density Residential</b>	1 du/ac
<b>R1</b>	<b>Low Density Residential</b>	5 du/ac
<b>R4</b>	<b>Medium Density Detached Residential</b>	7 du/ac
<b>R5</b>	<b>Medium Density Residential</b>	10 du/ac
<b>R10</b>	<b>Medium Density Multi-Family Residential</b>	20 du/ac
<b>R20</b>	<b>High Density Multi-Family Residential</b>	30 du/ac
<b>Commercial and Industrial Districts</b>		
<b>BPO</b>	<b>Business and Professional Office</b>	—
<b>CN</b>	<b>Neighborhood Commercial</b>	20 du/ac
<b>CDR</b>	<b>Downtown Core Retail</b>	23 du/ac
<b>CDB</b>	<b>Downtown Core Business</b>	23 du/ac
<b>Special Purpose Districts</b>		
<b>MU</b>	<b>Mixed Use</b>	20 du/ac
<b>CF</b>	<b>Community Facilities</b>	20 du/ac
<b>REI</b>	<b>Research/Education-Institutional</b>	— <sup>1</sup>
<b>Overlay Districts</b>		
<b>D</b>	<b>Downtown Novato Specific Plan Overlay District</b>	— <sup>2</sup>
<b>H</b>	<b>Historic Overlay District</b>	— <sup>2</sup>
<b>AHO</b>	<b>Affordable Housing Opportunity Overlay District</b>	23 du/ac
<sup>1</sup> Maximum number of dwellings upon final buildout shall not exceed 130 residential units. <sup>2</sup> May be combined with any primary zoning district.		

Source: City of Novato General Plan 2035, Chapter 2 (Great Places)

### Realistic Capacity and Development Trends

Recent projects approved in Novato are an important indicator of realistic residential capacity for future projects in the community. Table B-5 summarizes assumptions for realistic residential

development capacity based on recent development trends from in process, approved, entitled, and/or permitted projects within Novato.

**Table B-5: Realistic Residential Development Capacity Assumptions**

Zone <sup>1</sup>	Projects Proposed, Approved, Permitted, and/or Built	Average Development Trends Capacity	Realistic Capacity Assumption
<b>R1-10</b>	- Bahia River View (0.73 du/ac; above moderate income)	0.7 du/ac (14.6% max density)	14.6% max density (0.7 du/ac)
<b>R-10</b>	- Springbrook Green Homes (7.03 du/ac; above moderate income)	7.0 du/ac (35.2% max density)	35% max density (7.0 du/ac)
<b>MU</b>	- Village at Novato (30.43 du/ac; mixed income)	30.4 du/ac (132% max density)	70% max density (4.3 du/ac)
<b>-AHO</b>	- 7711 Redwood Blvd. Residences (20.0 du/ac; lower income) - Grant Ave. Residences (16.7 du/ac; mixed income) - Landing Court Homes (16.2 du/ac; mixed income)	17.6 du/ac (76.6% max density)	75% max density (17.3 du/ac)
<b>PD</b>	- Bahia Heights (1.1 du/ac; above moderate income) - Atherton Place (14.0 du/ac; above moderate income) - Hamilton Cottages (10.7 du/ac; mixed income) - Comstock Commons (10.7 du/ac; moderate income) - Habitat Redwood Blvd. (5.9 du/ac; mixed income) - Fireman's Fund (36.1 du/ac; mixed income) - Valley Oaks (3.2 du/ac; mixed income) - Bachelor Officer's Quarters/Office's Club (9.1 du/ac; mixed income) - Homeward Bound of Marin – Workforce and Veteran Housing (18.9 du/ac; very low income) - C Street Village (12 du/ac; mixed income)	12.2 du/ac (57.4% max density) <sup>2</sup>	12.2 du/ac
<b>CDR</b>	- 1301 Grant Ave. Mixed Use and HenHouse Brewing Company (21.4 du/ac; above moderate income) - Grant Ave. & 3 <sup>rd</sup> St. (181.1 du/ac; mixed income) - Grant Ave. Mixed Use Project (189.2 du/ac; mixed income) - AMG 3 (232.9 du/ac; mixed income)	156.2 du/ac (678.9% max density)	75% max density (17.3 du/ac)
<b>CF</b>	- Hamilton Village (16.0 du/ac; above moderate income)	16.0 du/ac (80% max density)	75% max density (15 du/ac)

<sup>1</sup> No sites are located in the A, C, RR, RVL, R1, R4, R5, BPO, CN, CG, CDR, CDB, CI, LIO, CF, REI zoning districts, nor are any sites within the D or H overlay districts.

<sup>2</sup> Percentage of maximum density calculated from proposed, approval, permitted, and/or built projects on parcels whose underlying General Plan land use designation possessed a maximum density (i.e., R1, R10, MU, CN, CF). This percentage calculation excluded the following projects: Comstock Commons, Habitat Redwood Blvd., Fireman's fund, Valley Oaks.

Source: City of Novato

The realistic capacity assumptions identified in Table B-5 are conservative, reflecting densities in-line or slightly lower than demonstrated trends, though there are instances in which development has been proposed above 100 percent of maximum allowed density. For example, the Village at Novato project (currently in review, as described above in Table B-3) proposes 25 lower-income,

40 moderate-income, 113 above moderate-income housing, as well as 14,000 square feet of ground floor retail/commercial space. This higher density and the number of affordable units are the result of the property being within the Affordable Housing Opportunity (AHO) Overlay, a requested zoning amendment from General Commercial (CG) to Mixed-Use (MU), and the applicant requesting a density bonus pursuant to State law.

Of the recently proposed, approved, and/or entitled projects in these zones (see Table B-5), no projects requested densities below the density assumptions for the sites inventory (see Table B-7).

Projects that are below maximum density are constrained by various factors, including but not limited to the City's hillside lot regulations, design standards/guidelines, and the Design Review process. As discussed in Appendix C, [Division 19.26](#) (Hillside and Ridgeline Protection) of the Zoning Ordinance will be evaluated and modified to reduce ambiguities in hillside regulations and streamline their application to relevant parcels (Program 3.B). Additionally, [Section 19.42.030.E \(Design Criteria\)](#), which describes the findings required during the Design Review process, will be replaced with objective design standards in compliance with SB 330 (Program 3.C) and the Design Review process as a whole will be streamlined to reduce average processing time (Program 3.D). Also, market forces in Novato influence housing development to keep density lower than in other parts of the Bay Area region.

## **B.2.4 Methodology**

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To create the Housing Element sites inventory in compliance with State law, the City of Novato developed a comprehensive, iterative methodology to screen parcels for near-term development. The methodology is comprised of several phases described below.

### **Phase 1: Vacant Residential Parcels**

The City analyzed vacant sites in multi-family and mixed-use zoning districts identified in the 5<sup>th</sup> Cycle Housing Element to determine which are still available for development. Each vacant parcel was identified to potentially be able to accommodate a specific income category given its maximum allowable density standards. Income level determinations are identified in Table B-6. The lower-income category threshold is consistent with the default density for Novato pursuant to Government Code Section 65583.2(c)(3).



**Table B-6: Income Levels by Density**

Density Allowed by Zone	Income Level
< 10 dwelling units/acre	Above moderate
10 – 19 dwelling units/acre	Moderate
≥ 20 dwelling units/acre	Lower

*Source: HCD*

## **Phase 2: Screening for Potential Lower-Income Sites**

Per Government Code Sections 65583.2(c)(2)(A) and (B), sites accommodating lower-income housing should be between 0.5 and 10 acres. All sites originally considered for lower income housing capacity but whose lot size is smaller than 0.5 or larger than 10 acres were categorized for moderate income housing capacity.

## **Phase 3: Site-by-Site Assessment**

Following the screening analysis, a site-by-site assessment and refinement of sites was conducted using additional information from direct observation or firsthand experience from City staff. During this analysis, some potential sites were found to have other conditions (e.g., irregular shape, accessibility issues/landlocked, etc.) that could preclude them from the site inventory. This analysis included an evaluation of environmental and infrastructure constraints, described in Appendix C, Section C.4. There are no known environmental, infrastructure, contamination, easement, or property condition constraints to the development of housing on the identified sites in the sites inventory during the planning period.

## **Phase 4: Parcels in Prior Housing Elements**

Vacant parcels from both the 4th and 5th Cycles and non-vacant parcels from the 5th Cycle can be reused in this Housing Element (the 6th Cycle) to accommodate lower-income housing, but they must be rezoned to allow projects with at least 20 percent of the units affordable to lower income households to be by-right. Figures B-2 and B-3 below show all 6<sup>th</sup> Cycle sites and identify any site previously identified as a site in the 5<sup>th</sup> Cycle. All 6<sup>th</sup> Cycle sites currently allow multi-family housing by-right at densities adequate to accommodate lower-income housing based on the City's General Plan and Zoning Code; therefore, no additional rezoning is required.

## **Phase 5: Rezone Site Selection**

The preliminary evaluation of existing residential capacity showed the need to identify additional sites to accommodate the RHNA. Based on statements of interest and local knowledge, the City prepared an initial list of potential rezone areas/parcels. The sites were narrowed to those found to be most suitable for housing development based on environmental impact, property owner interest, likelihood of development, and affirmatively furthering fair housing (see Appendix F). The

potential rezone sites and associated evaluation were presented and discussed at the Planning Commission and City Council. The City Council considered input from the public and Commission before approving the rezone areas/parcels for inclusion in the Housing Element. Based on this direction, this Housing Element includes Program 1.A (Rezone for RHNA Shortfall).

Table B-7 lists the parcels in the City's housing sites inventory with unit capacity by income category, excluding parcels identified for rezoning.

Table B-7: Sites Inventory

Location		Current Designation		Density (du/ac)		Acres	Existing Use	Infra.	Publicly Owned	Identified in Past HE Cycles	Unit Capacity			Income Categories		
Address/ Intersection	APN	GP	Zoning	Min.	Max.						Max	Density Assumption	Realistic Net	Lower	Mod.	Above Mod.
1110 Olive Ave.	141-234-10	R10	R10-4.5	–	20	0.49	Vacant	Current	No	Yes, Last 2	9.80	35%	3	–	3	–
1017 4th St.	141-253-09	R10	R10-4.5	–	20	0.17	Vacant	Current	No	Yes, Last 2	3.46	35%	1	–	1	–
Vallejo Ave. & 1st St.	141-263-30	MU	MU	–	20	0.31	Vacant	Current	No	Yes, Last 2	6.26	70%	4	–	4	–
Total														0	8	0

Source: City of Novato

## Section B.3 Adequacy of Residential Sites in Meeting RHNA

### B.3.1 Summary

Table B-8 summarizes the City's methods for satisfying the majority of its RHNA and outlines the City's unit capacity based on projected ADUs, approved/entitled projects, and available sites (described above in Tables B-1 B-3, and B-7). Based on these sources, the City has excess capacity in the lower and above moderate- income categories, but a shortfall of 14 units in the moderate-income category. The City has identified potential parcels for rezoning to address the RHNA shortfall, which would result in surplus capacity for all income levels (Table B-9 and Program 1.A).

**Table B-8: Residential Development Potential and RHNA**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>	<b>See Very Low</b>	<b>570</b>	<b>328</b>	<b>332</b>	<b>860</b>	<b>2,090</b>
ADUs	–	35	36	35	12	118
Proposed/Approved/Entitled Projects	–	305	576	282	1,296	2,459
Sites Inventory	–	–	–	8	–	8
<b>Remaining RHNA</b>	<i>See Very Low</i>	-54		7	-448	-495
<b>Surplus / (Shortfall)</b>		<b>54</b>		<b>(7)</b>	<b>448</b>	<b>495</b>

Source: City of Novato, LWC

**Table B-9: Residential Development Potential and RHNA (With Rezoning Program)**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>RHNA</b>	<b>See Very Low</b>	<b>570</b>	<b>328</b>	<b>332</b>	<b>860</b>	<b>2090</b>
ADUs	–	35	36	35	12	118
Proposed/Approved/Entitled Projects	–	305	576	282	1,296	2,459
Sites Inventory	–	–	–	8	–	8
<b>Remaining RHNA</b>	<i>See Very Low</i>	-54		7	-448	-495
<b>Surplus / (Shortfall)</b>		<b>54</b>		<b>(7)</b>	<b>448</b>	<b>495</b>
Potential Rezoning		–		42	–	42
<b>Final Surplus / (Shortfall) with Rezoning</b>		<b>54</b>		<b>35</b>	<b>448</b>	<b>537</b>

Source: City of Novato, LWC

The City will monitor development during the 6<sup>th</sup> Cycle planning period (2023-2031), and will identify additional sites for housing development, if needed, to maintain availability of adequate sites (Program 1.E).

AB 725 requires at least 25 percent of the above moderate income RHNA be met on sites that allow four or more units, and at least 25 percent of the moderate income RHNA be met on sites that allow four or more units, but not more than 100 units per acre. The City's residential potential through the entitled/proposed projects pipeline and sites inventory complies with these requirements.

### **B.3.2 Rezoning Program**

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The City has specifically identified two rezone sites in order to make up and exceed its moderate income RHNA shortfall and to ensure a surplus or buffer to help maintain its inventory to satisfy its “no-net loss” obligations under SB 166 throughout the planning period. The two rezone sites are as follows:

1. North Redwood
2. Baywood Center Offices

The owners of the two rezone sites have indicated interest in redeveloping these parcels for housing during the planning period (i.e., prior to January 31, 2031). In addition, the City has taken a conservative approach in estimating realistic capacity at each rezone site given unique parcel size, shape, slope, and other geographic characteristics, as well as the density and capacity assumptions described earlier. Please see the individual rezone site profiles below for a more detailed discussion of each.

#### **Market Conditions for Nonvacant Properties**

Of the City's two rezone sites, only Site #2 (also called Baywood Center Offices or 1682 Novato Blvd.) is nonvacant. However, the existing use (office building) is not considered an impediment to residential development given the property owner's interest in discontinuing this use and redevelopment of the site during the planning period.

Redevelopment potential of Site #2 is supported by recent development trends. As demonstrated in Table B-3, three of the City's pipeline projects include nonvacant sites with underutilized office space being redeveloped into multi-family residential developments representing a variety of project scales and levels of unit affordability (see project narratives for Fireman's Fund, AMG #1, and AMG #3 above). The declining trend of brick-and-mortar retail coupled with COVID-19 pandemic impacts has dramatically impacted the viability of many commercial uses – as demonstrated in Table B-3, even several fully-occupied commercial properties and properties with other low-intensity uses are being converted into multi-family and residential mixed-use projects

in Novato. These conversions are occurring based on the strong demand for housing and lack of vacant land.

Redevelopment potential of Site #2 is further supported by recent market data. According to a report by real estate firm Cushman and Wakefield, the regional North Bay office vacancy rate increased in the second quarter of 2023 to 14.2 percent, just below the 14.4 percent vacancy rate observed at the close of the fourth quarter of 2022 – the highest level seen since 2012.<sup>1</sup> The Northern Marin sub-region (which includes Novato and San Rafael) had the highest vacancy rate at 17.2 percent. This decreasing demand for office space serves as additional evidence that existing office uses are not impediments to the redevelopment of housing.

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<sup>1</sup> Cushman & Wakefield, [San Francisco North Bay MarketBeat Report, Office Q2 2023](#). (July 2023)

## Site 1 – North Redwood

<b>Location</b>	<b>Meadow Crest Rd. and Wood Hollow Dr.</b>
<b>APN</b>	<b>125-202-12</b>
<b>Current General Plan Designation</b>	<b>Business &amp; Professional Office (BPO)</b>
<b>Proposed General Plan Designation</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Current Zoning District</b>	<b>Planned Development (PD)</b>
<b>Proposed Zoning District</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Lot Size</b>	<b>8.36 acres</b>
<b>Estimated Housing Units</b>	<b>20 moderate-income units, based on realistic site capacity</b>



### Background and Description:

The subject site is an undeveloped parcel located in the San Marin Commerce Park Master Plan area. The site was originally designated for office development in 1979 and has remained vacant despite approval of an office development in 2000.

Surrounding development includes existing single- and multi-family residences, a to-be-constructed hotel, an 80-unit townhome project under construction on a site rezoned through Novato's 5<sup>th</sup> cycle Housing Element, and an existing office building. There are two pending housing development proposals on separate parcels adjacent to the property. The site is within a half-mile of the San Marin SMART commuter rail station.

### Key Considerations and Feasibility for Site Development:

The site is located in an area of Novato transitioning from prospective office use to housing development given a long-standing lack of demand for new office space. This assessment was corroborated by the property owner, who independently approached the City with a desire to rezone for residential development, even given topographic conditions requiring compliance with the City's hillside development regulations.

Although the site is relatively large in acreage, it is irregularly shaped, steeply sloped in many areas, and hosts stands of oaks trees and open grassland. Despite these characteristics, the site is considered feasible for residential development on the basis of the City's decision in 2000 to approve a 24,000 square-foot office building on the site, which was found to meet Novato's hillside development requirements. Accordingly, the site is projected to accommodate approximately 20 multi-family residences constructed within the same development envelope, building footprint, floor area, and height of the previously approved office building. Such a housing development could potentially consist of one- and two-bedroom apartments or small condominiums in a stacked-flat configuration with surface parking.



## Site 2 – Baywood Center Offices

<b>Location</b>	<b>1682 Novato Blvd.</b>
<b>APN</b>	<b>141-291-32</b>
<b>Current General Plan Designation</b>	<b>Business &amp; Professional Office (BPO)</b>
<b>Proposed General Plan Designation</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Current Zoning District</b>	<b>Business &amp; Professional Office (BPO)</b>
<b>Proposed Zoning District</b>	<b>High Density Multiple Family Residential (R20)</b>
<b>Lot Size</b>	<b>1.41 acres</b>
<b>Estimated Housing Units</b>	<b>22 moderate-income units, based on realistic site capacity</b>



### Background and Description:

The subject site consists of a single parcel developed with a three-story, 32,531 square-foot office building with on-site surface parking. Owners of the property requested the City consider this site for potential redevelopment with housing.

The area surrounding the site is developed with commercial uses, single-family homes, and multi-family residences. The site is within easy walking distance to bus stops, restaurants, retail outlets, public parks and facilities (i.e., library, gymnastics, and teen centers), and other commercial services.



### Key Considerations and Feasibility for Site Development:

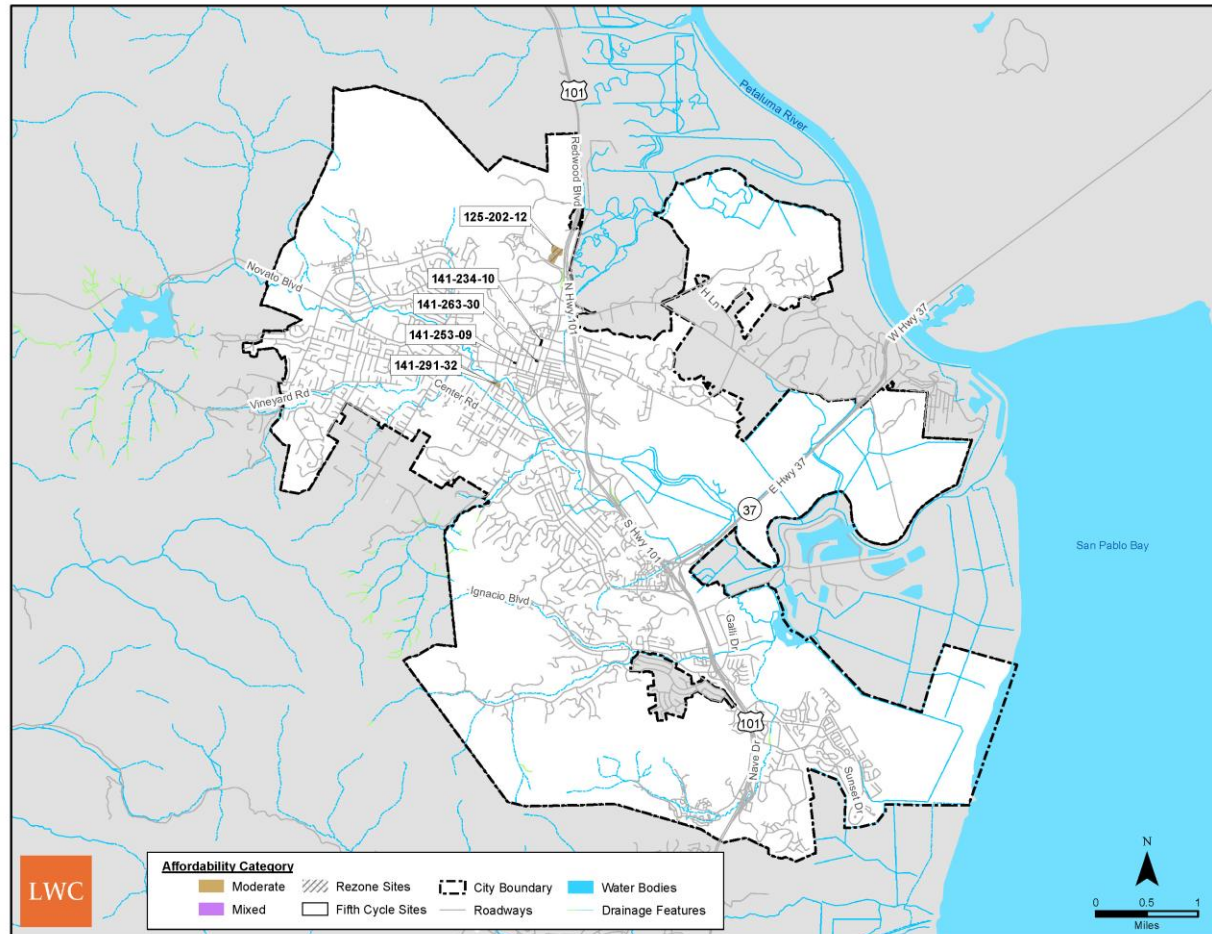
The site is considered to be feasible for housing development of up to 22 residential units through the conversion of the existing building to one- and two-story apartments or small condominiums or redevelopment with a new apartment or condominium development. The site is located in the AO flood zone, but is otherwise free of any known physical constraints that would impair conversion of the existing building to housing or the construction of a new building(s) for housing. New development would need to conform to special design regulations published by the Federal Emergency Management Agency due to the flood zone designation and there are numerous examples in the City of housing developments meeting such standards.

The high vacancy rate of the existing office building, as reflective of the overall office market in Novato, prompted the property owner to request the City consider this site for redevelopment with housing units. Notwithstanding the owner's expressed interest in housing, this site is considered to be generally attractive for redevelopment with multi-family housing given its proximity to downtown Novato, public transit, public parks and facilities, and commercial services.

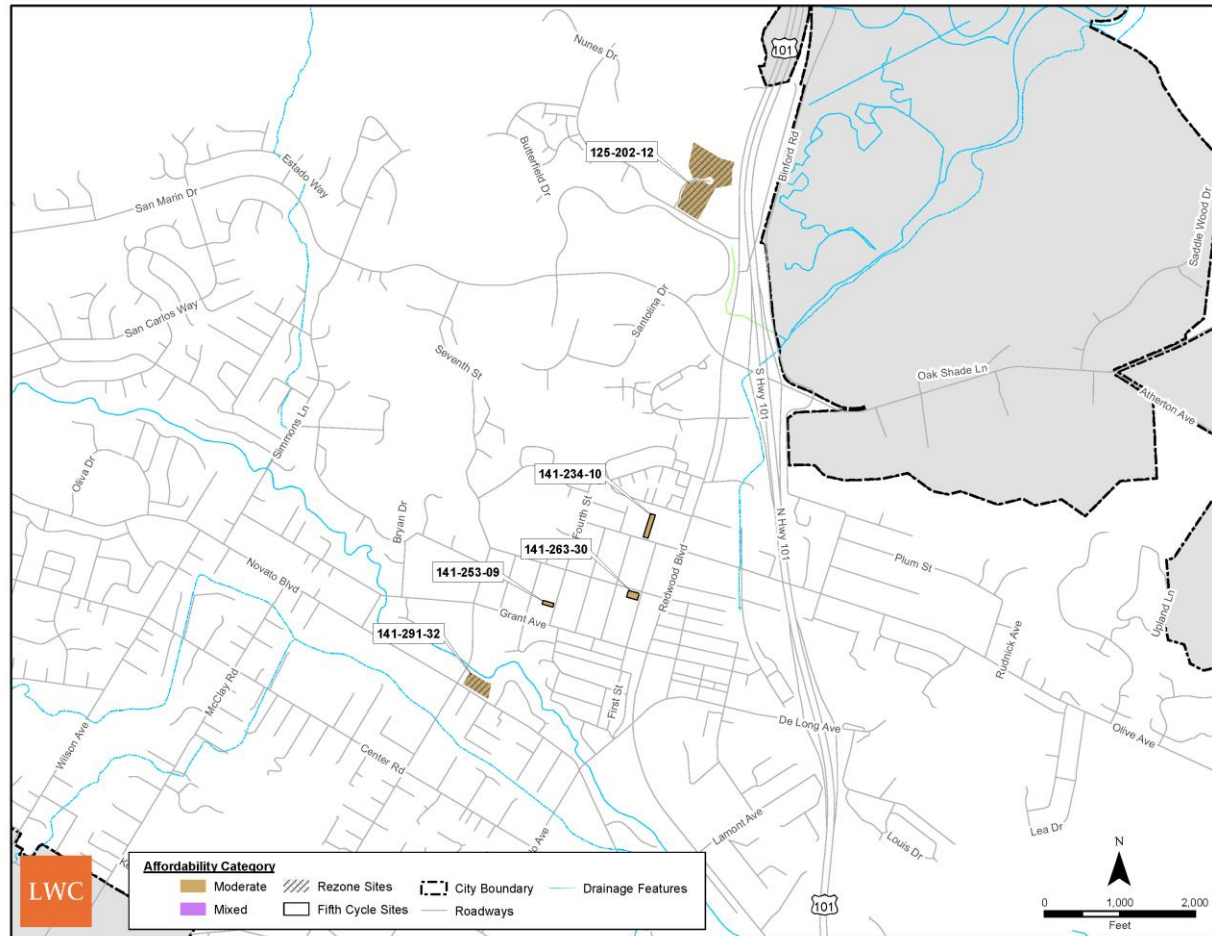
### B.3.3 Housing Sites Map

Figures B-2 and B-3 show the sites inventory and rezone sites by anticipated income affordability category.

**Figure B-2: 6<sup>th</sup> Cycle Housing Element Sites Inventory and Rezone Sites by Income Affordability Category (City View)**



**Figure B-3: 6<sup>th</sup> Cycle Housing Element Sites Inventory and Rezone Sites by Income Affordability Category (North View)**



### B.3.4 Housing Sites Table

Table B-9 lists the parcels in the City's housing sites inventory with unit capacity by income category. All sites are subject to rezoning.

**Table B-10: Rezone Sites**

Address	APN	Parcel Size (Acres)	Existing Use	Current		Proposed		5 <sup>th</sup> Cycle Site	Income Category	Gross Max. Units <sup>1</sup>	Realistic Units
				General Plan	Zoning	General Plan	Zoning				
—	125-202-12	8.36	Vacant	BPO	PD	R20	R20	No	Moderate	133	20
<b>1682 Novato Blvd.</b>	141-291-32	1.41	Offices	BPO	R10	R20	R20	No	Moderate	22	22
<b>Total</b>										<b>155</b>	<b>42</b>
<sup>1</sup> Assumes 20 dwelling units per acre, multiplied by 0.80 to account for non-habitable space, and rounded down.											

Source: City of Novato, LWC

# Appendix C: Housing Constraints

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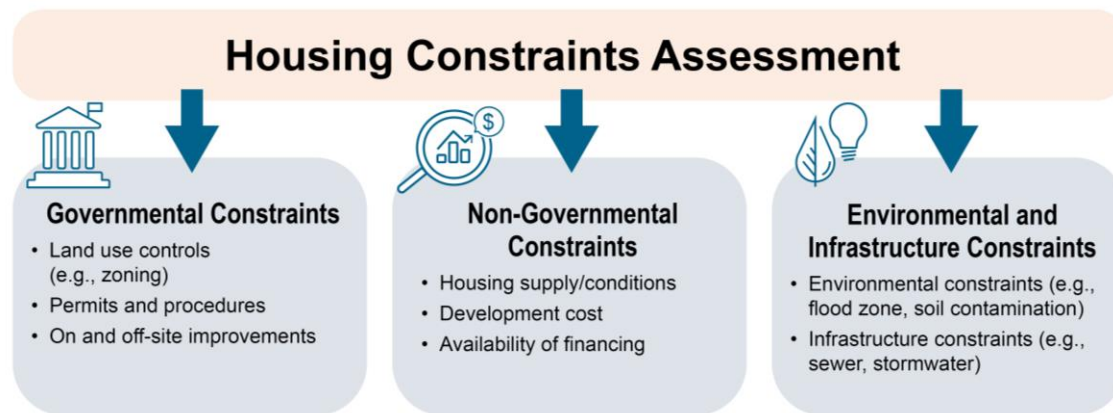


## Section C.1 Introduction and Summary

### C.1.1 Introduction



This Appendix covers local governmental, non-governmental, environmental, and infrastructure constraints to housing production in Novato.



### C.1.2 Summary

City policies and regulations, such as the Zoning Ordinance, and market factors outside of the City's control affect the quantity and type of residential development that occurs in Novato. The following summarizes key governmental and non-governmental constraints to housing development as detailed in this Appendix:

- Definitions within the City's hillside protection regulations are not objective and need to be revised. In addition, ordinance language regulates parcels based on the site's average slope and not the slope of areas proposed for development.
- The design review process has not yet been comprehensively revised to comply with State requirements for objective design standards and streamlined processing. Currently, it includes a sequenced process with land use approval that lengthens the review timeline.
- Due to recent legislative updates, zoning provisions for certain residential uses are not consistent with State law (e.g., Low Barrier Navigation Centers, employee/farmworker housing, density bonus, etc.).
- The City's calculation of density bonus units does not include units designated to satisfy affordable housing inclusionary requirements, which is prohibited by State law.
- Economic conditions in Novato reflect a competitive housing market for both for-sale and rental housing, although comparatively lower land costs facilitate more affordable housing development relative to the rest of the Bay Area.

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## Section C.2 Governmental Constraints

### C.2.1 Introduction

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Since governmental actions can constrain the development and the affordability of housing, State law requires the housing element to "address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Government Code [Section 65583\(c\)\(3\)](#)).

The primary policies and regulations that affect residential development and housing affordability in Novato include the General Plan, the Zoning Ordinance (the Ordinance), development processing procedures and fees, on- and off-site improvement requirements, and the California Building and Housing Codes. In addition to a review of these policies and regulations, this Section includes an analysis of the governmental constraints on housing production for persons with disabilities.

### C.2.2 Land Use Controls

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The following provides an overview of the City's land use controls and their relation to the City's housing supply.

#### **General Plan Land Use Designations**

The City adopted General Plan 2035 on October 27, 2020. Chapter 2 (*Great Places*) addresses State requirements, usually fulfilled by a Land Use Element, including sections on land use, community character, and housing, which direct the location and form of future development.

The General Plan includes 19 land use designations that allow a range of residential development types at a variety of densities (see Table C-1). Density is used for residential land use designations and is described by dwelling units per net acre (du/ac). For primarily non-residential designations, intensity is also used, expressed as the floor area ratio (FAR), which is the total gross floor area of all buildings on a lot relative to the total land area of that lot.



**Table C-1: General Plan Land Use Designations Allowing Residential**

FAR= floor area ratio   du = dwelling unit   ac = acre			
General Plan Designation	Max. Residential		Description
	Density (du/ac)	Intensity/FAR	
Residential			
Rural Residential (RR)	0.49	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses in rural, low-density settings. Additionally, certain agriculture, recreation, education, resource, assembly, lodging, day care, and utility uses may be allowed.
Very Low-Density Residential (RVL)	0.5 - 1	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses on larger lots. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Low-Density Residential (R1)	1.1 - 5	–	Applies to areas appropriate for the development of single-family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Detached Residential (R4)	4.1 - 7	–	Applies to areas appropriate for single family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Residential (R5)	5.1 - 10	–	Applies to areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single and two-family homes, either detached or attached, and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care, and utility uses may be allowed.
Medium Density Multi-Family Residential (R10)	10.1 - 20	0.6 <sup>1</sup>	Applies to areas appropriate for single family, two-family and multi-family homes and related accessory residential uses. Additionally, certain education, assembly, lodging, day care, and utility uses may be allowed.
High Density Multi-Family Residential (R20)	20.1 - 30	0.6 <sup>1</sup>	Applies to areas appropriate for multifamily housing and related accessory residential uses. Additionally, certain education, assembly, lodging, day care, and utility uses may be allowed.
Commercial and Mixed-Use Designations			
Mixed-Use (MU)	10 - 20	0.4 - 0.8 <sup>2</sup>	Appropriate for sites where the surrounding area is currently developed with a mix of commercial and residential land uses. Certain retail, office, research and development, service, live-work <sup>3</sup> , recreation, assembly, education, and utility facilities may be allowed. Housing development may be permitted only in conjunction with commercial and/or office uses.
Neighborhood Commercial (CN)	10 - 20	0.4 - 0.6 <sup>2</sup>	Applied to neighborhood shopping areas including a mix of retail, service, office, and utility uses. Additionally, certain recreation, assembly, education, and residential uses may be allowed.
General Commercial (CG)	–	0.4	Applied to areas appropriate for a broad range of retail, service, research and development, office, recreation, assembly, education,

**Table C-1: General Plan Land Use Designations Allowing Residential**

FAR= floor area ratio   du = dwelling unit   ac = acre			
General Plan Designation	Max. Residential		Description
	Density (du/ac)	Intensity/FAR	
			and live-work <sup>3</sup> uses. Additionally, certain manufacturing and utility uses may be allowed.
<b>Downtown Core (CD)</b>	10 - 23	1.2 or 2 <sup>2</sup>	Applied to the downtown area suitable for a mix of retail, service, office, recreation, assembly, and education uses. Additionally residential (mixed use and live-work <sup>3</sup> ) and utility uses may be allowed.
<b>Business and Industrial Designations</b>			
<b>Commercial/Industrial (CI)</b>	–	1	Applied to areas suitable for intensive commercial land uses, including certain manufacturing, processing, warehousing, retail, service, office, research and development, recreation, education, utility, and live-work <sup>3</sup> uses.
<b>Business and Professional Office (BPO)</b>	–	0.4	Applied to areas appropriate for a variety of office, research, and education activities. Additionally, certain limited retail, service, residential (live-work <sup>3</sup> ), and utility uses may be allowed.
<b>Research/Education-Institutional (REI) <sup>3</sup></b>	1	0.2	Applied to areas suitable for a mix of medical research, educational and laboratory uses, with related multi-family residential, recreation, office, and commercial uses in a campus setting.
<b>Light Industrial/Office (LIO)</b>	–	0.4 - 0.6	Applied to areas appropriate for light industrial and manufacturing uses, including warehousing, office, retail, live-work <sup>3</sup> and utility uses that will not create objectionable noise, smoke, odor, dust, and other nuisances. Additionally, service, education, and recreation uses may be allowed.
<b>Community and Natural Resource Designations</b>			
<b>Conservation (CON)</b>	1 du/10ac - 1 du/60ac	–	Applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.
<b>Agriculture (AG)</b>	1 du/60ac	–	Applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.
<b>Community Facilities, Public Utilities, and Civic Uses (CF)</b>	10.1 - 20	0.8 <sup>2</sup>	Applied to areas suitable for public land uses, including certain open space and recreation uses may be allowed. Additionally, education, assembly, medical, research and development, service, residential and utility uses may be allowed.
<b>Affordable Housing Opportunity Combining Designation (AHO)</b>	20 – 23 <sup>4</sup>	–	Applied to multi-family dwellings, accessory retail and service uses, recreation, home occupations, community facilities, and other similar uses to serve residents of multi-family dwellings, or any land use normally allowed in the primary land use designations.
<sup>1</sup> Residential care facilities for the elderly. <sup>2</sup> Mixed-use projects must comply with both the FAR and the allowable density range. <sup>3</sup> Live-work projects consist of an integrated housing unit and working space, occupied and utilized by a single household in a commercial or industrial structure which has been designed or structurally modified to accommodate joint residential occupancy and work activity, which includes complete kitchen space and sanitary facilities and working space reserved for and regularly used by one or more occupants of the unit. A live-work unit is not a multi-family dwelling or mixed-use development. <sup>4</sup> Multi-family housing.			

Source: City of Novato General Plan 2035, Chapter 2 (Great Places)

## **Downtown Specific Plan**

The City's [Downtown Specific Plan](#) (DSP) was adopted in 1998 and last amended in 2013. The DSP envisions Novato's Downtown as a multi-faceted hub of economic, social, and cultural activities which attracts pedestrian-oriented commerce while maintaining its small-town character. Limited residential development is allowed on upper floors or towards the rear of sites, but is discouraged along Redwood Boulevard in recognition of its auto-oriented nature. As part of the General Plan 2035 update, the DSP was evaluated to determine which policies and programs were still relevant and which needed to be updated. The decision was made to retain and update policies and programs which remained relevant in the Land Use Element of the General Plan as a Focus Area. The DSP as a separate policy document was repealed with the adoption of General Plan 2035 in 2020.

When amended in 2013, the Affordable Housing Opportunity Combining Designation (AHO) (see Table C-1) was added to the DSP and assigned to 7506 Redwood Boulevard, which is in the process of being developed as a 178-unit mixed-use project.

## **Northwest Quadrant**

The [Northwest Quadrant](#) is a residential neighborhood of older single-family residences and mid-size apartments buildings in close proximity to Downtown restaurants, shopping, services, and transit. The predominant land use designation is Medium Density Multi-Family Residential (R10).

A neighborhood plan prepared and adopted in 1977 sought to stem the development of apartment buildings in the area and included a policy that an existing single-family dwelling in "sound condition" could not be demolished and replaced by a multi-family building (three or more units). As described in Appendix F (Affirmatively Forwarding Fair Housing), the Census tract which contains the Northwest Quadrant now presents some of the most meaningful fair housing issues of any other City neighborhood due to its high proportion of non-white, lower-income, and/or tenant households with a high (9.3 percent) overcrowding rate.

In response to community feedback during the General Plan 2035 planning process, seven recommended updates to the original neighborhood plan were proposed and included as policy LU 28 (Northwest Quadrant Neighborhood). This policy includes programs to consider adoption of new form-based zoning regulations (LU 28b), revision of zoning regulations for non-conforming apartments (LU 28c), and land use redesignation of several sites (LU 28d, LU 28e). Housing Element Program 6.D is proposed to continue implementation of recommended updates to the Northwest Quadrant.

## **Zoning Districts**

The Zoning Ordinance is Chapter 19 of the Municipal Code. The Zoning Ordinance and Zoning Map are available on the City's website, consistent with Government Code [Section 65940.1\(a\)\(1\)\(B\)](#). This Section analyzes the Zoning Ordinance and the zones that allow

residential development. The City has 19 zoning districts which allow residential uses in some capacity. Table C-2 lists the zones that allow residential development with a description of each.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>Agricultural and Resource Districts</b>		
<b>A</b>	<b>Agricultural</b>	Applied to lands that are to be protected and maintained in agricultural use, with allowable non-agricultural uses being related to and supportive of the continuing primary agricultural use. The A zoning district is consistent with the Agricultural land use designation of the General Plan.
<b>C</b>	<b>Conservation</b>	Intended to maintain privately-owned, unimproved land to conserve natural resources. The C zoning district is consistent with the Conservation land use designation of the General Plan.
<b>Residential Districts</b>		
<b>RR</b>	<b>Rural Residential</b>	Intended for areas appropriate for rural, low density residential living. The RR zoning district is consistent with the Rural Residential land use designation of the General Plan.
<b>RVL</b>	<b>Very Low Density Residential</b>	Intended for areas appropriate for the development of single-family homes. The RVL zoning district is consistent with the Very Low-Density Residential land use designation of the General Plan.
<b>R1</b>	<b>Low Density Residential</b>	Intended for areas appropriate for the development of single-family homes. The R1 zoning district is consistent with the Low-Density Residential land use designation of the General Plan.
<b>R4</b>	<b>Medium Density Detached Residential</b>	Intended for areas appropriate for the development of single-family homes. The R4 zoning district is consistent with the Medium Density Detached land use designation of the General Plan.
<b>R5</b>	<b>Medium Density Residential</b>	Intended for areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single- and two-family dwelling units, either attached or detached. The R5 zoning district is consistent with the Medium Density Residential land use designation of the General Plan.
<b>R10</b>	<b>Medium Density Multi-Family Residential</b>	Intended for areas appropriate for a variety of medium density dwelling units, including multi-family, two-family, and single-family residences, either attached or detached. The R10 zoning district is consistent with the Medium Density Multiple Family Residential land use designation of the General Plan.
<b>R20</b>	<b>High Density Multi-Family Residential</b>	Intended for areas appropriate for high density multi-family dwelling units. The R20 zoning district is consistent with the High Density Multiple-Family Residential land use designation of the General Plan.
<b>Commercial and Industrial Districts</b>		
<b>BPO</b>	<b>Business and Professional Office</b>	Applied to areas appropriate for a variety of office activities, including medical and professional offices and office campuses. The BPO zoning district is consistent with the Business and Professional Office land use designation of the General Plan.
<b>CN</b>	<b>Neighborhood Commercial</b>	Applied to neighborhood shopping areas to meet the retail and service needs of nearby residents. The CN zoning district is consistent with the Neighborhood Commercial land use designation of the General Plan.
<b>CG</b>	<b>General Commercial</b>	Applied to areas appropriate for a range of community serving commercial, regional retail, and service land uses. The CG zoning district is consistent with the General Commercial land use designation of the General Plan.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>CDR</b>	<b>Downtown Core Retail</b>	Applied to part of the downtown area and is intended to allow for a mix of commercial, office, and residential land uses with predominantly retail, entertainment, and personal services on the ground floor street frontage to encourage pedestrian activities. The CDR zoning district is consistent with the Downtown Core land use designation of the General Plan.
<b>CDB</b>	<b>Downtown Core Business</b>	Applied to part of the downtown area and is intended to allow for a broad range of commercial, office, and residential land uses. The CDB is consistent with the Downtown Core land use designation of the General Plan.
<b>CI</b>	<b>Commercial/Industrial</b>	Applied to areas suitable for intensive commercial land uses, including automobile repair shops, construction related businesses, and similar uses. The intent of the CI zoning district is to encourage the maintenance and improvement of existing businesses in this zoning district and is consistent with the Commercial/Industrial land use designation of the General Plan.
<b>LIO</b>	<b>Light Industrial/Office</b>	Applied to areas appropriate for light industrial and manufacturing uses including manufacturing, warehousing, offices and assembly uses, involving a limited generation of nuisances. Land uses in the LIO zoning district encompass uses that will not create objectionable noise, smoke, odor, dust, noxious gases, glare, heat, vibration, and industrial wastes. This designation is consistent with the Light Industrial/Office land use designation of the General Plan.
<b>Special Purpose Districts</b>		
<b>MU</b>	<b>Mixed Use</b>	Applied to areas surrounded by land currently developed with both commercial and residential land uses. Commercial and/or office land uses are permitted. Housing development may be permitted only in conjunction with either commercial and/or office uses. The MU zoning district is consistent with the Mixed-Use land use designation of the General Plan.
<b>CF</b>	<b>Community Facilities</b>	Applied to areas suitable for public land uses including government offices, meeting halls, schools and libraries, and other related municipal uses. The CF zoning district is consistent with the Community Facilities, Public Utilities, and Civic Uses land use designation of the General Plan.
<b>REI</b>	<b>Research/Education-Institutional</b>	The REI zoning district was created by Section III of the "1995 Citywide Initiative Measure to Enact Regulations that Will Allow Development of the Buck Center for Research in Aging Project". The REI zoning district is consistent with the Research/Education-Institutional land use designation of the General Plan and zoning that was enacted by that initiative. Allowable land uses, permit requirements, and development standards for the REI zoning district are determined by Section 19.14.050.
<b>Overlay Zoning Districts</b>		
<b>D</b>	<b>Downtown Novato Specific Plan Overlay District</b>	Applied to areas covered by the Downtown Novato Specific Plan, to provide standards for development and new land uses that recognize, protect, and enhance the desired character of the downtown area. The D overlay may be combined with any primary zoning district and in practice is combined with the CG, CDR, CDB, CI, MU, CF, and PD zoning districts.
<b>H</b>	<b>Historic Overlay District</b>	Intended to protect areas and structures identified by the community as historically significant elements that contribute to Novato's cultural, social, economic, political, aesthetic, architectural heritage, identity, and character. The H overlay may be combined with any primary zoning district and in practice is combined with the CDR, CDB, CF, and PD zoning districts.

**Table C-2: Zoning Districts that Allow Residential Development**

Zoning District		Description
<b>AHO</b>	<b>Affordable Housing Opportunity Overlay District</b>	Applied to the five housing opportunity sites identified in the 5 <sup>th</sup> Cycle Housing Element, with an affordable housing/multi-family residential overlay zoning designation (AHO) that may be activated at the time of property development/redevelopment. The AHO overlay may be combined with any primary zoning district and in practice is combined with the R1-7.5, R10, GC, and BPO zoning districts.

*Source: City of Novato General Plan 2035, Chapter 2 (Great Places)*

## Development Standards

Development standards can constrain new residential development if they make it economically infeasible or physically impractical to develop a particular lot, or when it is difficult to find suitable parcels to accommodate development meeting the criteria for building form, massing, height, and density in a particular zoning district.

Through its Zoning Ordinance, the City enforces minimum site development standards for new residential uses. Table C-3 summarizes the basic standards for the City's zoning districts that allow residential development.

**Table C-3: Development Standards in Zoning Districts that Allow Residential Development**

sf = square feet   ft = feet   FAR = floor area ratio   du = dwelling unit   ac = acre													
Base Zoning Districts	Sub-Zone	Max. Density		Min. Lot Size			Min. Setbacks (ft)				Max. Lot Coverage (%)	Max. Height (ft) <sup>3</sup>	Max. (FAR)
		du/sf	du/ac	Area (sf)	Width (ft)	Depth (ft)	Front	Side	Street side	Rear			
A		–	1/60 ac <sup>1</sup>	60 ac	150	150	30	25	–	30	–	30	–
C		–	1/10 ac <sup>1</sup>	10 ac - 60 ac <sup>2</sup>	10 ac - 60 ac <sup>2</sup>	10 ac - 60 ac <sup>2</sup>	30	25	–	30	–	30	–
RR		–	1	80,000	150	150	30	25	25	30	20	30	–
RVL	RVL-80	–	1	80,000	150	150	30	25	20	30	20	30	–
	RVL-40	–	1	40,000	150	150	30	20	20	30	20	30	–
R1	R1-40	–	1	40,000	150	150	30	20	20	30	40	30	0.5
	R1-20	–	1	20,000	100	100	30	15	15 <sup>4</sup>	30	40	30	0.5
	R1-10	–	1	10,000	75	100	25	10	10 <sup>4</sup>	25	40	30	0.5
	R1-7.5	–	1	7,500	60	100	25	6	10 <sup>4</sup>	20 <sup>5</sup>	40	30	0.5
R4		1/6,000	7.3	6,000	50	75	25	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	0.5
R5	R5-7.5	1/7,500	5.8	7,500	50	75	20	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	–
	R5-4.5	1/4,500	9.7	4,500	50	75	20	5	10 <sup>6</sup>	20 <sup>5</sup>	40	30	–
R10	R10-4.5	1/4,500 <sup>7</sup>	9.7	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-3.5	1/3,500 <sup>7</sup>	12.4	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-2.5	1/2,500 <sup>7</sup>	17.4	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R10-2.2	1/2,200 <sup>7</sup>	19.8	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
R20	R20-2.0	1/2,000 <sup>7</sup>	21.8	6,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R20-1.8	1/1,800 <sup>7</sup>	24.2	10,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
	R20-1.5	1/1,500 <sup>7</sup>	29	10,000	60	100	20	6/10 <sup>8</sup>	10/20 <sup>4</sup>	15/20 <sup>9</sup>	40	35	–
BPO		–	–	10,000	Determined through subdivision process		25	– <sup>10</sup>	–	– <sup>11</sup>	40	35	0.4
CN		–	–	–			–		40		35	0.4-0.6 <sup>12</sup>	
CG		–	–	–			–		40		35	0.4	
CDR		–	–	–			–		100		35 <sup>13</sup>	1.2/2.0 <sup>14</sup>	
CDB		–	–	–			–		100		35 <sup>13</sup>	1.2/2.0 <sup>14</sup>	
CI		–	–	–			–		40		35	1.0	
LIO		–	–	–			–		60		35	0.4 <sup>15</sup>	
MU		–	–	–	–	–	20	0-10 <sup>16</sup>	–	0-15 <sup>17</sup>	40	35 <sup>13</sup>	0.4-0.8 <sup>18</sup>
CF		–	–	–	–	–	–	0-10 <sup>16</sup>	–	0-10 <sup>16</sup>	–	35 <sup>13</sup>	0.8



**Table C-3: Development Standards in Zoning Districts that Allow Residential Development**

sf = square feet   ft = feet   FAR = floor area ratio   du = dwelling unit   ac = acre													
Base Zoning Districts	Sub-Zone	Max. Density		Min. Lot Size			Min. Setbacks (ft)				Max. Lot Coverage (%)	Max. Height (ft) <sup>3</sup>	Max. (FAR)
		du/sf	du/ac	Area (sf)	Width (ft)	Depth (ft)	Front	Side	Street side	Rear			
<b>REI</b>		–	130	1	150	150	30	20	–	30	–	30	–
<sup>1</sup> Maximum number of dwellings allowed per gross acre in a single-family subdivision. The actual number of units allowed is determined through the applicable subdivision or land use permit process, and there is no guarantee that the maximum density may be achieved. <sup>2</sup> The Zoning Map designations include a suffix denoting the minimum lot area in acres for the Conservation zone. For example, CON-20 requires a minimum lot area of 20 acres. The density suffix shall be applied to property as part of the rezoning process. <sup>3</sup> Maximum allowed height of structures. See also Section 19.20.070 (Height Limits and Exceptions), and Division 19.26 (Hillside and Ridgeline Protection). <sup>4</sup> 20 ft. minimum for a garage using the side street for access, or when the building exceeds 20 ft. in height. <sup>5</sup> 10 ft. setback allowed for an attached single story building element (e.g., room addition, patio cover) if it does not occupy more than 25% of the required rear setback. <sup>6</sup> 20 feet minimum for a garage using the side street for access. <sup>7</sup> Allowable density shall be reduced by 20% for lots less than 7,500 sq. ft. or width less than 60 ft. <sup>8</sup> 10 ft. minimum when building height exceeds 20 ft. <sup>9</sup> 20 ft. minimum when the rear property line abuts a single-family zone. <sup>10</sup> If adjacent to SFR zone, 6 ft. If building is over 20 ft. in height at setback line and adjacent to SFR zone, 10 ft. <sup>11</sup> If adjacent to SFR zone, 10 ft. If building is over 20 ft. in height at setback line and adjacent to SFR zone, 20 ft. <sup>12</sup> CN zoning district - FAR may be increased to 0.60 if additional floor area is used for housing, or for residential care facilities for the elderly (RCFE). <sup>13</sup> Within the Downtown Overlay zone, the height limit may be increased by 30% up to a maximum of 45 ft. for the habitable floor area (excluding roof) with Design Review approval in accordance with Section 19.20.070. <sup>14</sup> Higher value FAR applies if housing is incorporated in a mixed-use project. <sup>15</sup> Except for the Novato Industrial Park and Hamilton Hangar area, the maximum FAR shall be 0.6. <sup>16</sup> 6 ft. is required if setback is adjacent to a single-family residential zone; 10 ft. is required if structure is over 20 ft. in height and setback is adjacent to a single-family residential zone; no setback required otherwise. <sup>17</sup> 10 ft. is required if setback is adjacent to a single-family residential zone; 15 ft. is required if structure is over 20 ft. in height and setback is adjacent to a single-family residential zone; no setback required otherwise. <sup>18</sup> Higher value FAR may be allowed where additional floor area is used for housing.													

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Article 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards)

## **Planned Development Zoning District**

In addition to the Residential, Commercial, and Special Purpose districts above, the City also provides flexibility from conventional development standards through the use of a Planned (PD) zoning district. The PD district is intended to enable the long-term development of large parcels and requires the adoption of a Master Plan or Precise Development Plan by the City Council, following the requirements described in [Section 19.42.060](#) (Master Plans and Precise Development Plans).

The Ordinance does not specify development standards for parcels zoned PD, and instead indicates that standards shall be determined as part of the approval process based on General Plan density, proposed housing type, City and developer objectives, opportunities to increase density and affordability, neighborhood considerations, and environmental constraints. Where a Master Plan or Precise Development Plan is silent on a specific use or development standard, the standards from the most compatible zoning district apply.

Master Plan and Precise Development Plan procedures and decision-making criteria are discussed in greater detail below in Section C.2.4 (Permits and Procedures).

## **Hillside Lot Regulations**

Novato has areas of steep slopes which are valued as scenic resources and subject to additional regulations to reduce the potential for hazards and environmental degradation related to slope failure, increased erosion, etc. Standards for hillside development on parcels with an average slope of 10 percent or greater (including permit application requirements, development standards, and design criteria/findings) are provided in [Division 19.26](#) (Hillside and Ridgeline Protection).

Hillside development standards are provided in [Section 19.20.050](#) (Hillside Project Development Standards). Residential development is regulated in terms of density, lot configuration, structure placement, and building size/height. Basic development standards include the following:

1. Max. building size: 4,000 square feet
2. Min. building size: 2,000 square feet
3. Max. garage/ADU floor area: 500 square feet
  - Combined square footage of garage/ADU in excess of 500 square feet is allowed, but will be counted against the maximum allowed FAR listed in Table C-4

Residential density is subject to limitations based on a lot's average slope and General Plan land use designation; the maximum number of units allowed is determined by calculating the combined sum of the area of each slope category, which have been multiplied by the corresponding reduction factor as shown in Table C-4.

**Table C-4: Allowable Residential Density and Building Intensity FAR Based on Site Slope**

LU Designation	Avg. Slope Range	% Reduction in Allowable Units or FAR/sf	Reduction Factor
RVL	0-10%	—	—
	10-25%	—	—
	>25%	100%	0
R1, R4, R4, R10, R20	0-10%	—	—
	10-25%	60%	0.4
	>25%	100%	0
BPO, CN, CF, CI, LIO, MU	0-10%	—	—
	10-25%	20%	0.8
	>25%	100%	0

Source: City of Novato Municipal Code, Division 19.26 (Hillside Project Development)

Single-family residential building size is limited to ensure homes are compatible with hillside conditions and the scale of community development. Residential building sizes for new homes and additions are limited by FAR, utilizing a sliding scale based on the average slope of the lot and lot size. As the average slope of a lot increases by one percent, the allowable floor area ratio is decreased by one percent. New residential lots created after January 13, 2004 (Ordinance No. 1480) are not permitted in areas where the average slope exceeds 25 percent.

## Development Standards Analysis

### *Single-Family Zoning Districts*

Table C-3 shows development standards in single-family zoning districts (i.e., A, C, RR, RVL, R1, R4, and R5). The basic development standards in Novato allow a moderate amount of density and intensity for residential development. Large-lot, single-family districts (RR, RVL, R1) are found throughout the City, consisting of approximately 90 percent of all residential zoning. The R4 Zoning District is appropriate for small-lot single-family residential uses, while the R5 Zoning District is designed for both small-lot single-family homes and duplexes. Opportunities for denser housing are primarily located adjacent to the Downtown core and along the Highway 101 corridor.

The residential districts that allow single-family uses allow densities ranging from approximately one to 29 units per acre. The MU zoning district allows single-family dwelling, however there is no density range established. Of these zones, the R1 and MU zoning districts are the only zoning district which requires an FAR (0.5 and 0.4 – 0.8, respectively).

### *Multi-Family Zoning Districts*

Table C-3 shows development standards in multi-family zoning districts (i.e., R10, and R20). These zoning districts allow densities ranging from 10.1 to 30 units per acre depending on subzone (e.g., R10-4.5 or R20-1.8). Five of these subzones have a minimum lot size of 6,000 square feet, with the two higher-density subzones (R20-1.8 and R20-1.5) having minimum lot sizes of 10,000 square feet. The R10 and R20 zoning districts development standards do not have a maximum FAR for residential uses but do establish a maximum height of 35 feet and a maximum lot coverage of 40 percent. The 35-foot height limit accommodates three-story

construction and, given the maximum density of up to 29 units per acre in the R20-1.5 subzone, is appropriate and supported by other development standards. Projects eligible for density bonuses may request waivers to enable additional height if needed. Though the 40 percent lot coverage area is somewhat low, it has not been observed to limit project feasibility in the City.

For example, in 2020, the Springbrook Green Homes project was approved in the R10 Zoning District, achieving 35 percent of maximum density (7 units per acre) for the zone. Because the project site featured an average slope exceeding 10 percent, the City's Hillside Ordinance required the maximum residential density allowed under the General Plan land use designation (20 units per acre) to be reduced by 60 percent. The resulting project density was thus 98 percent of the maximum allowed density for the site (12 units per acre). As described below, the City will implement a program to revise the Hillside Ordinance to consider the difference between gross site area and a site's realistic development area, enabling higher maximum densities in future, similar projects. (Program 3.B).

Another example is the Novato Village development, which resulted in a 48-unit senior apartment community located on a 1.65-acre. The project included nine affordable units for very low- and low-income households as a result of the City's inclusionary housing ordinance. The project was consistent with the R20 Zoning District development standards but entitled as a PD in order to assist the project by accommodating an existing drainage easement on the site. The resulting development achieved a density of 29 units per acre, or 96 percent of maximum density (30 units per acre) allowed under the R20 land use designation, even with the site's unique physical constraints. Novato Village demonstrates that the development standards of the R20 Zoning District have not constrained the feasibility of multifamily projects nor the ability to achieve maximum densities.

During the public engagement process, feedback received from for-profit and nonprofit housing developers who work in Novato did not indicate that development standards in multi-family zoning districts were a constraint to residential development (see Appendix E, Section E.2.3).

### *Commercial and Mixed-Use Zoning Districts*

The commercial (i.e., CN, CDR, and CDB) and mixed-use (i.e., MU and CF) zoning districts do not establish densities in the Zoning Ordinance but do implement General Plan land use designation which allow densities for residential units in mixed-use development ranging from 10 to 23 dwelling unit per acre. Maximum FARs *are* established by these zoning districts and are increased for projects which include residential uses (ranging from 0.6 to 2.0, see Table C-3 footnotes above). Recently completed or approved projects within these districts include 1301 Grant Avenue (21.4 units per acre) and 802 State Access Road (16 units per acre).

In 2021, the 1301 Grant Ave. Mixed Use project was approved in the CDR Zoning District, achieving a density of 21.4 units per acre. This was 93 percent of the maximum allowed density, taking advantage of the 2.0 FAR allowed for mixed-use projects in the CDR District and reduced parking requirements within the Downtown Novato Specific Plan (D) Overlay District.

Cumulatively, these regulations facilitate housing along commercial corridors and in the Downtown area.

There are also three SB 35 applications currently under review for projects in the CDR Zoning District (and within the D Overlay District) which would achieve densities 132 percent, 787 percent, and 1,013 percent of maximum density by utilizing State density bonus law and regulatory concessions. These projects, if developed as proposed, would result in a total of 492 units affordable to lower- and moderate-income households and indicate strong demand for continued residential development Downtown at densities sufficient to accommodate affordable housing.

### *Planned (PD) Zoning District*

The City also provides flexibility from conventional development standards through the PD Zoning District and the preparation of a Master Plan and/or Precise Development Plan. The Zoning Ordinance does not specify any development standards for projects in the PD District, and instead indicates that standards be created on a case-by-case basis based on General Plan density, proposed housing type, and other considerations. The City has been able to approve developments with higher overall densities, exceptions to certain development standards, and include a greater number of affordable housing units through the PD District than would have been possible with conventional zoning, especially when combined with the Affordable Housing Overlay (AHO) District. An analysis of the PD Zoning District and related procedures is included in Section C.2.4 (Permits and Procedures).

While the PD Zoning District allows flexibility based on site-specific opportunities and constraints and has resulted in higher density housing development, it requires discretionary review in the form of a required Master Plan and/or Precise Development Plan; there may be cases where base zoning district land use and development standards would suffice in lieu of standard PD procedures. Program 3.I is proposed to revise Division 19.24 (Special Purpose Zoning Districts) to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed. In concert with the adoption of objective design standards (Program 3.C), projects proposed in the PD Zoning District will be able to pursue a process that serves strictly as a conformance review at the discretion of the applicant.

### *Hillside Lot Regulations*

Hillside lot regulations were raised as a potential constraint to housing development by both market rate and affordable housing developers during community engagement for the Housing Element Update. Reports were received that the ordinance was deficient in ways that complicated the development of suitable portions of potential sites and made consistent interpretation difficult for City staff.

These observations were corroborated by [a City white paper written in January 2015](#) which analyzed [Division 19.26](#) (Hillside and Ridgeline Protection) as part of the Novato General Plan 2035 update. Though Planning staff report that “the density/intensity reduction portions of the

ordinance, when applied to new development, has achieved the goal of limiting development on steep hillsides and designing projects that fit much better with the topography of the site,” major difficulties persist when applying the Hillside Ordinance to existing and infill residential homes located on hillsides. Staff also note the need for greater clarity on standards related to lot configuration, siting and height limitations, and exceptions to the maximum size limit of new or expanded single-family dwellings.

Importantly, local developers noted that the application of the Hillside Ordinance to all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent, inhibits residential development and can make projects infeasible. For this reason, Program 3.B is proposed to revise Division 19.26 to reduce ambiguities in hillside regulations and streamline their application to relevant parcels, taking into account the difference between gross site area and a site’s realistic development area.

## Parking Requirements

Required parking rates for residential uses are shown in Table C-5.

**Table C-5: Residential Parking Rates**

Land Use Type	Required Number of Spaces	Downtown (D) Overlay
<b>Single-family dwellings</b>	2 <sup>1</sup>	2
<b>ADUs <sup>2</sup></b>	1	1
<b>Duplexes</b>	2	1
<b>Mobile home parks <sup>3</sup></b>		
Per mobile home unit	2	2
Per two units (for guest parking)	1	1
<b>Multi-family dwellings, condos, and other attached dwellings <sup>4, 5</sup></b>		
Studio	1.2/unit	1/unit
1-bed unit	1.5/unit	1/unit
2-bed unit	2/unit	1.5/unit
3-bed unit	2.2/unit	2/unit
Guest parking	1 per 3 units	1 per 4 units
<b>Senior housing projects</b>		
Per unit	1	1
Guest parking	1 per 10 units	1 per 10 units
<sup>1</sup> One space in a garage. Three enclosed spaces maximum unless approved through Design Review. For any unit which is located farther than 150 feet from a street designed to accommodate parking, 4 spaces per unit. <sup>2</sup> On-site parking is not required for an accessory dwelling unit in any of the follow instances: 1. Located with one-half mile of a public transit facility. 2. Located within an architecturally and historically significant district. 3. Part of the existing primary residence or an existing accessory structure meeting the development standards applicable to an ADU as stipulated in Section 19.30.040 (Number of Parking Spaces Required). 4. When on-street parking permits are required but not offered to the occupant of the ADU. 5. When there is a car share vehicle facility located within one block of the ADU.		

**Table C-5: Residential Parking Rates**

Land Use Type	Required Number of Spaces	Downtown (D) Overlay
<sup>3</sup> RV parking shall be provided at the rate of 1 space for every 5 units. <sup>4</sup> At least 1 space per unit shall be covered (i.e., within a garage or carport). <sup>5</sup> Parking for multi-family residential uses in the AHO Overlay shall be provided as follows: 1. Studio and 1-bed units: 1 onsite parking space/unit. 2. 2- and 3-bed units: 2 onsite parking spaces/unit. 3. 4-bed+ units: 2.5 parking spaces/unit.		

Source: City of Novato Municipal Code, Division 19.30 (Parking and Loading), [Section 19.30.040](#) (Number of Parking Spaces Required)

## Parking Requirements Analysis

The City typically requires two spaces per single residential dwelling unit, with reduced requirements for ADUs, multi-unit dwellings, and uses that serve residents with low vehicle ownership rates (e.g., senior housing). Reduced parking rates apply in the Downtown Overlay and AHO Overlay.

The City provides a limited number of alternatives to satisfying minimum parking requirements in [Section 19.30.050](#) (Adjustments for Parking Requirements), primarily focused on non-residential uses. For all uses (including residential), the review authority for land use or development permit applications may reduce the number of required parking spaces if the applicant can quantitatively prove the need for fewer spaces. Additionally, off-site parking within the Downtown Overlay is allowed in an off-site parking facility when approved by the review authority. In the AHO Overlay, flexibility is allowed in parking configuration; a development may provide onsite parking through tandem parking or uncovered parking, and covered parking is not required.

Covered parking is required for single-family dwellings (i.e., one-car garage), duplexes, and multi-family dwellings, condos, and other attached dwellings (i.e., one-car garage or carport). For residential uses, [Section 19.30.070.D.1](#) (Residential) requires parking spaces within carports and garages to have minimum dimensions of 20 feet in length and by 10 feet in width. [Section 19.30.090](#) (Bicycle Parking and Support Facilities) provides provisions for bicycle parking for multi-family projects. The Zoning Ordinance requires bicycle parking spaces for multi-family projects equal to a minimum of 10 percent of the required vehicle spaces unless separate secured garage space is provided for each unit.

The City's parking rates are appropriate, provide reasonable flexibility, and do not pose a constraint to the development of housing. However, to further facilitate the development of affordable multi-family housing, Program 3.G directs the City to align the required number of parking spaces for three-bed units citywide with those applied within the Downtown Overlay, reducing it from 2.2 spaces per unit to two spaces per unit *and* assess and reduce parking rates for studios and one-bed units.



## **Design Standards and Guidelines**

Design standards and guidelines are evaluated as they have the potential to increase development costs and extend the permitting process. Senate Bill 330 (Housing Accountability Act, Government Code [Section 65589.5](#)) precludes jurisdictions from denying or reducing the permitted density of a housing development project based on subjective development and design standards.

[Section 19.42.030.E](#) (Design Criteria) establishes the criteria the review authority should consider when reviewing an application for design review and establishing conditions for project approval. These criteria include a 16-point list which mentions the height and bulk of buildings, site layout, landscaping, orientation to natural amenities, articulation, the location of windows, and more. Nearly all of these criteria are described in general terms, with no specific dimensions for applicants to apply to projects.

For example, the review authority is directed to consider “articulation in building facades, exterior architectural design details, quality of materials, variation of textures, and harmony of colors,” to support “good quality architectural and site design.” Guidelines such as these are subjective, only providing vague direction on building design. The lack of specificity could lead to a protracted approval process and potentially a denial based on guideline interpretation. A program to adopt objective design standards is included as Program 3.C.

Outside the Zoning Ordinance, the City has one other design guideline manual related to housing development: the [Hamilton Central Design Concepts and Design Guidelines](#). The Hamilton Guidelines were adopted in 1994 for the New Hamilton Partnership (NHP) Master Plan area, part of the broader redevelopment of the Hamilton Army Airfield in the City’s southeast. The parcels identified as being subject to the Hamilton Guidelines are built-out, and the City’s standard design criteria would apply to future development.

## **Provisions for a Variety of Housing**

The City has adopted provisions in the Zoning Ordinance that facilitate a range of residential product types. Table C-6 provides a list of residential uses and the zoning districts in which they are allowed, require a conditional use permit, or are not allowed.

**Table C-6: Residential Uses Permitted by Zoning District**

P = Permitted   UP = Use Permit required   – = Use not allowed																		
Land Use	Zoning Districts																	
	A	C	RR	RVL/R1	R4/R5	R10	R20	BPO	CN	CG	CDR	CDB	CI	LIO	MU	CF	REI	PD
ADUs/JADUs	P	P	P	P	P	P	P	–	P	–	P	P	–	–	P	P <sup>1</sup>	–	–
Congregate care/group facilities	–	–	–	–	–	–	–	UP	–	UP	–	–	–	–	–	–	–	–
Farm labor housing	UP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Group homes, 6 or fewer persons	P	–	P	P	P	P	P	–	–	–	–	–	–	–	–	–	–	–
Group homes, 7 or more persons	UP	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Live/work projects	–	–	–	–	–	–	–	P	–	P	P	P	P	P	P	–	–	–
Mobile home parks	–	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Multi-family dwellings	–	–	–	–	–	P	P	–	–	–	–	–	–	–	–	–	–	–
Multi-family dwellings and duplexes, in a mixed-use project	–	–	–	–	–	–	–	–	UP	–	UP <sup>2</sup>	UP <sup>2</sup>	–	–	UP	UP	P	–
Residential care facilities for the elderly (RCFE)	–	–	–	–	–	UP	UP	–	UP	–	–	–	–	–	–	–	–	–
Rooming and boarding houses	–	–	UP	UP	UP	UP	UP	–	–	–	–	–	–	–	–	–	–	–
Single-family dwellings	P	P	P	P	P	P	P	–	–	–	–	–	–	–	P	–	–	–
Supportive housing	P	P	P	P	P	P	P	P	P	–	P	P	–	–	P	P	P	–
Transitional housing	P	P	P	P	P	P	P	P	P	–	P	P	–	–	P	P	P	–
Two-family dwellings, two single-family dwellings	–	–	–	–	P	P	P	–	–	–	–	–	–	–	–	–	–	–
Emergency shelter	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	P <sup>3</sup>
<sup>1</sup> Only ADUs are permitted in the CF zoning district; JADUs are prohibited. <sup>2</sup> Use allowed only on upper floors or rear of site, with ground floor street frontage reserved for retail, entertainment, and personal services uses. <sup>3</sup> Emergency shelters are only permitted by-right in the Novato Industrial Park as set forth in the Novato Industrial Park Precise Development and Master Plan (NIPPDM) and Zoning Ordinance Section 19.34.072 (Emergency Shelters). See below for analysis.																		

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Article 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards)

## Multi-Family

The City defines multi-family dwellings as housing three or more families living independently of each other in the same structure, including triplexes, fourplexes, apartments, townhouse developments, and senior citizen multi-family housing.

Multi-family dwellings are permitted by-right in the R10 and R20 zoning districts, as well as on any property to which the AHO Overlay applies, provided they meet the site development standards described in Table C-3. They are also permitted by-right (in conjunction with research, development, and laboratory facilities) in the REI special purpose zoning district.

In the CN, CDR, and CDB zoning districts, multi-family dwellings are permitted subject to a Use Permit. They are also permitted with a Use Permit in the MU and CF special purpose zoning districts. In the CDR and CDB districts, multi-family dwellings are required to be located on upper floors or at the rear of a site.

Multi-family developments are subject to the development standards summarized in Table C-3. The maximum height for all zoning districts which permit multi-family dwellings is 35 feet, except for the REI zoning district which establishes a maximum height of 30 feet. The R10, R20, MU, CF, and REI zoning district establish front, side, street side, and rear setback standards for multi-family dwellings. The CN, CDR, and CDB zoning districts are subject to setback standards only if the property is adjacent to single-family dwellings. The R10, R20, and REI zoning districts are not subject to FAR requirements. The CN, CDR, CDB, MU, and CF zoning districts range in allowed FAR from 0.4 to 2.0. Additionally, the CDR and CDB zoning districts permit projects to increase FAR if housing is incorporated into a mixed-use project. The R10, R20, CN, and MU zoning districts establish a maximum lot coverage of 40 percent and the CDR and CDB zoning districts have a maximum lot coverage of 100 percent. The CF and REI zoning districts do not provide maximum lot coverage. These development standards for all zoning districts which permit multi-family dwellings are reasonable and do not inhibit constraints on housing development in the City.

Additionally, [Section 19.34.124](#) of the Zoning Ordinance (Multi-Family Dwellings) establishes use-specific standards for multi-family dwellings, including:

1. Each dwelling unit within a multi-family project shall be designed to have at least two exterior walls that are not common to any other enclosed space. Each of the required exterior walls shall have no dimension less than eight feet; and,
2. Multi-family projects shall provide usable open space as follows:

Zoning Districts	Min. Open Space Area per Unit (sf)
R10-4.5	500
R10-3.5	400
R10-2.5 and 2.2	300
R20-2.0	200
R20-1.5 and 1.8	150

Half of the required minimum open space must be immediately available to and private for the occupants of each dwelling unit, while the remainder may be combined in common areas available to other residents of the project. The open space area may include a deck or balcony having no dimension less than six feet. Front yard setbacks are only permitted as common open space areas, except for allowed deck projections. Furthermore, Division 19.28 of the Zoning Ordinance (Landscaping) establishes limited landscape area requirements and standards for residential projects. Section 19.28.020 (Applicability) established new single-family subdivisions and multi-family residential projects shall provide landscaping in compliance with the Division. Section 19.28.030 (Landscape Area Requirements) provides reasonable requirements, such as requiring setback, outdoor use, and open space areas to be landscaped as required by the Zoning Ordinance and setting forth minimum dimensions and safety requirements for landscaped areas. These required open space and landscaping standards are reasonable and do not unnecessarily constrain housing development.

Outside the Zoning Ordinance, Municipal Code [Chapter 4](#) (Building and Housing) contains several sections focused on maintaining health, safety, and equity in multi-family housing. [Section 4-14](#) (Apartments and Hotels; Periodic Housing Inspection Program and Caretaker Requirements) establishes an annual inspection program for apartments (and hotels) to ensure proper maintenance and compliance with all applicable City ordinances related to housing. [Section 4-15](#) (Tenancing, Management and Safety for Multi-Family Housing) establishes a requirement that, prior to the issuance of a building permit and certificate of occupancy, all new or expanded multi-family housing developments of 16 units or more shall submit a management plan. Lastly, though not focused solely on multi-family housing, [Section 4-16](#) of the General Plan (Income-Based Rental Housing Discrimination) establishes local prohibitions on income-based financial discrimination in rental housing, with violators subject to both civil and criminal action.

### **Accessory Dwelling Units (ADUs)**

In Government Code [Section 65852.150](#), the California Legislature found and declared that, among other things, allowing ADUs in zones that allow single-family and multi-family uses provides additional rental housing, and are an essential component in addressing California's housing needs. In recent years, ADU law has been revised to improve its effectiveness at creating more housing units by streamlining approval processes and expanding capacity to accommodate the development of ADUs and JADUs.

In Novato, ADUs and JADUs are permitted by-right in the A, C, RR, RVL, R1, R4, R5, R10, and R20 zoning districts. [Section 19.34.030](#) (Accessory Dwelling Units) and [Section 19.34.031](#) (Junior Accessory Dwelling Units) provide supplemental development standards for ADUs and JADUs respectively. These standards were most recently updated in 2022 by [Ordinance No. 1676](#) to reflect current State law.

### **Emergency Shelters/Low Barrier Navigation Centers**

The Zoning Ordinance defines an emergency shelter as follows:

A residential facility, other than a community care facility, operated by a provider which provides temporary accommodations to persons or families with low income. The term "temporary accommodations" means that a person or family will be allowed to reside at the shelter for a time period not to exceed 180 days. For the purpose of this definition, a "provider" shall mean a government agency or private non-profit organization which provides or contracts with recognized community organizations to provide emergency or temporary shelter, and which may also provide meals, counseling and other services, as well as common areas for residents of the facility. Such a facility may have individual rooms but is not developed with individual dwelling units. (Zoning Ordinance [Section 19.60.020](#))

This definition concurs with the definition in Health and Safety Code [Section 50801](#), which defines an emergency shelter as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less. Additionally, Government Code [Section 65583\(a\)\(4\)](#) requires cities to identify a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones must also include sufficient capacity to accommodate the need for emergency shelters in the community.

The City allows "emergency shelters" as a permitted use without discretionary action exclusively in the Novato Industrial Park as set forth in the Novato Industrial Park Precise Development and Master Plan (NIPPDM) and Zoning Ordinance [Section 19.34.072 \(Emergency Shelters\)](#). However, the City allows a separate use, "residential shelters," as an allowed use in the CG zoning district, though does not provide a definition for the term in the Zoning Ordinance. Objective development and performance standards for "emergency shelters" are provided in the NIPPDM as follows:

1. On-site management and on-site security shall be provided during all hours when the emergency shelter is in operation at a ratio of one staff member for every 15 persons utilizing the shelter.
2. One office or cubicle intake area per 10 clients shall be maintained. An indoor onsite waiting area of no less than 275 square feet shall be provided.
3. External lighting shall be provided for security purposes as a minimum average of three foot candles at ground level. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of intensity compatible with the surrounding area.
4. Parking and outdoor facilities shall be designed to provide security for residents, visitors, employees and the surrounding area. On-site parking shall be provided at a ratio of one parking space for every four beds or persons.
5. A refuse storage area shall be provided that is completely enclosed with masonry walls not less than five feet high with a solid-gated opening and that is large enough to accommodate a standard-sized trash bin adequate for use on the parcel. The refuse enclosure shall be accessible to refuse collection vehicles.
6. The agency or organization operating the emergency shelter shall comply with the following requirements:

- Temporary shelter shall be available to residents for no more than 180 days in a calendar year. No individual or household may be denied emergency shelter because of an ability to pay.
  - Staff and services shall be provided to assist residents to obtain permanent shelter and income.
  - The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
7. No emergency shelter shall be located within 300 feet of another emergency shelter site.
  8. The maximum number of beds or clients permitted to be served (eating, showering and/or spending the night) shall not exceed 30 persons.

Within the NIPPDM, “emergency shelters” are otherwise subject to the same development standards (e.g., setbacks, lot coverage, etc.) as other commercial uses; residential uses are not permitted in the Park. The number of required parking spaces for an emergency shelter is lower compared to that required for multi-family uses elsewhere in the City; the NIPPDM does not otherwise specify parking requirements other than those in the Zoning Ordinance. However, parking spaces are not specifically set aside to accommodate staff working in an emergency shelter. Exterior changes to an existing building or buildings to establish an emergency shelter would be subject to design review.

Though existing land use standards and development regulations could facilitate the creation of new emergency shelters in the NIPPDM, the industrial parks do not allow residential uses and would not qualify as a compliant zoning designation under AB 2339. AB 2339 (Emergency Shelters Act of 2023), effective January 1, 2023, adds additional specificity on how jurisdictions must plan for emergency shelters in the Housing Element, including allowing emergency shelters in zones that allow for residential use. AB 2339 also requires that emergency shelters must be located near amenities and services that serve people experiencing homelessness. Thus, an additional zoning designation must be identified which allows residential uses where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit and that is suitable for residential uses.

The General Commercial (CG) District satisfies the requirements of AB 2339 in the following ways:

1. As shown above in Table C-6, the CG District allows uses such as congregate care/group facilities and live/work projects;
2. The CG District contains 31 parcels, seven of which are vacant or nonvacant and can be redeveloped for use as a shelter in the current planning period (see Table C-7 below); and
3. As a commercial zoning designation, parcels zoned CG are centrally located on or near Novato’s main thoroughfares and are near amenities and services that serve people experiencing homelessness. These are described in further detail in Table C-7.

**Table C-7: Potential Emergency Shelter Sites in the CG Zoning District**

APN	Address	Area			Capacity		Amenities in Proximity
		Existing Use	Acres	Square Feet	Developable Area (sf) <sup>1</sup>	Estimated Persons Served <sup>2</sup>	
141-244-03	7455 Redwood Blvd.	Vacant	0.36	15,769	6,307	32	Marin Transit Bus Routes 49, 57, 71 Novato SMART Station Within 0.5 mi. of the Novato Library, Novato DMV Within 0.5 mi. of urgent care center Within 0.5 mi. of retail and employment opportunities
141-244-12	1130 First St.	Car wash <sup>3</sup>	0.26	11,500	4,600	23	
141-244-17	First St.	Vacant	0.24	10,280	4,112	21	
143-011-08	7506 Redwood Blvd.	Vacant	1.76	76,709	30,684	153	
153-011-40	7426 Redwood Blvd.	Partially vacant	0.44	19,254	7,701	39	
141-303-06	935 Front St.	Vacant	0.89	38,943	15,577	78	Marin Transit Bus Routes 49, 57, 71 Within 0.75 mi. of South Novato Library Within 1 mi. of social services (Homeward Bound of Marin)
155-020-48	Marin Valley Dr.	Vacant	0.25	11,021	4,408	22	
<b>TOTAL</b>			<b>4.21</b>	<b>183,475</b>	<b>73,390</b>	<b>367</b>	

<sup>1</sup> Building coverage in the CG Zoning Districts limited to a maximum of 40% of site area. Here, "developable area" is calculated as 40% of total site area in square feet.

<sup>2</sup> AB 2339 amended State Housing Element law to provide the following calculation methodology for determining the sufficiency of sites available to accommodate emergency shelters – the square footage of the site divided by a minimum of 200 square feet per person. Here, "estimated persons served" divides the "developable area" (not the total square footage) of each site by 200, resulting in a more conservative estimate. (Government Code [Section 65583\(a\)\(1\)](#)).

<sup>3</sup> No occupiable structures present.

Source: City of Novato

According to the [2022 PIT Count](#), there were an estimated 265 persons experiencing homelessness in Novato, 115 sheltered and 150 unsheltered. From 2019 to 2022, homelessness increased by 8.4 percent across Marin County, with a 10.7 percent decrease in the sheltered population and a 17.2 percent increase in the unsheltered population. During this same period, homelessness in Novato decreased by 15.7 percent, with a 34.5 percent decrease in the sheltered population and a 2.0 percent increase in the unsheltered population.

As shown in Table C-7, the CG District contains five vacant and two underutilized/nonvacant parcels comprising approximately 4.21 acres. One nonvacant parcel (APN 141-244-12) is currently occupied by surface parking and a coin-operated car wash with no occupiable structures on site, providing opportunity for additional development, reuse, and/or redevelopment. The other nonvacant parcel (APN 153-011-40) is described as partially vacant due to the presence of a small restaurant and surface parking covering only approximately one-third of the site; the remainder of the site is wholly vacant.



Utilizing the calculation methodology established by Government Code [Section 65583\(a\)\(I\)](#), the above sites in the CG District are estimated to have capacity to accommodate emergency shelters serving 367 people. To provide a more conservative estimate, the maximum lot coverage allowed for parcels in the CG District (40 percent) is used. Other development standards in the CG District include a height limit of 35 feet and front/rear setbacks of six to 20 feet which only apply if adjacent to a single-family residential zone and/or a building is over 20 feet. These standards do not present a constraint to the development of emergency shelters

Under Program 4.A, the City would amend the Zoning Ordinance to accomplish the following:

1. Allow emergency shelters in the CG Zoning District as a permitted use without a conditional use or discretionary permit;
2. Subject emergency shelters only to the objective standards allowed by State law (Government Code Section 65583(a)(4)(B); and
3. Require emergency shelters to provide sufficient parking to accommodate staff in compliance with AB 139 (Emergency and Transitional Housing Act of 2019).

Additionally, the Zoning Ordinance does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code [Section 65660](#)). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multi-family uses provided they satisfy the provisions establish by AB 101 (see Government Code [Section 65662](#)). This would allow LBNCs in the CN, CDR, MU, and CF districts.

Under Program 4.B, the City would amend the Zoning Ordinance to allow LBNCs in the appropriate zones consistent with AB 101.

### **Transitional Housing and Supportive Housing**

In addition to emergency shelters, transitional and supportive housing are used to further facilitate the movement of homeless individuals and families to permanent housing. They can serve those who are transitioning from rehabilitation or other types of temporary living situations (e.g., domestic violence shelters, group homes, etc.).

Transitional housing is defined in Government Code [Section 65582](#) as 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 some predetermined point in the future, which shall be no less than six months. Health and Safety Code [Section 50675.14](#) defines supportive housing as housing with no limit on length of stay, that is occupied by a target population, and that is linked to an on-site or off-site service that assists residents in retaining the housing, improving their health, and maximizing their ability to live and (where possible) work in the community.

Transitional and supportive housing must be allowed in all zones that allow residential uses and subject to the same development standards that apply to other residential uses of a similar type within these zones. Furthermore, [AB 2162](#) (Government Code Section 65650-65656) requires supportive housing to be allowed by-right in zones where multi-family and mixed-uses are permitted, including nonresidential zones that allow multi-family uses, if the proposed development meets certain criteria (e.g., deed restricted for 55 years to lower income households, serving “target population” of homeless individuals, minimum area dedicated for supportive services, etc.).

The City adopted [Ordinance No. 1592](#) in 2014, adding supportive and transitional housing to the definition of “Dwelling, Dwelling Unit, or Housing Unit” contained within [Section 19.60.020](#) (Definitions of Specialized Terms and Phrases). As shown in Table C-6 (Residential Uses Permitted by Zoning District), supportive and transitional housing are permitted by-right in the A, C, RR, RVL/R1, R4/R5, R10, R20, BPO, CN, CDR, CDB, MU, CF, and REI zoning districts. Therefore, transitional and supportive housing are allowed and treated as a residential use in compliance with Government Code [Section 65651](#).

### **Farmworker (Employee) Housing**

State law provisions related to farmworker housing (also called employee housing) derive from Health and Safety Code [Section 17021.5](#) and [Section 17021.6](#). Section 17021.5 generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. Section 17021.6 generally requires that employee housing consisting of no more than 36 beds in group quarters designed for use by a single family or household to be treated as an agricultural use. No conditional use permits, zoning variances, or other zoning clearance are to be required.

The City defines “farm labor housing” as “temporary or permanent residential structures occupied by farm employees and their family members, who are employed on the commercial farm where the farm labor housing is located.” This use type is allowed in the Agricultural zoning district subject to a Use Permit ([Section 19.42.050](#)). As shown in the Needs Assessment (Appendix A, Figure A-10), there are 212 City residents employed in the Agriculture & Natural Resources industry, approximately 0.83 percent of all job holders.

However, requiring a Use Permit for farm labor housing is not consistent with the provisions of State law. The 5<sup>th</sup> Cycle Housing Element Update included Program 12.B (Health and Safety Code §17021.5 Compliance) to amend the Ordinance to ensure compliance with provisions of Health and Safety Code [Section 17021.6](#). This program was not completed and will be carried forward as Program 4.C.

### **Single-Room Occupancy (SROs)**

A single-room occupancy (SRO) unit is considered a small, affordable housing unit that can serve as an entry point into more stable or long-term housing for people who previously experienced

homelessness. They can also help jurisdictions meet their projected housing need for acutely and extremely low-income households.

The City does not explicitly permit SRO units in any zoning district, though it does define “rooming and boarding houses” as “the renting of individual rooms within a dwelling to two or more unrelated people, whether or not meals are provided.” Such dwellings are allowed with a Use Permit in the RR, RVL, R1, R4, R5, R10, and R20 zoning districts.

The 5<sup>th</sup> Cycle Housing Element included Program 7.C (Zone and Provide Appropriate Standards for SRO Units and Efficiency Apartments) to allow SRO units in the Mixed-Use, R10, and R20 zoning districts as a conditionally permitted use. The program did not result in the addition of standards related to SROs in the Zoning Ordinance, nor are SROs permitted with a Use Permit in the MU zoning district. This program will be modified and carried forward as Program 4.D, which directs the City to explicitly permit SRO projects by-right in the R10, R20, and MU zoning districts and provide appropriate parking, development, and management standards.

### **Manufactured and Mobile Homes**

Government Code [Section 65852.3](#) requires cities to allow and permit manufactured and mobile homes on a permanent foundation in the same manner and in the same zone as a conventional stick-built structure, subject to the same development standards that a conventional single-family home on the same lot would be subject to. As manufactured homes that meet certain requirements must be permitted in mobile home parks and are frequently regulated by jurisdictions together, they are discussed here jointly.

The City allows mobile home parks with a Use Permit in the RR, RVL, R1, R4, R5, R10, and R20 zoning districts. Development standards for mobile home parks are provided in [Section 19.34.120](#) (Mobile Home Parks and Mobile Home Subdivisions).

Requirements and development standards for mobile homes as single-family dwellings outside of mobile home parks are provided in [Section 19.34.110](#) (Mobile Homes). Additionally, the City’s definition of “single-family dwelling” in [Section 19.60.020](#) (Definitions of Specialized Terms and Phrases) includes a provision that “includes factory-built, modular housing units, constructed in compliance with the Uniform Building Code (UBC), and mobile homes/manufactured housing on permanent foundations.” Taken together, these provisions subject manufactured homes to the same development standards as a conventional single-family residential dwelling and are compliant with the requirements of State law.

### **Housing for Persons with Disabilities**

California Welfare and Institutions Code [Section 5115](#) declares that it is the policy of the State that persons with mental health disorders or physical disabilities are entitled to live in normal residential surroundings and should not be excluded from them due to their disability. Persons with disabilities have unique housing needs that include physical accessibility; access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive services.

[Section 5116](#) defines these alternate living arrangement as including state-authorized, certified, or licensed family care homes, foster homes, or group homes serving six or fewer individuals. It also includes hospices; nursing homes; convalescent facilities; and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addictions. Any such facility which provides care on a 24-hour-a-day basis to six or fewer individuals shall be considered a residential use and must be permitted in all residential zones, including but not limited to zones intended for single-family dwellings.

Health and Safety Code [Section 1502](#) defines community care facilities as “any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult daycare, or foster family agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children.” This definition includes a wide variety of facilities, including foster family homes, small family homes, and group homes.

Health and Safety Code [Section 1569.2](#) defines residential care facilities for the elderly” as “a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility. Persons under 60 years of age with compatible needs may be allowed to be admitted or retained in a residential care facility for the elderly.”

State law requires local governments to treat both facility types with six or fewer residents as a residential use and subject to the same development standards as a single-family dwelling. Furthermore, no conditional use permit, zoning variance, or other zoning clearance shall be required of a community/residential facility that serves six or fewer persons that is not required of a family dwelling of the same type in the same zone. The residents and operators of a residential care facility shall be considered a family for the purposes of any law or zoning ordinance that relates to the residential use of property. However, “six or fewer persons” does not include the operator, operator’s family, or persons employed as staff.

The City recognizes several land use types which could be considered community/residential care facilities as defined by the State, including “Group Homes,” “Congregate Care/Group Facilities,” and “Residential Care Facilities for the Elderly (RCFE).” However, only “Group Homes” are differentiated by number of residents (i.e., “six or fewer” and “seven or more”).

Group Homes qualify as community care facilities according to their definition in [Section 19.60.020](#). Group Homes that house six or fewer persons are permitted by-right in the A, RR, RVL, R1, R4, R5, R10, and R20 zoning districts and are subject to the same development standards as single-family dwellings. However, these smaller Group Homes are not allowed in the C and MU districts, where single-family dwellings are also permitted by-right. Group homes with seven or more persons are only allowed with a use permit.

The City's definition of RCFEs in [Section 19.60.020](#) matches that of the State, but also encompasses two sub-types: Assisted Living Facilities and Life Care Facilities. The City's treatment of RCFEs is not in compliance with State law, as these facilities are only allowed with a Use Permit in the CN zoning district, with no differentiation between small or large facilities.

The City also explicitly defines and regulates Congregate Care/Group Facilities, allowing them with a Use Permit in the BPO and CG zoning districts. However, [Section 19.60.020](#) defines Congregate Care/Group Facilities as equivalent to RCFEs without resolving the discrepancy in allowed zones.

Under Program 4.E, the City would amend the Zoning Ordinance to address the following with regard to Housing for Persons with Disabilities:

1. Permit Group Homes serving six or fewer persons by-right in the C and MU districts;
2. Resolve the discrepancy between Congregate Care/Group Facilities and RCFEs;
3. Permit RCFEs and Congregate Care/Group Facilities which serve six or fewer persons and seven or more persons by-right in the A, C, RR, RVL, R1, R4, R5, R10, R20, and MU district; and,
4. Require only the same development standards for community/residential care facilities as those required for single-family dwellings.

The City defines a "family" as "one or more persons occupying a premises and living as a single non-profit, domestic housekeeping unit." This definition does not require relation by blood or by marriage, and therefore does not unnecessarily limit the operation of community/residential care facilities.

Lastly, the City ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations and the Americans with Disabilities Act (ADA)) and federal requirements for accessibility.

### **Reasonable Accommodation**

Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws 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 reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the Zoning Ordinance to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

[Section 19.42.080](#) (Reasonable Accommodations) establishes a formal procedure for individuals with disabilities seeking equal access to housing to request a reasonable accommodation and criteria to be used when considering such requests. The Ordinance allows a reasonable accommodation request to be made by any person with a disability or their representative when

the rules, standards, and practices required for housing acts as a barrier to fair housing opportunities. The procedure is a ministerial process, subject to approval by the Director.

In recent years, the City has not received any reasonable accommodation requests.

## **Density Bonus**

Zoning Ordinance [Division 19.25](#) (Density Bonus) implements State Density Bonus law by cross-referencing to Government Code [Section 65915 et seq.](#), thus automatically complying with State law.

However, the preceding division, [Section 19.24.020.B](#) (Density Bonus) states that affordable dwelling units that qualify a housing development for a density bonus are in addition, and do not count toward satisfying the affordable housing requirements of [Division 19.24](#) (Affordable Housing Requirements). This provision is not in compliance with State law; Government Code [Section 65915\(o\)\(6\)](#) requires that the “total units” used for the calculation of a density bonus include units designated to satisfy a city’s inclusionary zoning requirements. Program 3.A would remove this provision from Division 19.24 to ensure both affordable housing and density bonus regulations are consistent and compliant with State law.

Additionally, the City grants a local Senior Density Bonus of 30 dwelling units per acre when an applicant for a Senior Citizen housing development seeks such a bonus for a project within the AHO Overlay District. [Section 19.25.050](#) (Local Senior Density Bonus) provides example calculations for total possible units when combining both local and State-mandated density bonuses.

## **Incentives for Affordable Housing**

The City adopted an AHO Overlay in November 2013, applied to properties designated as housing opportunity sites consistent with the 5<sup>th</sup> Cycle Housing Element. As a result, the AHO Overlay is currently assigned to five sites. The AHO Overlay permits multi-family uses on all or a portion of the site. To further incentivize the development of affordable housing, [Section 19.16.070](#) (Affordable Housing Opportunity (AHO) Overlay District) establishes development standards which eliminate minimum lot size, allow higher density (23 dwelling units per acre) than adjacent parcels, and lower parking requirements than are typically required for multi-family developments. Additionally, the AHO Overlay allows a maximum building height of 35 feet to allow construction of three-story buildings, as well as a height limit increase by a maximum of 20 percent with design review approval.

Since the City established the AHO Overlay in 2013, three of the five sites assigned to the AHO Overlay have been in the review process by the City, are currently in development, or have recently been built. In the AHO Overlay, a project at 7711 Redwood Boulevard was built with 80 housing units, 16 of which dedicated for very low- and low-income households. The project was built to a density of 87 percent (20 dwelling units per acre) of the maximum allowed density of 23 acres per unit. The City recently approved a project at 101 Landing Court, which will provide 32



housing units for very low-, low-, and moderate-income households. The project was built to a density of 70 percent (16.16 dwelling units per acre) of the maximum allowed density for the AHO Overlay. The City currently has a project under review at 1787 Grant Avenue that would provide 35 units of affordable housing, which will provide housing for very low-, low-, and moderate-income level households. The project was built to a density of 72 percent (16.67 dwelling units per acre) of the maximum allowed density for the AHO Overlay.

## Inclusionary Housing

The City provides for the development of affordable housing for lower-income households in Zoning Ordinance Division 19.24 (Affordable Housing Requirements). This division uses inclusionary housing policies, requiring affordable units as follows:

Residential Project Size	Percentage of Affordable Housing Units Required
3 – 6 units	10% or provide in-lieu fee
7 – 10 units	10%
11 – 19 units	11% – 19% <sup>1</sup>
20+ units	20%
<sup>1</sup> Percent units required increases on a 1-to-1 basis with residential project size.	

For rental projects, 50 percent of the required number of affordable units must be affordable to low-income households, with monthly rent not to exceed 1/12 of 30 percent of the maximum annual income for households earning 60 percent of AMI, less a monthly utility allowance. The other 50 percent of affordable units must be affordable to very low-income households, with monthly rent not to exceed 1/12 of 30 percent of the maximum annual income for households earning 50 percent of AMI, less a monthly utility allowance.

In for-sale projects, 50 percent of the required number of affordable units must be affordable to low-income households and 50 percent must be affordable to moderate-income households. [Section 19.24.030.A.2.a](#) (Affordable Sales Price Calculation) describes how to qualify affordable for-sale units to fulfill this requirement.

Alternately, developments of three to six housing units may pay an in-lieu fee of \$8,100 to \$28,000 per market rate unit, depending upon the size of the development. The requirement applies to single family development as well as multi-family projects. Second units and projects of one or two residential units are exempt. In recent years, very few residential development projects have resulted in the payment of in-lieu fees; in nearly all cases, the size of development has required units to be produced on-site.

## Inclusionary Housing Analysis

The City has implemented inclusionary housing requirements since 1999. Since that time, Novato has continued to experience new housing development, with 2,634 units (11.4 percent of the City's housing stock) built since 2000. Between 2015 and 2019, 266 housing units were issued permits in the City. Of these, 156 (59 percent) were above moderate-income units, 46 (17 percent)



were moderate-income units, 41 (15 percent) were low-income units, and 23 (8.6 percent) were very low-income units (see Appendix A, Housing Needs Assessment, Table A-18). This is an average of 53 residential units permitted per year.

As of 2021, the City has achieved all of its above moderate-income 5<sup>th</sup> Cycle RHNA of 167 units, but has not yet met the allocations in the very low-, low-, and moderate-income categories. The City's progress is 46 percent of very low-income, 38 percent of low-income, and 32 percent of moderate-income. Various programs are included in the Housing Plan (Section III) to facilitate production of housing for lower-income households.

Additionally, as part of the 6<sup>th</sup> Housing Element Cycle, the City is undergoing an analysis of Zoning Ordinance Division 19.24 (Affordable Housing Requirements) to amend the City's current inclusionary housing policies. The current analysis is reviewing the City's current policies, the relationship of inclusionary housing ordinances to other State housing laws, a financial feasibility analysis in of State-compliant inclusionary housing policies, and reviewing recommendations to update the City's Zoning Ordinance. Under Program 2.G, the City will amend and monitor the inclusionary housing requirements to determine how to apply inclusionary requirements, how to periodically reevaluate the feasibility of the requirements, and update the inclusionary requirement on rental residential and for-sale development projects.

## **Urban Growth Boundary**

The Urban Growth Boundary (UGB) is a line (generally following the City limits) adopted as a component of the General Plan that delineates the outer edge of land planned for future development at General Plan buildout. The UGB is included in Novato's General Plan and distinguishes areas generally suitable for urban development and the provision of urban facilities and services from areas considered more suitable for the long-term protection of natural and scenic resources (particularly ridgeline views) and open space uses such as large lot agriculture and grazing, and parks and recreation. The UGB also encourages efficient growth patterns that foster and protect the rural character of Novato while promoting appropriate economic development in accordance with the City's unique local conditions. The Marin Local Agency Formation Commission (LAFCO) and the County of Marin refer potential development outside the UGB, but within the City's Sphere of Influence, to the City for review and comment.

Originally enacted by the voters in 1997, Novato residents voted in 2017 to continue the UGB through the year 2042. The City Council may amend the UGB and annex new territory into Novato to comply with State law regarding the provision of housing for all economic segments of the community, provided that no more than 10 acres of land may be brought within the UGB in any calendar year.

## **Other Local Ordinances**

Municipal Code [Section 8-12](#) (Short-Term Rental Licensing Program) establishes regulations to prevent undesirable impacts associated with short-term rentals. The Ordinance does not

otherwise prohibit short-term rentals in any particular zoning district, but does prohibit the use of both ADUs and JADUs as short-term rentals in [Section 19.34.031.H](#) (Rental Period).

In February 2022, the City adopted objective standards applicable to urban lot splits ([Ordinance No. 1678](#)). These standards are consistent with SB 9 (Government Code Sections [65852.21](#) and [66411.7](#)).

### **C.2.3 Building and Housing Codes and Enforcement**

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Novato has adopted by reference Parts 2, 2.5, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 of the 2022 [California Building Standards Code](#) (Code of Regulations, Title 24) as the Construction Codes of the City of Novato. All codes mentioned here are referenced in [Chapter 4](#) (Building and Housing) of the Municipal Code. These standards are adopted at the State level and are mandatory Statewide minimums enacted to the safety of those occupying the structures.

As part of the ordinance adopting these technical codes, the City Council has made reasonable and necessary amendments to the California Building Standards Code because of local climatic, geographical, or topographical conditions. The majority of local amendments made are to respond to conditions in and around the City such as the Wildland Urban Interface, areas of localized flooding, and design standards for various climate factors such as wind speed, seismic activity, etc. These express findings are listed in [Section 4-1.2.E](#).

For example, the City amended the 2022 California Green Buildings Standards Code (Code of Regulations, Title 24, Part 11) to adopt mandatory energy efficiency standards for new construction (also called Tier 1 measures). These Tier 1 efficiencies have been adopted by the City since 2011 and are typical of most jurisdictions in the Region. Applying the higher efficiency standards to all new construction will help the City achieve greenhouse gas emission reduction goals. These standards may increase initial construction costs, but over time will benefit the health, welfare, and resilience of current and future residents and have not been observed as presenting constraints to housing supply and affordability. Other local amendments are proposed by the Novato Fire Protection District to the State Fire Code and Appendix A of the 2021 International Wildland-Urban Interface Code. These are proposed by the District, then ratified by the City Council. These amendments include requiring more fire resistive Class “A” roofing materials in line with the majority of neighboring jurisdictions and ensuring that wildland-urban interface upgrades apply only to the areas of building affected and retaining the current thresholds for fire sprinklers.

The City’s [Code Enforcement Division](#) is responsible for monitoring Code compliance. Code enforcement practices occur on when a complaint is made, during proactive inspections of multi-family buildings of three or more units (see Municipal Code [Section 4-14](#)).

### **C.2.4 Permits and Procedures**

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## Residential Entitlement Processing

The time required to process a residential development project, regardless of whether the proposal involves single-family or multi-family dwellings, varies from one entitlement to another and is contingent on a variety of factors, including, but not limited to the scale, location, complexity, and possible environmental impacts of a project, the physical constraints at and cultural resources sensitivity of a site, and the number of actions or approvals needed to complete the entitlement process. In Novato, where a residential project requires multiple entitlements, all required entitlements are processed concurrently. Accordingly, a package of entitlements for a given project will follow the timeline of the entitlement with the longest lead time. Where a project is subject to CEQA and/or tribal consultation, the process is started at the earliest possible time, usually within the initial completeness period specified in Government Code [Section 65943](#). In all instances, the City follows the various time frames applicable to a given project as specified in the Government Code (e.g., Government Code [Section 65943](#) and [Subdivision Map Act](#)) and the Public Resources Code (CEQA).

Based on the City's experience, project timelines are often impacted by the completeness and clarity of initial application submittals, the applicant's diligence in responding to application deficiencies and code/policy inconsistencies, the duration of consultations with local Native American tribes as may be necessary, the availability and lead times of CEQA consultants, and statutory public notice and comment periods. Typically, the City's actual "hands-on" processing time is a fraction of the total time elapsing between the submittal of residential development application and a decision on the project as many of the factors noted above are outside the City's control.

Table C-8 identifies approvals and/or permits that could be required for residential planning entitlements and their corresponding approval body. It should be noted that every project would not have to obtain each permit/approval.

**Table C-8: Review Authorities**

Type of Decision	Role of Review Authority <sup>1</sup>				
	Director/Staff	Zoning Administrator	Design Review Commission	Planning Commission	City Council
<b>Land Use Permits and Other Development Approvals</b>					
Minor Design Review	Decision <sup>2</sup>	–	Appeal	Appeal	Appeal
Major Design Review	–	–	Decision	Appeal	Appeal
Use Permits	–	Decision <sup>3</sup>	–	Appeal	Appeal
Variances	–	Decision <sup>3</sup>	–	Appeal	Appeal
Zoning Clearances	Decision <sup>3</sup>	–	–	Appeal	Appeal
Master Plan / Precise Development Plan	–	–	–	–	Decision
<b>Subdivisions</b>					
Land Divisions (4 or fewer lots)	Decision	–	–	–	Appeal

**Table C-8: Review Authorities**

Type of Decision	Role of Review Authority <sup>1</sup>				
	Director/Staff	Zoning Administrator	Design Review Commission	Planning Commission	City Council
Tentative Maps (5 or more lots)	–	–	–	Decision	Appeal
<sup>1</sup> "Decision" means that the Review Authority makes the final decision on the matter; "Appeal" means that the Review Authority may consider and decide upon appeals to the decision of an earlier decision-making body, in compliance with Division 19.54 (Appeals). <sup>2</sup> The Director may refer the matter to a Design Review Commission for the final decision. <sup>3</sup> The Director or Zoning Administrator may defer action on permit applications and refer the items to the Planning Commission for the final decision.					

Source: City of Novato Municipal Code, Chapter 19 (Zoning), Division 19.40 (Permit Application Filing and Processing)

Table C-9 provides an estimate of the processing time for the types of development approvals and levels of environmental review typically required for single-family and multi-family residential development projects in Novato since these forms of housing have the same permitting requirements.

**Table C-9: Typical Approval Timelines**

Permit/Approval Type	Estimated Approval Timelines <sup>1</sup>	No. of Public Hearings
<b>ADUs/JADUs</b>	60 days or less	–
<b>Residential Developments</b>		
<i>Minor Design Review – CEQA Exempt</i>	60 days	On request or appeal only
<i>Major Design Review – CEQA Exempt</i>	90 days	1
<i>Use Permit – CEQA Exempt</i>	90 days	1
<i>Variances – CEQA Exempt</i>	90 days	1
<i>Planned District Master Plan / Precise Development Plan CEQA, Mitigated Negative Declaration</i>	9 – 12 months	4
<i>Planned District Master Plan / Precise Development Plan CEQA, Environmental Impact Report</i>	12 – 18 months	5 <sup>2</sup>
<sup>1</sup> Assumes site is designated for housing, one round of completeness review, and one resubmittal by the applicant. <sup>2</sup> EIR procedure adds additional public hearing on Draft EIR prior to consideration and certification of Final EIR.		

Source: City of Novato

## Single-Family Residential Project Process

A typical single-family residential project in Novato involves a request for a tentative map subdivision and Major Design Review assuming the proposal occurs on a site zoned for single-family residential use, involves four or more parcels, and is subject to the City's Hillside and Ridgeline Protection Ordinance. Both entitlement requests would be processed concurrently, with a focus on determining whether the subdivision and proposed residences comply with the provisions of the California Subdivision Map Act, the standards of Novato's local subdivision and zoning ordinances, and meets the findings necessary to approve the tentative subdivision map

and Design Review requests. The project would be concurrently reviewed for completeness pursuant to Government Code 65943 and introduced to the community through a neighborhood meeting hosted by the project sponsor. Additionally, staff would determine the appropriate level of CEQA review for the proposal and initiate environmental review or preparation of findings supporting an exemption.

Assuming the application is complete, the proposal would be presented to Novato's Design Review Commission for a public hearing to make a recommendation to the Planning Commission on the subdivision's conformance with applicable design standards and findings. Thereafter, the proposal would advance to the Planning Commission for a decision on the recommended CEQA determination, the tentative map, and the Major Design Review requests. The Planning Commission's decision would be final unless appealed to the City Council.

### **Multi-Family Residential Project Process**

Condominiums and townhomes are the most common form of multi-family residential development in Novato. Given this circumstance, a typical multi-family development follows an entitlement process matching that applicable to single-family residential developments, including a subdivision review. If a multi-family project does not involve a subdivision action, then a Major Design Review would be the only planning entitlement required for such a project assuming the proposal occurs on a site zoned for multi-family residential use. Under such a circumstance and assuming a complete application, the Design Review Commission would be the final decision maker unless the matter were appealed to Planning Commission.

### **Planned (PD) Development (Master Plans/Precise Development Plans) Process**

Novato's Planned Development (PD) Zoning District applies to a number of properties designated for single-family or multi-family residential development. The PD process, regardless of residential type, involves the review and approval of a Master Plan and Precise Development Plan. The Master Plan addresses the intensity of development of a project, whereas the Precise Development Plan covers the design and operational elements of the proposals. The PD process is coupled with Design Review and may involve a subdivision action assuming single-family dwellings or multi-family condominiums/townhomes are proposed. The PD process allows an applicant to propose a project that doesn't necessarily need to meet the uniform development standards that would otherwise be applied to a given project through a traditional zoning district. That is, an applicant can essentially propose a custom designed development.

All of the entitlements associated with a project proposed under PD zoning are processed concurrently just as is done for non-PD projects in Novato. The PD process begins with a neighborhood meeting hosted by the applicant to introduce the project to the community. Thereafter, the project is presented to the Design Review Commission for a Design Workshop at which the Commission will provide feedback regarding the project's site design, building height/massing, and conceptual architecture and landscaping. During this period, staff works to identify the appropriate level of CEQA review. The initial Design Workshop involves a review of

conceptual plans, as the intent is to provide design feedback without having an applicant invest significant time and money in fully developed project plans.

The next step of the PD process involves a return to the Design Review Commission for a public hearing to make a formal recommendation to the Planning Commission and City Council regarding the project's site design, building height/massing, and concept-level architecture and landscaping. The project design recommended by the Design Review Commission serves to inform the project description developed for the CEQA analysis, typically an initial study leading to a mitigated negative declaration. From this point, staff and the applicant coordinate to deliver the balance of documentation required for a Master Plan and Precise Development Plan and, as necessary, a tentative subdivision map.

Once the CEQA analysis is complete, the project is scheduled for consideration by the Planning Commission, usually at the end of the statutorily required public comment period for a mitigated negative declaration (either 20 or 30 days). The Planning Commission then considers the Master Plan, Precise Development Plan, Design Review, tentative map, and recommended CEQA determination at a public hearing. The Planning Commission makes a recommendation to the City Council to approve or disapprove the project based on the findings required for the noted entitlements and CEQA determination. Thereafter, the City Council conducts a hearing and decides on these items.

The PD process culminates with a return to the Design Review Commission to obtain a decision on the final architectural and landscaping details of the project. This final review is conducted after the City Council's action on the Master Plan and Precise Development Plan, so an applicant has the confidence of holding entitlement improvements before spending time and money preparing finer detailed architectural and landscape plans.

### **Representative Project Timeline**

Table C-10 below is a summary of the eight most recent residential projects in the City which have completed entitlements and obtained building permits. The table includes both entitlement processing times and the time between entitlement approvals and developer filing for building permits.

The table illustrates that there is a wide variance in the lapse of time between approvals and filing for building permits. There is very little correlation between complexity of the project and the time that elapses between approvals and filing for permits. The first two projects are two of the most complicated and yet filed for permits concurrently with entitlements (which the City allows) or within one month of completing entitlements which indicates the development team began work on their construction documents well in advance of their approvals. Conversely, the Springbrook Green and Misty Court projects were two of the simpler projects and had some of the longer timelines. Both of these projects were sold between entitlements to the builders who ultimately applied for and obtained permits. The Novato Village apartment site is located on the former Hamilton Air Base and soil remediation was required prior to obtaining building permits.

The table also reflects very little correlation between time involved to process entitlements and the complexity of entitlements. The majority of these sites were not anticipated as 5<sup>th</sup> Cycle housing sites; they came in as owner-initiated general plan amendments and rezones. The 7711 Redwood site was identified as an Affordable Housing Overlay site, but the owner wanted to include additional area in his application and so needed to process a General Plan Amendment and Rezone in order to accomplish that. Even with those additional actions, entitlement processing took less time than several of the other sites. The large variance in processing times of similar entitlements is due to the completeness and accuracy of plans submitted and the turnaround times for developer design teams.

These recent experiences were valuable to the City in identifying the extended processing times when properties were zoned “Planned Development.” These are the projects identified in Table C-10 as needing Master Plans or Master Plan Amendments and Precise Development Plans. Identification of this constraint led to development of Program 3.I, to rezone remaining properties designated “PD” with the zoning designation which most closely matches the property’s general plan land use designation. This program will further reduce entitlement processing times.

**Table C-10: Representative Project Timelines**

GPA = General Plan Amendment   MND = Mitigated Negative Declaration   MP = Master Plan   MPA = Master Plan Amendment PDP = Precise Development Plan   RZ = Rezone   TSM = Tentative Subdivision Map   Var. = Variance								
Project			Planning App.		Entitlement Processing Time	Building Permit App. Filed	Time from Entitlement to BP Filing	Entitlement Issued
Name	Units	APN/Address	Filed	Approved				
<b>7711 Redwood</b>	80 townhomes	125-580-16	4/12/16	12/17/19	8 months	9/30/219	Concurrent	GPA, RZ, TSM
<b>City Ventures</b>	75 townhomes	157-970-03 802 State Access Rd.	10/10/19	7/14/20	9 months	8/11/20	1 month	GPA, MPA, PDP, TSM, MND
<b>Homeward Bound</b>	50 supportive housing	157-970-07 826 State Access Rd.	7/9/19	8/23/22	37 months	12/14/22	4 months	PDP
<b>Hamilton Cottages</b>	16 senior townhomes	157-860-03, -04	9/21/15	10/25/16	13 months	6/21/17	8 months	MPA, PDP, VTM, DR, MND
<b>Oakmont Senior Living</b>	Assisted living facility	151-022-12 1461 S. Novato Blvd.	2/18/16	7/11/17	17 months	6/18/18	12 months	GPA, MP, PDP
<b>Springbrook Green</b>	9 townhomes	1602 Vallejo	5/30/19	1/27/20	8 months	3/22/21	14 months	Var., TSM, CEQA Exmptn.
<b>Misty Court</b>	9 single-family detached	143-272-07	11/3/15	3/27/18	26 months	9/17/19	18 months	MPA, PDP, TSM, MND
<b>Novato Village</b>	48 senior apartments	157-970-04 801 State Access Rd.	5/3/11	5/30/13	24 months	3/12/15	24 months	GPA, MPA, PDP, MND



## Approval Findings

The entitlements noted above in Table C-9 each have a specific set of findings that must be made by a review authority to grant a requested entitlement. Where a project requires multiple entitlements, it is necessary for the review authority to make the findings applicable to each entitlement to approve the proposal. The following is list of findings for each entitlement listed in Table C-9.

### *Design Review*

The City's Design Review process is outlined in [Section 19.42.030](#) (Design Review). This is an entitlement that simplifies the application process by allowing the applicant to consider the project's conformance with objective design standards. The Design Review process may begin with an optional Design Review Workshop. At the applicant's discretion, the Director will arrange an introductory workshop with the Design Review Commission (DRC) to review the project against the City's applicable objective design standards and guidelines. The Director will also provide courtesy noticing of property owners within 600 feet of the site. The threshold for whether the application warrants Minor Design Review (administrative action) or Major Design Review (DRC public hearing) are as follows:

1. Minor Design Review is an administrative process described in [Subsection 19.42.030.D.4](#) (Minor Design Review). Minor Design Review is required for:
  - Single-family/duplex developments of two or more stories;
  - Single-family/duplex developments on hillside parcels with an average slope of 10 percent or more;
  - Additions to single-family/duplex developments over 500 square feet; and,
  - Additions to multi-family developments that are 40 percent or less of existing building square footage (or are visible from the street).
2. Major Design Review is a public review process described in [Subsection 19.42.030.D.5](#) (Major Design Review). After the Director has determined an application is complete, a public hearing is scheduled before the DRC to make recommendations on a project's site plan. After DRC review, the project moves on to Use Permit review (described below). After the approval of the project's Use Permit, a second public hearing is scheduled before the DRC to review the design of buildings, architecture, landscaping, color, and materials. Major Design Review is required for:
  - Single-family/duplex developments of three or more adjacent units;
  - New multi-family developments;
  - Additions to multi-family developments greater than 40 percent of existing building square footage; and,
  - Any Minor Design Review application referred by the Director.

In September 2023, the City adopted objective design standards for residential development of more than two units and residential projects will now be referred to one meeting before the Design Review Commission in order to determine compliance with those objective standards. Note that

multi-family development in multi-family zones do not require Use Permits. Use Permits are only required for mixed use developments in commercial zones. The following programs are included to reform the Design Review process:

1. Program 3.C: Adopt objective design standards for multi-family housing.
2. Program 3.D: Design review and use permit process improvements.
3. Program 3.E: SB 35 processing and permit streamlining.

### *Use Permits*

The City's Use Permit process is described in [Section 19.42.050](#) (Use Permits). The Zoning Administrator, a qualified City employee appointed by the City Manager (usually the Planning Manager or Community Development Director), determines whether the application warrants a public hearing by the Planning Commission rather than by the Administrator. Regardless of the final decision-making body, Use Permit approval is subject to the findings listed in Section 19.42.050.E. These are:

1. The proposed use is consistent with the General Plan and any applicable specific plan;
2. The proposed use is allowed with a Use Permit within the applicable zoning district and complies with all applicable provisions of this Zoning Ordinance and any relevant Master Plan and/or Precise Development Plan;
3. The establishment, maintenance or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;
4. The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City; and
5. The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

The discretion of the Zoning Administrator in determining whether they or the Planning Commission is the final decision-making body potentially lengthens processing times. Clear review thresholds, like those used in the design review process, are preferable to streamline project review. As an additional action under Program 3.D, the City would amend the Zoning Ordinance to establish clear thresholds for the review of Use Permit applications by the Zoning Administrator.

### *Variances*

The City's variance process is described in Section 19.42.070 (Variances). Variance applications are reviewed and decided upon by the same review authority that is responsible for acting upon the primary land use permit required to authorize the use in question. Findings include:

1. Granting the Variance is consistent with the General Plan and any applicable specific plan;
2. Granting the Variance would not constitute a grant of special privileges inconsistent with the limitations on other properties in the vicinity and in the same zoning district;
3. There are special circumstances applicable to the property (e.g., location, shape, size, surroundings, topography, or other conditions), so that the strict application of this Zoning Ordinance denies the property owner privileges enjoyed by other property owners in the vicinity and under identical zoning districts or creates an unnecessary and non-self imposed, hardship or unreasonable regulation which make it obviously impractical to require compliance with the development standards;
4. Granting the Variance is necessary for the preservation and enjoyment of substantial property rights possessed by other property owners in the same vicinity and zoning district and denied to the property owner for which the Variance is sought; and
5. Granting the Variance would not be materially detrimental to the public interest, health, safety, convenience, or welfare of the City, or injurious to the property or improvements in the vicinity and zoning district in which the property is located.

### *Zoning Clearances*

The City's Zoning Clearance process is described in [Section 19.42.020](#) (Zoning Clearances). The Director shall issue the Zoning Clearance after determining that the request is consistent with the General Plan and any applicable specific plan and complies with all Zoning Ordinance provisions applicable to the proposed use (including applicable Master Plan and Precise Development Plans). No other findings are required.

### *Planned Development (PD) – Master Plans and Precise Development Plans*

As described in [Section 19.42.060](#) (Master Plans and Precise Development Plans), Master Plans and Precise Development Plans are a prerequisite to development on parcels in the PD zoning district. The PD process is used both for projects on sites that are designated and/or zoned for residential uses, and frequently for sites that are requesting either a zone change, General Plan amendment, or annexation into the City for the purposes of residential development.

The PD process requires the submission of a Master Plan, Precise Development Plan, or combined plan containing graphic documents and written statements which describe the development concepts for the project. Approval of a Master Plan, Precise Development Plan, or combined plan is subject to the following findings:

#### *For a Master Plan (Zoning Code Section 19.42.060.E.3):*

1. The proposed Master Plan development is in conformance with the applicable goals and policies of the General Plan and any applicable specific plan;

2. The proposed Master Plan development can be adequately, conveniently, and reasonably served by public conveniences, facilities, services, and utilities;
3. The proposed Master Plan development concepts are reasonably suited to the specific characteristics of the site and the surrounding neighborhood; and
4. The location, access, density/building intensity, size and type of uses proposed in the Master Plan are compatible with the existing and future land uses in the surrounding neighborhood.

*For a Precise Development Plan (Zoning Code Section 19.42.060.F.3):*

1. The proposed Precise Development Plan is consistent with the General Plan, any applicable specific plan, and the approved Master Plan;
2. The proposed Precise Development Plan would produce a comprehensive development of superior quality (e.g., appropriate variety of structure placement and orientation opportunities, appropriate mix of land uses and structure sizes, high quality architectural design, increased amounts of landscaping and open space, improved solutions to the design and placement of parking facilities, etc.) than might otherwise occur from more traditional development applications;
3. The design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle access and public services and utilities (e.g., drainage, fire protection, sewers, water, etc.), would ensure that the proposed development would not endanger, jeopardize, or otherwise be detrimental to the public health, safety, or general welfare, or injurious to the property or improvements in the vicinity and zoning district in which the property is located;
4. The proposed Precise Development Plan standards are reasonably suited to the specific characteristics of the site, and are compatible with the existing and future land uses in the surrounding neighborhood;
5. The subject site is:
  - Physically suitable for the type and density/intensity of development being proposed;
  - Adequate in shape and size to accommodate the use and all fences and walls, landscaping, loading, parking, yards, and other features required by the Zoning Ordinance; and
  - Served by streets and pedestrian facilities adequate in width and pavement type to carry the quantity and type of traffic expected to be generated by the proposed development.

The requirement that any development on a parcel zoned PD prepare a Master Plan and/or Precise Development Plan commits applicants to a discretionary process where existing land use

and zoning regulations may suffice. Under Program 3.I, the City will amend Zoning Ordinance Division 19.14 (Special Purpose Zoning Districts) to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed.

### **Approval Findings Analysis**

The findings above reflect the City's historic reliance on discretionary criteria for new single-family and multi-family housing developments. However, the City, consistent with current State housing law, has adapted its application of the noted entitlements and associated findings where a residential proposal is subject only to compliance with objective standards. For example, if a residential project requires a Design Review approval and may only be reviewed for compliance with objective standards, the review authority is advised of the limits of review applicable to the project, provided with references to the objective standards relevant to the project, and is asked to make the required findings where the review authority determines the project complies with the pertinent objective standards regardless of whether the findings contains subjective criteria. The City's review authorities have approved residential development projects under these circumstances without issue. As applied, the noted findings do not constrain the entitlement of new residential development.

The City recognizes that adapting the noted findings as described above is not ideal in the long-term from the perspective ensuring clarity in entitlement processes for residential development. As such, Housing Element Programs 3.C, 3.D, 3.E, and 3.I will, in part, necessarily involve developing new or modified findings specific to residential projects subject to objective standards only and/or streamlined review (e.g., SB 35).

Regarding variances, the City rarely processes requests for variances related to residential development projects. Generally, residential projects in Novato involve more than five dwelling units and include some level of affordability qualifying the development for a density bonus. As a result, developers utilize the provisions of State density bonus law to obtain relief from development standards.

### **SB 35 Processing**

Senate Bill 35 (SB 35) (Government Code [Section 65913.4](#)) became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing goals for above-moderate and lower-income levels to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process. The City complies with the requirements of SB 35 as part of project review as projects are proposed. The City will adopt local procedures consistent with SB 35 (see Program 3.E) to ensure continued compliance and to facilitate the review process.

### **Permit Streamlining Act Compliance**

The Permit Streamlining Act was enacted in 1977 in order to expedite the processing of permits for development projects (Government Code [Section 65921](#)). The Permit Streamlining Act achieves this goal by (1) setting forth various time limits within which state and local government agencies must either approve or disapprove permits and (2) providing that these time limits may be extended once (and only once) by agreement between the parties. The Permit Streamlining Act does not apply to legislative land use decisions or to ministerial permits.

The City adheres to the time limitations by providing completeness responses to applicants within 30 days of receiving a development application. When an application is received, the City establishes internal review times to be completed prior to the 30-day limit to ensure there is sufficient time to adhere to requirements of the Permit Streamlining Act. The completeness response provided to applicants includes a detailed list of missing items, if any, that were identified. Projects that are exempt from California Environmental Quality Act (CEQA) must be processed within 60 days of deeming the application complete. However, projects that require additional environmental analysis and disclosures to the public are granted additional time to prepare an initial study and circulate the environmental findings for public comments. The City adheres to streamlining requirements under CEQA pursuant to State law.

## Permit and Development Fees

The City processes development applications on a cost recovery basis, requiring payment of deposits for entitlement processing at the time of application and payment of development impact fees, generally at the time of building permit issuance. City fees/deposits are based on the City's costs of providing services and are reviewed and adjusted periodically. The City's permit and development fees are [available on the City's website](#) consistent with Government Code [Sections 65940.1\(a\)\(1\)\(A\) and 65940.1\(a\)\(1\)\(B\)](#).

## Planning Fees

Tables C-11 lists the City's planning deposits and fees.

**Table C-11: Planning and Development Fee Schedule**

Permit	Fee/Deposit
<b>Subdivision Actions</b>	
<i>Tentative Map (4 or Fewer Lots)/Amendment</i>	\$4,100
<i>Tentative Map (5 or More Lots)/Amendment</i>	\$6,150
<b>Use Permits</b>	
<i>Major (Planning Commission)</i>	\$4,100
<i>Minor (Zoning Administrator)</i>	\$2,460
<b>Variance</b>	\$1,640
<i>Major (Hearing Authority)</i>	\$4,100
<i>Minor (Director)</i>	\$2,460
<b>Design Review</b>	
<i>Major Residential (Hearing Authority)</i>	\$5,125
<i>Minor Residential (Director Review)</i>	\$2,460

Table C-11: Planning and Development Fee Schedule

Permit	Fee/Deposit
<b>Environmental Review</b>	
<i>Categorical/Statutory Exemption</i>	Cost of exemption review recovered via permit deposit/fee
<i>Initial Study/Negative Declaration/Mitigated Negative Declaration</i>	Initial deposit amount TBD based on consultant estimate
<i>Environmental Impact Report</i>	Initial deposit amount TBD based on consultant estimate
<b>Zoning Clearance</b>	\$410
<b>Streamlined Residential Review</b>	
<i>SB 35/AB 2162 (Streamlined Residential Development Review)</i>	\$13,325 <sup>1</sup>
<i>AB 168 (Notice of Intent/Tribal Consultation)</i>	\$2,460
<b>Density Bonus Request</b>	\$8,200
<b>ADU (Planning Permit)</b>	\$820
<b>Pre-Application Assistance Request</b>	
<i>Pre-Application Meeting (up to 1/2 hour)</i>	No charge \$500 for each additional meeting (up to 1 hour)
<i>Pre-Application Request for Information</i>	No charge \$205 for each additional hour (1 hour min.)
<i>Pre-Application Design Consultation (per plan submittal/response)</i>	\$205
<i>Technical Advisory Committee Review</i>	\$1,230
<b>Downtown Core Parking Waiver</b>	\$410
<b>Reasonable Accommodation Request</b>	\$820
<sup>1</sup> Streamlined processing means most work is completed in the first 30 to 60 days, resulting in a higher initial deposit to anticipate these costs. The deposit also includes covers a review of technical studies (due to CEQA exemption) and objective design standards, in addition to required reviews and public meetings.	

Source: City of Novato, 2022 Master Fee Schedule

The City requires processing deposits for SB 35/AB 2162, not a fee. A deposit is required to cover the City's costs to process applications for streamlined review under the noted bills, including staff time and legal counsel charges. The City's processing deposit is consistent with the Legislature's finding regarding reimbursement of local agencies pursuant to Section 6 of Article XIII B of the California Constitution as referenced in Section 7 of Senate Bill 35 and Section 5 of AB 2162, which state:

"No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution **because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act [emphasis added]**, within the meaning of Section 17556 of the Government Code."

Under the City's cost recovery approach, an applicant for a development entitlement, regardless of land use type, is charged for the City's direct costs related to processing their request based on staff and legal counsel billing rates and actual materials costs without mark-up. Charges are first applied to an applicant's deposit. If the full deposit is not required to process the application, then any remaining balance is refunded to the applicant. If the deposit is exhausted, then an



applicant receives an invoice requesting payment of the City's direct costs. This approach is uniform across all entitlements requiring a processing deposit.

The minimum deposit level established for SB 35/AB2162 represents the City's anticipated cost to process a typical SB 35 application. Reviewing and acting on an SB 35 application is not a checklist procedure, but involves significant staff time to: a) verify whether a proposal is eligible for treatment under SB 35, b) perform a detailed review of the proposal's compliance with a wide range of objective standards, c) coordinate with the City's legal counsel and other outside agencies, and prepare various writings (e.g., objective standards compliance letter, correspondence with the applicant, etc.). The City's current deposit of \$13,325.00 represents approximately 20 hours of combined staff and legal counsel time.

The required SB 35 processing deposit appears higher in comparison to the City's other deposit amounts (e.g., minor design review, major design review, use permit, etc.) because those deposits apply to many different project types (e.g., commercial, industrial, etc.), some of which do not require the level of review or legal assistance associated with an SB 35 proposal. Generally, the City sets its deposit amounts at the average expected processing cost, not the highest anticipated cost.

The City's initial deposit does not violate Government Code 65913.4(h)(1) as this provision is intended to prevent agencies from applying requirements, such setting exorbitant fees, to discourage applications for streamlined permitting and does not preclude an agency from recovering its reasonable costs. The City's initial deposit of \$13,325.00 is not considered to be exorbitant, recognizing SB 35 requests commonly involve developments with budgets in the tens of millions of dollars. Accordingly, it is unlikely developers of projects at this cost level would be dissuaded from submitting an SB 35 or AB 2162 application based on the City's required deposit. Again, an SB 35 applicant will only be charged for the City's actual direct costs to process their application consistent with the same procedure applied to all other entitlement applications.

## Building Permit Fees

Table C-12 lists the City's building permit fees. Novato charges building permit fees according to a sliding scale, in addition to plan check fees equal to 80 percent of the prescribed building permit fee.

**Table C-12 Building Permit Fees**

Valuation	Base Fee	Plus Incremental Fee
\$1 – \$2,000	\$164	–
\$2,001 – \$25,000	\$164 for the first \$2,000	\$19.61 for each additional \$1,000 up to and including \$1,000
\$25,001 – \$50,000	\$615 for the first \$25,000	\$18.04 for each additional \$1,000 to and including \$1,000
\$50,001 – \$100,000	\$1,066 for the first \$50,000	\$11.48 for each additional \$1,000 over \$100,000

**Table C-12 Building Permit Fees**

Valuation	Base Fee	Plus Incremental Fee
\$100,001 – \$500,000	\$1,640 for the first \$100,000	\$9.02 for each additional \$1,000 over \$500,000
\$500,001 – \$1,000,000	\$5,248 for the first \$500,000	\$7.87 for each additional \$1,000 over \$1,000,000
\$1,000,001 and up	\$9,184 for the first \$1,000,000	\$4.72 for each additional \$1,000 over \$1,000,000

Source: City of Novato, 2022 Master Fee Schedule

## Development Fees

Development fees are applicable to newly constructed buildings and additions, or whenever a change of use within an existing building creates additional impacts. Fees cover the costs of City services and facilities. Novato is also served by a variety of special districts (including the Novato Sanitary District, the North Marin Water District, and the Novato Unified School District (NUSD). to provide essential services such as water, sewer, and fire protection. These districts charge fees for their services, which are set by the various elected Boards of Directors.

Table C-13 lists the applicable development fees in Novato.

**Table C-13: Development Fees**

Impact Type	Fee Amount
<b>Outside Agency Impact Fees</b>	
<b>Novato Unified School District</b>	\$4.08/square foot
<b>Novato Sanitary District</b>	\$12,999 per dwelling unit
<b>Novato Fire District</b>	\$.0662/square foot
<b>North Marin Water District</b>	<b>Fee Per Dwelling Unit</b>
<i>Single-family detached and duplexes</i>	\$28,600
<i>Townhouses and condominiums (3 units or more)</i>	\$17,200
<i>Mobile home</i>	\$10,000
<i>Apartment houses (5 units or more)</i>	\$11,200
<i>ADU</i>	\$10,000
<b>City Impact Fees</b>	
<b>Residential Development Tax</b>	<b>Fee Per Bedroom</b>
<i>One</i>	\$490
<i>Two</i>	\$730
<i>Three</i>	\$900
<i>Four</i>	\$1,070
<i>Five</i>	\$1,240
<i>Each additional</i>	\$170

**Table C-13: Development Fees**

Impact Type	Fee Amount		
<b>Park Dedication and In-Lieu Fee <sup>1</sup></b>	<b>Fee Per Unit</b>		
<i>Single-Family Detached</i>	\$5,394		
<i>Single-Family Attached</i>	\$4,434		
<i>Duplex</i>	\$4,925		
<i>Apartment (3-4 units)</i>	\$4,681		
<i>Apartment (5+ units)</i>	\$4,422		
<b>Public Facilities Fees</b>	<b>Single-Family Dwellings</b>	<b>Multi-Family Dwellings</b>	<b>ADUs</b>
<i>Recreation/Cultural Facilities</i>	\$9,449.87	\$9,450.46	\$4,725.23
<i>Civic Facilities</i>	\$1,694.02	\$1,694.58	\$847.29
<i>General Government Systems</i>	\$735	\$735.07	\$367.54
<i>Open Space</i>	\$2,044.03	\$2,044.03	\$1,022.02
<i>Drainage</i>	\$4,023.30	\$1,161.35	\$580.68
<b>Traffic Impact Fees</b>	<b>Single-Family Dwellings</b>	<b>Multi-Family Dwellings</b>	<b>ADUs</b>
<i>Streets &amp; Intersections</i>	\$11,290.20	\$5,202.66	\$2,601
<i>Transit Facilities</i>	\$387.74	\$179.69	\$89.84
<i>Corporation Yard</i>	\$243.18	\$179.69	\$56.07

<sup>1</sup> Applicable to subdivisions (i.e., tract or parcel maps).

Source: City of Novato, NUSD, NSD, NMWD

## Fees Analysis

Table C-14 shows the total estimated planning and development fees for single-family and multi-family developments.

**Table C-14: Estimated Fees for Single-Family and Multi-Family Developments**

	Single-Family <sup>1</sup>	Multi-Family <sup>2</sup> (50 townhome units, market rate)
<b>Planning and Building Permit City Fees</b>		
Design Review	\$2,460	\$5,125
Tentative Map (5 or more lots)	–	\$6,150
<b>Development Impact Fees</b>		
Public Facilities Fees		
Recreation/Cultural Facilities	\$9,450	\$472,500
Civic Facilities	\$1,694	\$84,750
General Government Systems	\$735	\$36,750
Open Space	\$2,044	\$102,200
Drainage	\$4,023	\$58,050
Traffic Impact Fees		
Streets & Intersections	\$11,290	\$260,150
Transit Facilities	\$388	\$8,985
Corporation Yard	\$243	\$8,985
<b>Taxes and In-Lieu Fees</b>		
Residential Development Tax	\$900	\$36,500
Park Dedication and In-Lieu Fees	\$0	\$221,100
<b>Estimated Fees of Other Districts</b>		
Novato Unified School District	\$10,200	\$255,000
Novato Sanitary District	\$12,999	\$649,950
North Marin Water District	\$166	\$4,138
Novato Fire District	\$28,600	\$560,000
<b>Total Fees</b>	<b>\$85,192</b>	<b>\$2,770,332</b>
<b>Total Fees per Unit</b>	<b>\$85,192</b>	<b>\$55,407</b>
Total Estimated Development Cost	\$1,927,671	\$34,776,676
Total Estimated Development Cost per Unit	\$1,927,671	\$695,534
<b>Estimated Fee Cost as a Portion of Total Development Cost</b>	<b>4%</b>	<b>8%</b>
<sup>1</sup> Assumes a 3-bedroom, 2,500 square foot house with a 2-car garage.		
<sup>2</sup> Assumes 2-bedroom, 1,250 square foot units.		

Source: City of Novato, LWC

Planning and development fees add to the cost of housing and can constrain housing development if the cost of development exceeds the threshold for financial feasibility. The Novato Sanitary District, Novato Fire District, and Recreation/Cultural Facilities fees are the most

substantial fees required for residential development in Novato. However, as reviewed by the Turner Center in a March 2018 report, development fees typically represent reasonable costs.<sup>1</sup>

On a per-unit basis, fees on development in Novato are higher for single-family development than multi-family. However, development fees make up a greater portion of market-rate multi-family development costs because single-family houses are much larger than multi-family units as per-unit fees incentivize larger unit sizes. Therefore, the City will evaluate refining fees to be applied on a per square foot basis rather than per unit to encourage the development of smaller housing units, and encourage the various special districts to do the same (Program 3.F).

### **C.2.5 On and Off-site Improvements**

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New development is required to provide public improvements to serve new residents. Many development sites in Novato are individual vacant or underutilized lots with full utilities, street frontages, access, and services and require few public site improvements other than construction of utility connections to existing infrastructure in the adjacent public right-of-way. The availability of these on-site and off-site improvements increase the viability for development in Novato. Required street right-of-way widths are based on street classification and range from 25 feet (limited residential street) to 100 feet (arterial) (Municipal Code [Section 5-45](#)). While these types of requirements result in additional development costs, these improvements provide the necessary facilities and services for a safe and quality living environment, and the City offers reductions in these standards when appropriate.

The Housing Element does identify larger sites that require subdivision and the additional need for new blocks, public or private streets, curb and gutter replacement, sidewalks, tree planting, and similar onsite amenities which contribute to public health and safety. As discussed below in Section C.4.2 (Infrastructure Constraints), Novato does not experience issues with environmental constraints public infrastructure demands (electricity, gas, and telephone services), water district supply, and sewage and drainage systems, as these services have been determined to be stable and adequate for the foreseeable future.

The City has adopted engineering and design standards to inform developers of how these improvements should be constructed in [Chapter 5](#) (Development Standards) and [Chapter 9](#) (Land Subdivision). Therefore, the City's on and off-site improvement requirements are not considered regulatory barriers to affordable housing.

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<sup>1</sup> Turner Center for Housing Innovation, [\*It All Adds Up: The Cost of Housing Development Fees in Seven California Cities\*](#), March 2018.

## C.2.6 Summary

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Basic development standards and land use regulation in Novato allows for moderate density and intensity for residential development. However, hillside regulations need to be revised for ease of use and applicability and the design review process allows a degree of subjectivity and repetitive review that lengthens the development timeline. Additionally, several residential uses (e.g., emergency shelters, farmworker/employee housing, etc.) are not regulated in compliance with State law. Furthermore, amendments to the City's density bonus and inclusionary housing ordinances are necessary to resolve inconsistency with State law. The City's planning and development fees are reasonable, as are its requirements for on- and off-site improvements.

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## Section C.3 Non-Governmental Constraints

Local governments have limited control over market factors that can influence the development of housing. These market-related constraints include land costs, construction costs, and the availability of financing. An assessment of these non-governmental constraints informs strategies for mitigating the impacts of market factors on housing production.

### C.3.1 Housing Supply/Conditions

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#### Market Overview: For-Sale Development

As shown in the Needs Assessment (Appendix A, Figure A-39), the Region's home values have increased significantly since 2012, when they had reached a low point following the Great Recession (2009-2012). From 2012 to 2020, the median home value in the Bay Area increased by 117 percent. Since 2012, the typical home value in Novato has increased 87 percent, from \$490,952 to \$916,143.

Following the recovery from the Great Recession and until 2020, interest rates remained at low levels of 3.5 to 4.5 percent. When interest rates are low, capital investment and housing production generally increase, and more buyers are likely to take out a mortgage than when interest rates are higher. In addition, consumers are able to borrow more money for the same monthly payment. During the COVID-19 pandemic, national 30-year mortgage rates dropped to even lower levels, declining to as low as 2.65 percent in January 2021. However, interest rates began to increase in early 2022, to 5.3 percent by May 2022, the highest rate since June 2009.<sup>2</sup> The increase in home borrowing rates may impact the performance of the home buying market, but the severity of these impacts is uncertain due to the unusual conditions during the pandemic-

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<sup>2</sup> Federal Home Loan Mortgage Corporation (Freddie Mac), [Primary Mortgage Market Survey®](#)

recovery, including a shortage of housing supply, increased savings, and significant changes to how many Americans work and live.

### **Market Overview: Rental**

As shown in the Needs Assessment (Appendix A, Figure A-40 and Figure A-41), Novato rents have risen alongside rents in Marin County and are higher than those across the Region. According to U.S. Census data, the median rent in Novato in 2019 was \$1,950 per month and had increased by 45.4 percent in the past 10 years. In the same time period, median rent increased by 25.1 percent in Marin County and 54 percent in the Region.

Per the Needs Assessment (Appendix A, Figure A-43), homeowners are less cost-burdened than renters, who bear the brunt of an overall rise in housing costs without the benefit of fixed-rate mortgages. When looking at cost burden across tenure in Novato, 26.2 percent of renters spend 30 to 50 percent of their income on housing compared to 19.7 percent of those that own. Additionally, 28.6 percent of renters spend 50 percent or more of their income on housing and are considered severely cost-burdened, while 14.8 percent of homeowners are severely cost-burdened. In total, 34.5 percent of homeowners and 54.8 percent of renters experience some level of cost burden in Novato.

## **C.3.2 Development Costs**

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### **Land Costs**

Due to the lack of undeveloped property in the City, a residual land value analysis was used to estimate the price of land in Novato. The analysis used comparable sales within the past two years (2021–2022). Individual lots ranged from \$96 to \$222 per square foot, or about \$4,179,877 to \$6,688,335 per acre. Lot sizes ranged from approximately 3,572 to 43,125 square feet. Residential multi-family land in and near the City is estimated to cost an average of \$167 per square foot, or about \$7,293,907 per acre.

There were very few recent raw land sales in Novato. The lack of undeveloped land is considered a constraint to development, as housing production will most likely occur on more expensive opportunity sites for redevelopment. Additionally, a developer will need to finance existing on-site improvements, as well as demolish existing structures, further driving up development costs.

### **Construction Costs**

According to a March 2020 report published by the Turner Center for Housing Innovation, construction costs for multi-family housing in California have climbed 25 percent between 2009



and 2018.<sup>3</sup> This increase is in part due to the higher cost of building materials, such as lumber, concrete, and steel, as well as prevailing wage requirements. According to RSMeans, construction costs (including materials and labor but excluding soft costs such as fees) for a small apartment complex in the Novato area ranged between \$191 to \$220 per square foot in 2022. Construction costs can vary depending on the type of development, ranging from more expensive steel-frame Type I construction to more affordable wood-frame Type V. Due to the smaller scale, single-family homes tend to be more expensive to construct on a per square foot basis than larger, multi-family developments. This cost can fluctuate depending on the type and quality of amenities to the property, such as expensive exterior and interior finishes, outdoor spaces, fireplaces, swimming pools, etc.

Soft costs are the costs that are not directly incurred by the physical construction of the development. These costs include services for architectural, engineering, environmental assessments, landscape design and legal services, as well as permitting requirements and impact fees. They generally range from 15 to 30 percent of total development costs but fluctuate depending on local fees and exactions. Please refer to the Permit and Development Fees section for a discussion of the City's required permit and development fees.

### **C.3.3      Availability of Financing**

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The availability of financing has a large impact on rates of homeownership. The ability to secure financing can be influenced by, creditworthiness, debt-to-income ratio, and the restrictiveness (or leniency) of mortgage lending standards. Reviewing data collected through the Home Mortgage Disclosure Act (HMDA) reveals the influence of the lending market on local home sales. Home purchase loans in 2020 are summarized in Table C-15 below.

In the City's zip codes, almost all traditional home loan applications (between government-backed and conventional) in 2020 were for conventional loans, for a total of 912 home loan applications across both types. This disparity could be driven by high home values in Novato, as government-backed loan programs typically have a maximum loan amount. The approval rate for conventional loans was 79 percent.

In competitive housing environments, where purchasing a new home may be out of reach for some, home renovations can be a desirable and more affordable way to add value to a property. There were 221 loan applications for home improvement in 2020. The approval rate for these types of applications was 58 percent.

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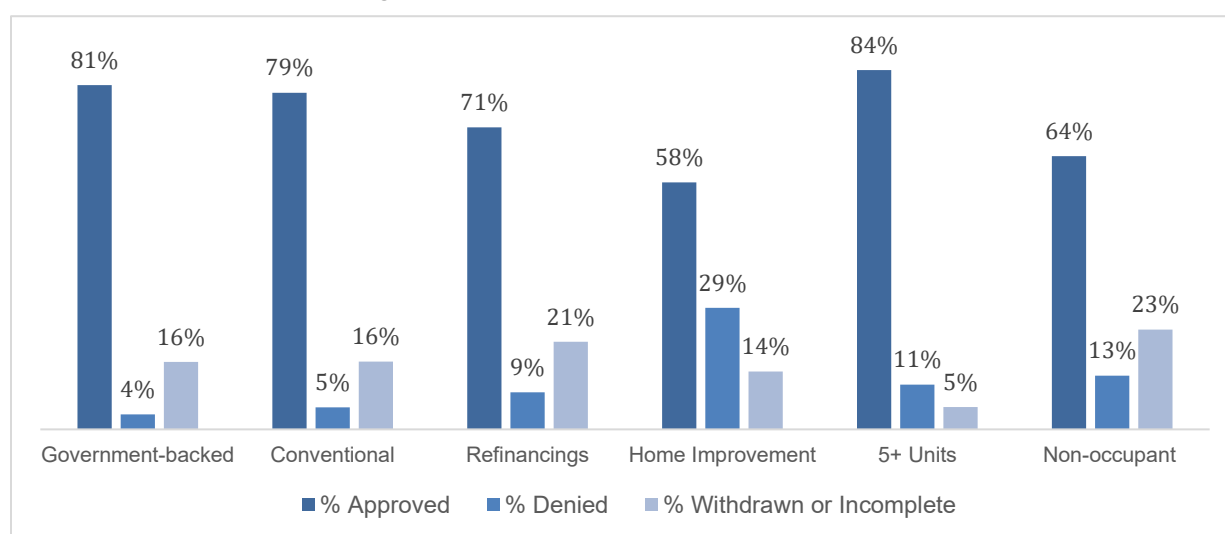
<sup>3</sup> Turner Center for Housing Innovation, [\*The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California\*](#), March 2020

**Table C-15: Total Home Loan Applications**

Type	Total Applications
Government-backed	57
Conventional	855
Refinancing	4,962
Home Improvement	221
5+ Units	19
Non-occupant	278

Source: HMDA, 2020

**Figure C-1: Home Loan Application Disposition**



Source: HMDA, 2020

### C.3.4 Achieved Housing Densities

Table C-16 below reflects the City's 5<sup>th</sup> Cycle inventory of sites identified as Affordable Housing Overlay, Multi-family, and Mixed-Use properties. (The following analysis does not include sites identified for single family detached development.)

Development has gone forward on several of these sites, with one completed (site 13/14), one currently under construction and nearly complete (site 3), and several more with applications on-file. The projects currently in process are identified as Pipeline Projects in the City's Cycle 6 inventory. Only one of these identified sites was approved with fewer number of units than anticipated in our 5<sup>th</sup> Cycle inventory. The vast majority of sites yielded the exact number of units assumed, or greater. The loss of four units on site 13/14 was due largely to losses in developable area due to internal street widths (fire lanes). There are large numbers of improved unit yields due to the types of projects proposed by developers vs what was anticipated and new tools

available to developers as a result of changes in state laws related to housing and proximity to transit.

**Table C-16 Achieved Housing Densities**

Site ID	APN	Property Name/Address	5 <sup>th</sup> Cycle Capacity (# of units)	Developed or App. Filed Since 5 <sup>th</sup> Cycle? Y/N	New Proposed Unit Count	Notes
<b>Affordable Housing Overlay (AHO) Sites</b>						
1	141-201-48 141-201-12	1787 Grant	35	Y	35	In entitlement process
2	153-162-59	101 Landing Ct.	30	Y	32	Entitled
3	125-202-18 125-580-16, -17	7711 Redwood	80	Y	80	New APNs assigned; under construction
4	143-011-08	ROIC	35	Y	178	In entitlement process; app. Incl. 143-011-05
5	140-011-66	Lifelong Med.	21	N	N/A	
<b>Multi-Family Housing Sites</b>						
6	141-062-36	1902 Novato	6	N	N/A	
7	141-142-16	1811 Virginia	8	N	N/A	
8	141-234-10	1110 Olive	3	N	N/A	
9	141-253-09	1017 4 <sup>th</sup>	1	N	N/A	
10	141-261-30	1053 3 <sup>rd</sup>	5	N	N/A	
<b>Mixed-Use Sites</b>						
11	141-261-29	4 <sup>th</sup> & Grant	24	Y	227	In entitlement process
12	141-263-30	1 <sup>st</sup> & Vallejo	6	N	N/A	
13	125-600-52	7533 & 7535 Redwood	54	Y	50	Completed in 2022
14	125-600-51			Y		
15	141-264-22	4409 Redwood	10	N	N/A	
16	141-282-07, -04	1 <sup>st</sup> & Gran	17	Y	196	
17	153-041-01	Redwood & Vallejo	13	N	N/A	

### C.3.5 Summary

Despite lower for-sale prices and comparable market rents to the County and Region, other economic conditions, particularly relatively lower land costs, are favorable for attracting new housing development in Novato. Most of the new construction, however, is expected to be for above-moderate income households while housing projects affordable to moderate and lower-income households are less common.

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## **Section C.4                      Environmental and Infrastructure Constraints**

### **C.4.1                      Environmental Constraints**

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#### **Environmental Conditions**

Novato is located in the greater North Bay region of the San Francisco Bay Area. The northernmost city in Marin County, Novato is suburban-scaled and framed by undeveloped hillsides and the San Pablo Bay. The Mediterranean climate and coastal influence produce moderate temperatures year-round, with rainfall concentrated in the winter months. The Region is subject to a range of natural hazards, including earthquakes, flooding, landslides, and wildfires.

Historic land use has altered much of the landscape in Novato and surrounding communities, but the remaining open space supports a diversity of plant and animal species. San Pablo Bay's open water transitions into large expanses of marshland habitat and diked baylands which support primarily grasslands that continue to be used for grazing. A mosaic of grassland and woodland preserves occupy much of the remaining undeveloped hillsides, adjacent to residential neighborhoods occupying the lower elevations.

The central portion of the City is along the Highway 101 corridor and is primarily developed for residential uses, bisected by the remaining natural riparian and marshland habitats along major drainages. Elevations in Novato range from sea level to approximately 1,558 feet above mean sea level at the highest point on Burdell Mountain. The Downtown area is at 18 feet above mean sea level and contains a number of lakes, streams, and creeks.

After the City was incorporated in 1960, residential development boomed in the 1960s and 1970s resulting in predominately residential uses in the valley areas west of Highway 101 and in neighborhoods east of the freeway. In 1997, Novato voters approved a ballot measure establishing an Urban Growth Boundary to restrict urban development from extending into rural and natural areas. In 2017, residents voted to continue the Urban Growth Boundary through the year 2042.

## Flooding

Flooding is given special attention when accommodating new development in Novato. The City encompasses over 5,000 acres designated as Special Flood Hazard Area, although nearly 3,800 (75 percent) of those acres are preserved as open space areas. Historical flooding has inundated many low-lying areas of the City, such as winter storms in 2016-2017 closing Highway 37 for 27 days and flooding neighborhood streets. Flood hazard areas are mainly located in the eastern portion of the City, though areas along major streams are susceptible flooding. Figure C-2 displays the City's floodplains as reported in the Novato General Plan 2035 Final Environmental Impact Report.

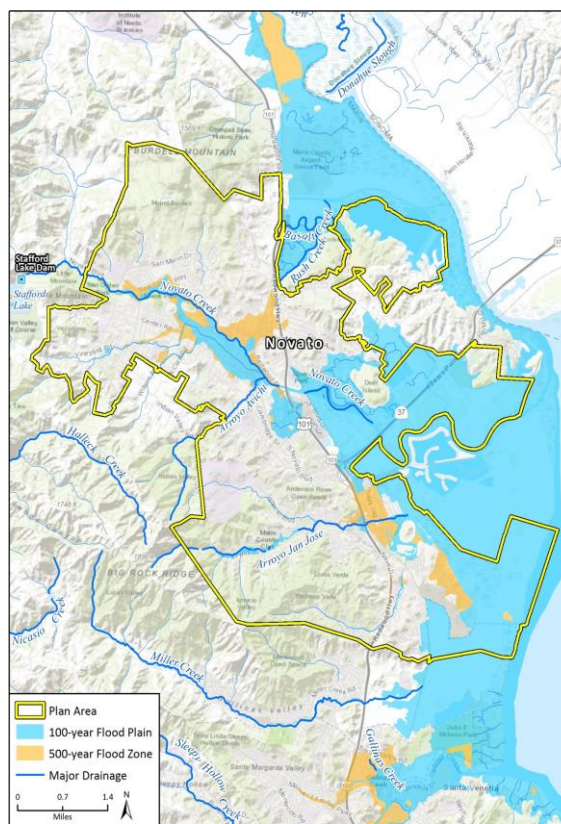
All new construction and substantial improvements in Special Flood Hazard Areas are required to comply with the City's Flood Damage Prevention Requirements (Municipal Code [Section 5-31](#)). Development standards are intended to meet, if not exceed, minimum National Flood Insurance Program (NFIP) criteria for requirements for floodplain management regulations, including raising residential buildings and using flood-resistant building materials.

As shown in Appendix B, one of the City's two rezone sites identified in the Site Inventory is located at 1682 Novato Blvd. (also referred to as "Site 2" or the "Baywood Center Offices"). This 1.41-acre parcel is located adjacent to Novato Creek and within the Creek's 100-year floodplain, but this location has not presented significant impediment to the parcel's existing use as an office complex. Additionally, while the City has established a Flood Hazard (F) Overlay District, the proposed redevelopment of this site into housing is subject to Municipal Code [Chapter 5-31](#) (Flood Damage Prevention Requirements). These and other regulations do not preclude development of this site at the density indicated in Appendix B.

## Other Environmental Constraints

The City has taken measures to prepare for and mitigate impacts from its other main environmental hazards – seismic activity, liquefaction, landslides, and wildfire. These measures include requiring geotechnical analyses for development proposals in hazardous areas, encouraging clustered development, and a city-wide available land inventory providing development capacity while factoring environmental constraints. Additionally, the City has identified its vulnerability to the

**Figure C-2: Floodplains in Novato, CA**



Source: City of Novato, Novato General Plan 2035 Final Environmental Impact Report (2020)

impacts of climate change as part of its 2009 Climate Action Plan and has committed to comprehensively incorporating these anticipated impacts into the General Plan, hazard mitigation plans, etc. None of these environmental hazards are considered a constraint that would significantly affect the production and maintenance of housing during the planning period.

#### **C.4.2      Infrastructure Constraints**

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Novato does not experience issues with public infrastructure demands (electricity, gas, and telephone services), water district supply, and sewage and drainage systems, as these services have been determined to be stable and adequate for the foreseeable future. An overview of the City's water, sewer, and dry utilities infrastructure is described below.

##### **Water**

The Novato Municipal Water District (NMWD) provides water service for the City of Novato as well as the surrounding unincorporated areas and portions of West Marin. Approximately 80 percent of the Novato water supply comes from the Russian River through the NMWD's wholesale water supplier, the Sonoma County Water Agency (SWCA). The remaining 20 percent comes from local runoff into Stafford Lake that is treated at the NMWD Stafford Water Treatment Plant, and a lesser amount of recycled water developed in cooperation with Novato Sanitary District and Las Gallinas Valley Sanitary District. The District has no local, developed groundwater supply source. The large 245,000 acre-feet water supply storage capacity in Lake Sonoma allows the City to weather drought years and will help to buffer the impacts of greater extremes in rainfall expected to result from climate change.

The NWMD's most recent Urban Water Management Plan was submitted in June 2021. The Plan addresses the District's water system and includes a description of the water supply sources, magnitudes of historical and projected water use, and a comparison of water supply to water demands during normal, single-dry, and multiple-dry years. The Plan is prepared in accordance with the Urban Water Management Act and is updated every five years.

Potable water use within the District's service area is predominantly associated with residential use, with 56 percent of the water use between 2016 and 2020 from single-family residence accounts and 14 percent from multi-family accounts. Total and per capita water use increased from 2011 through 2013, then declined from 2014 through 2017. These trends were likely influenced by the historic drought conditions, mandatory state-wide restrictions in urban water use imposed by the State Water Resources Control Board (SWRCB), and local drought response.

Total and per capita water use has remained lower than pre-drought conditions, with an increase in 2018, indicating a degree of rebound following the drought.<sup>4</sup>

Potable and raw water demand is projected to increase from 8,194 acre-feet in 2020 to 10,249 acre-feet by 2030, an approximately 25 percent increase.<sup>5</sup> The methodology used to calculate this projection incorporates estimated growth rates for population and employment, new housing per ABAG's RHNA calculations, and demand projections that reflection hotter, drier weather as a result of climate change. A significant increase in water demand is not anticipated during the planning period, and the NMWD projects that future supplies will be sufficient to meet forecasted demand under normal year, single-dry year, and multiple-dry year scenarios.

## **Sewer and Stormwater**

The Novato Sanitary District (NSD) provides wastewater collection, treatment, and disposal services for the City through a system of over 240 miles of sewer lines and 40 pump stations. Wastewater is transported to the Novato Treatment Plant (NTP) where most of the water undergoes primary and secondary treatment and is either discharged to San Pablo Bay or used for agricultural irrigation.

Surface water runoff in the City varies from concentrated, channelized flows in the surrounding hills to sheet flow that is then intercepted by stormwater conveyance systems in the flatter city center. To the east of the city, stormwater enters a tidal marshlands system through canals and ditches. All surface drainage eventually flows into San Pablo Bay by overland flow, tributary swales (shallow, vegetated ditches), or perennial streams, such as Novato Creek.

The NTP underwent significant upgrades and returned to service in 2010, combining the flows from two former treatment plants. The upgraded NTP is designed for an average dry weather flow of 7.05 MGD and peak wet weather flow of 30.7 MGD, volumes well above those seen during recent years. In 2012, NSD completed a new recycled water treatment facility with a treatment capacity of 1.7 MGD (peak). The plant can provide over 150 million gallons of water annually for large landscapes.

The NSD most recently updated its Wastewater Collection System Master Plan in 2019 for the after assessing the management, physical condition, and maintenance of its collection system. Results showed that over 70 percent of the inspected pipes had no recorded structural defects.<sup>6</sup> The Stormwater Master Plan was updated in 2019. Both Master Plans identified capital improvement priorities necessary to maintain capacity and reduce flooding/overflow risk in the sewer and stormwater systems.

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<sup>4</sup> North Marin Water District/EKI Environment & Water, Inc., *2020 Urban Water Management Plan*, June 2021, p.25

<sup>5</sup> Ibid. p. 32

<sup>6</sup> Novato Sanitary District, *Collection System Master Plan*, October 2019, p.9.



Overall, the City's sanitary sewer districts have adequate capacity to treat wastewater for the service area to accommodate anticipated future development.

### **Dry Utilities**

Electricity in Novato is provided jointly by Marin Clean Energy, a Clean Choice Energy (CCE) program, and PG&E. Natural gas is provided by PG&E, and Marin Clean Energy provides an alternative energy source. Additional dry utilities include cable TV/internet (AT&T and Comcast) and weekly garbage service (Novato Disposal Service, Inc. through a contract with the Novato Sanitary District). Solid waste from Novato is taken to the Redwood Landfill and Recycling Center located north of the Novato city limit. The estimated closure date of the landfill is 2036.

Overall, dry utility infrastructure is adequate to accommodate anticipated future development during the planning period.

# Appendix D: Evaluation of the 2015–2023 Housing Element

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## Section D.1 Existing Housing Programs Review

This Appendix documents the implementation status of the current Housing Element programs. The main purpose is to evaluate which programs were successful and should be continued, and which programs were ineffective and should be eliminated or modified.



Many of the 5<sup>th</sup> Cycle Housing Element programs represent ongoing City efforts or were successfully completed. These programs have facilitated affordable housing during the planning period, such as Homeward Bound of Marin's Workforce and Veteran Housing project (50 apartment units for both veteran and non-veteran homeless residents,) and Oma Village (14 apartment units for families transitioning out of homelessness. The City has also updated its Accessory Dwelling Unit (ADU) Ordinance, contracted with a new non-profit organization (Rise Housing) to administer its successful Below Market-Rate Homeownership and Rental programs, and been an active participant in regional efforts to fund and facilitate housing (i.e., maintaining the City's Affordable Housing Trust Fund, participating in the development of the Marin County Objective Design & Development Standards toolkit, etc.).

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### D.1.1 Efforts to Address Special Housing Needs

California Government Code [Section 65588\(a\)\(4\)](#) requires that local governments review that effectiveness of goals, policies, and related actions to meet the special housing needs of the elderly, persons with disabilities, large families, farmworkers, female-headed households, and persons experiencing homelessness. The 5<sup>th</sup> Cycle Housing Element included several programs to meet these special housing needs and the 6<sup>th</sup> Cycle Housing Element will build upon these programs (and modify them to meet current needs) based on an evaluation of their cumulative effectiveness.

In the most recent planning period (2015-2023), the following actions and achievements addressed special housing needs in Novato:

- Contracted with [Rise Housing Solutions](#) to administer the City's Below Market-Rate (BMR) Homeownership and Rental programs.
- In partnership with long-time non-profit partner Homeward Bound of Marin, provided \$750,000 from the City's affordable housing fund (2020) and a \$3 million loan (2022) to begin construction of the [Homeward Bound Workforce and Veteran Housing](#) project. This 50-unit will provide target housing for special needs populations – 24 apartments for homeless veterans and 26 apartments for other homeless individuals entering the workforce. The project will also include a commercial kitchen for job training and rentable event space.
- Hired two full-time staff in FY 22/23 to manage the City's new Homeless Services Division, which supports individuals and families experiencing homelessness to achieve stability, security, and self-sufficiency.

- Established the new Housing and Homeless Committee (HHC) whose purpose is to provide information and make recommendations to the City Council regarding housing and homeless issues within the City. The HHC assists with reviewing the state of homelessness in the City by planning, advocating, supporting, and collaborating with those affected by homelessness.
- Maintained and operated the Temporary Encampment at Lee Gerner Park, providing temporary shelter for up to 17 individuals and offering case management, outreach services, security, showers, and bathrooms. In FY 22/23, the City also partnered with Community Action Marin's Community Alternative Response Engagement (CARE) Team to provide outreach services to individuals in the encampment.
- Partnered with the non-profit [Downtown Streets Team \(DST\)](#) to connect individuals with vital social services and stable employment opportunities through sidewalk and street cleaning. DST operations in Novato have also included the Marin Mobile Shower Program, which provides basic hygiene at encampments, churches, medical facilities, and other places in need.
- In FY 22/23, with the County of Marin Health and Human Services (HHS) as the lead applicant and support from the City, HHS was awarded \$1.1 million in State Encampment Resolution Funds to serve 45 people at the City's Hamilton Marsh encampment. Funds will support outreach & case management, client engagement & direct assistance, mobile showers, portable toilets & handwashing stations, and motel vouchers.
- Allocated \$240,000 in one-time federal American Rescue Plan stimulus funds to support the County of Marin in hiring additional case managers to help unhoused community members secure and maintain housing. This contribution will assist Marin County CoC in implementing its Housing First approach to homelessness, its Homeless Outreach Team, and other collaborative regional efforts.
- Provided annual support through CDBG funds to North Marin Community Services' rental support and food bank programs, as well as Legal Aid of Marin's landlord/tenant dispute resolution services.
- Requested developers of current and upcoming single-family detached subdivisions design-in Junior ADUs for at least 25 percent of their homes. All developers have agreed.
- Implementing 5<sup>th</sup> Cycle Program 12.A: Continued to closely monitor the relationship between transitional housing provider EAH Housing and Meadow Park homeowners, with City staff occupying a position on the Meadow Park HOA Board of Directors. The City has also maintained a close working relationship with Homeward Bound of Marin, which has done an excellent job of managing the City's 80-bed emergency shelter, [New Beginnings Center](#), throughout the planning period.
- Implementation of 5<sup>th</sup> Cycle Program 12.B (Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District) was not completed during the 2015-2023 planning period. During that time, communication with social service providers did not indicate farmworkers as a group with special housing needs locally, and

Census data indicated few permanent or seasonal farmworkers reside in Novato. However, the 6<sup>th</sup> Cycle's Program 4.C (Allow Farmworker/Employee Housing Consistent with State Law) recommits the City to amending the Municipal Code with regard to the permitting of farmworker housing, its definition, and appropriate occupancy requirements.

Table D-1: Existing Housing Element Programs Review

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 1: Local Housing Leadership</b>							
1.A	Prepare Information and Conduct Community Outreach Activities on Housing Issues	<p>Coordinate with local businesses, housing advocacy groups, neighborhood groups, community organizations, developers, the Chamber of Commerce, and others in building public understanding of housing programs and needs.</p> <p><b>Topics</b></p> <ul style="list-style-type: none"> <li>a. Housing needs.</li> <li>b. Housing programs (second units, rental assistance, rental mediation, first time homebuyer education, energy assistance and rehabilitation loans, etc.).</li> <li>c. Fair Housing laws.</li> </ul> <p><b>Activities</b></p> <ul style="list-style-type: none"> <li>a. Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.</li> <li>b. Provide information to real estate professionals, property owners, and tenants on their rights, responsibilities, and the resources available to address fair housing issues.</li> <li>c. Work with local non-profit and service organizations to distribute information to the public.</li> <li>d. Provide public information through articles in the local newspaper and with cable TV public service announcements.</li> <li>e. Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to help support affordable and special needs housing developments.</li> <li>f. Fair Housing in-service training, press releases, direct contact with interest groups,</li> </ul>	Prepare materials and conduct outreach	Community Development Department	July 2015 and ongoing	<p>The City contracts Rise Housing, a nonprofit organization, to administer its Below Market Rate Homeownership Program city-wide, however before 2021 nonprofit Hello Housing administered the Below Market Rate Homeownership program. Since 2018, the City expanded its contract with Hello Housing, and now Rise, to perform affordable housing monitoring compliance for BMR rental units. No changes are reported since the 2018 contract.</p> <p>The City also provides annual support through CDBG service funds of North Marin Community Services' rental support and food bank programs and Legal Aid of Marin's landlord/tenant dispute resolution services.</p> <p>The City makes information available on their website about ADUs, JADUs, and residential projects in development review. Since 2019 the City has been participating in a countywide website to provide resources to encourage and support construction of ADUs and JADUs. Furthermore, the 2021 APR records that staff routinely make presentations of a variety of housing topics to community groups.</p> <p>Developers of all recent single family detached subdivisions have been asked to design in JADUs to at least 25% of their homes. All applicants have met this standard to date.</p>	Continue

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		and posting of fair housing laws, contacts, and phone numbers.					
<b>1.B</b>	Collaborate on Inter-Jurisdictional Strategic Plan for Housing	Coordinate with other jurisdictions on strategic planning for housing. Work toward implementing, whenever possible, agreed-upon “best practices,” shared responsibilities, and common regulations to respond to housing needs efficiently and effectively within a countywide framework.	Improved local control of housing solutions	Community Development Department	As major interjurisdictional issues and opportunities arise	CDD staff have participated in a working group since 2018 to coordinate on housing issues ranging from RHNA allocations, new housing legislation, and strategies to improve the delivery of new housing opportunities.	<b>Modify</b>
<b>1.C</b>	Undertake Coordinated Lobbying Efforts on State Legislation	Identify and lobby for possible changes to State law that help to implement local housing solutions and achieve housing goals most effectively. Examples of legislative issues of critical importance could include: more direct input from local jurisdictions on the development of Regional Housing Needs Allocation, funding allocations for affordable housing, and modifications to State law that would make it easier for jurisdictions to voluntarily share funding and credit for meeting proportionate allocations.	Facilitate development of infill, transit-oriented, and mixed-use development	Community Development Department; City Manager; City Council	Ongoing	The City Manager’s office and City Council have worked with the League of California Cities and State Assembly representation since at least 2016 to effect changes in State legislation that impacts local housing objectives. Staff has been attending ABAG/MTC meetings since 2019 for regional collaboration and participate regularly in webinars hosted by the organization to stay informed on initiatives, available resources, and pending legislative issues impacting housing regulation.	<b>Modify</b>
<b>Goal 2: Fair Housing</b>							
<b>2.A</b>	Require Non-Discrimination Clauses	Continue to provide nondiscrimination clauses in rental agreements and deed restrictions for housing, including Below Market Rate housing, constructed with City participation.	Implementation of fair housing laws	Community Development Department; City Attorney	Ongoing	Ongoing program. Non-discrimination clauses are a standard component of the City’s affordable housing agreements and is added to with each new development as inclusionary units come into the BMR program. City will continue contracting with Rise Housing and Fair Housing Marin on City programs.	<b>Continue</b>
<b>2.B</b>	Respond to Complaints	Facilitate fair and equal housing opportunity by designating the Community Development Director as the City’s Equal Opportunity Coordinator. Refer discrimination complaints to the appropriate legal service, county or state agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint. Undertake activities to broaden local knowledge of Fair Housing laws through actions identified in HO Program 1.A.	Implementation of fair housing laws	Community Development Department; City Attorney	Ongoing	City staff will continue responding to all complaints in a timely fashion and work with Fair Housing Marin and Legal Aid of Marin to prevent discrimination and monitor compliance with affordability covenants.	<b>Continue</b>



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 3: Housing Design</b>							
<b>3.A</b>	Prepare Multi-Family Housing Design Criteria	Continue to implement the Design Review process, evaluate existing design criteria for multifamily housing, and establish modification as needed that will establish effective, consistent development review factors for use by applicants, the community, staff and decision-makers in the expeditious review of multi-family housing proposals. The design criteria may include but not be limited to: a. Context with surroundings, site planning, building massing and layout, height transitions, public safety design features (e.g., security cameras and fencing with keyed gates), architecture and materials, well-planned layout of complex and individual units for maximum natural ventilation and lighting, landscape design, open space, outdoor lighting, and density compatibility provisions. b. Common facilities should be required for projects over 20 units; facilities may include common room, outdoor play areas, pools, study areas, etc. c. Consider transition criteria to encourage compatibility when structures are proposed near single family residential buildings on adjoining properties. For properties where the dimension(s) for a transition area(s) is specified, specific regulations for permitted and prohibited development within the transition area(s) shall be established. d. Limits on maximum site coverage and requirements for minimum setback provisions should be adopted. e. Floor area ratios in residential/mixed used areas should be consistent with the character of the surrounding area.	Develop design criteria for multi-family housing	Community Development Department	6/1/2015	Since 2019, the City joined 11 other Marin County jurisdictions to develop objective design standards for multi-family housing utilizing SB 2 grant funding. Drafts of the standards have been completed and the adoption process will be completed in calendar year 2022.	<b>Modify</b>
<b>3.B</b>	Update Parking Standards	Modify parking standards based on the most up-to-date empirical studies to facilitate infill, transit-oriented, mixed use and accessory dwelling unit development. Modifications to consider may include, but are not limited to, the following:	Facilitate development of infill, transit-oriented, and mixed-use development	Community Development Department; City Council	6/1/2015	The City has not formally amended its parking standards for multi-family development. In 2017, the City adopted an ordinance and amended parking regulations to reflect new state legislation (SB 1069 & AB 2299) regarding required	<b>Modify</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		a. Reduction of multi-family parking requirements for three-or more bedroom units from 2.2 spaces to 2.0 spaces, to be consistent with single family home standards. b. Reduction of parking requirements for projects near transit. c. Provision of opportunities for shared parking for mixed use developments. d. Allowances for off-site parking. e. Allowances for the establishment of a landscape parking reserve that is designated for parking if needed in the future. f. Evaluation of opportunities for underground parking and auto sharing. g. Allowances, in certain instances, for parking standards to be adjusted on a case-by-case basis, depending upon the location and characteristics of the development and its intended occupants.				parking for ADUs and JADUs. The City should formally amend its parking standards for multi-family development projects to reduce the parking ratio from 2.2 stalls per unit to two stalls per unit for multi-family residences of three more bedrooms.	
<b>Goal 4: Conservation and Energy</b>							
<b>4.A</b>	Promote Solar Design	Promote design standards relating to solar orientation, including lot layout for subdivisions, location and orientation of new structures, and landscaping.	Opportunities for new solar installations	Community Development Department	Ongoing	The City has completed the adoption of the California Green Building Code (CALGreen). The City should continue promoting opportunities for solar installations.	<b>Delete</b>
<b>4.B</b>	Implement "Green" Building Standards and Processes	Consistently implement the City's adopted "Green Building Program" to encourage the use of green building materials and energy conservation.	Construction of energy-efficient buildings	Community Development Department	Ongoing	The City has adopted the California Green Building Code (CALGreen) plus Tier 1 Standards with an additional 15% energy reduction. The City will continue to adopt updated version of CALGreen as they become effective.	<b>Modify</b>
<b>Goal 5: Housing Preservation</b>							
<b>5.A</b>	Ensure Adequate Tenancing, Management, and Safety for Multi-Family Housing	Ensure adequate tenancing, management, and safety for multi-family housing by implementing the following: a. As legally permissible, initiate City provisions for review of the management of multi-family housing to implement best management practices. Zero tolerance for criminal activity is a goal. Programs should apply to projects of a defined size and/or type. Best management practices should include, but not be limited to, addressing the following performance measures:	Tenancing and management regulations and procedures	Police Department, Community Development Department	December 2014 - Ongoing	Novato continues to operate the Multi-Family Housing Inspection Program, including the annual physical inspection component, to assist property owners and managers of multifamily housing through education and resources in ensuring that their residents and their properties are safe and crime-free.	<b>Modify</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		1.Property management staffing 2.Tenant selection plan 3.Lease agreement 4.Security-minded design 5.Resident services 6.Community and activity space 7.Communication b. Investigate additional City and/or community-based programs to reduce crime in multi-family housing, including Crime Free Program and voluntary programs initiated by multi-family housing managers. Consider the benefits/permmissibility of restricting access to sites for residents and invited guests only (monitored by onsite manager) and encouragement of social opportunities to engage the residents and build a sense of “ownership” and community.					
<b>5.B</b>	Link Code Enforcement with Public Information Programs	Continue to implement housing, building, and fire code enforcement to ensure compliance with basic health and safety building standards and continue to provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.	Maintain information about building and fire code enforcement to ensure compliance with basic health and safety building standards.	Community Development Department	Ongoing	The Building Division maintains information about building and fire code enforcement on the City’s website to ensure compliance with basic health and safety building standards. The City administers a resale inspection program for all for-sale housing, and an annual inspection program for code and safety standards for multi-family rental housing, including coordination with tenants and management to correct deficiencies.	<b>Continue</b>
<b>5.C</b>	Implement Rehabilitation and Energy Loan Programs	Community Development staff will continue to coordinate with government and businesses (e.g., Energy Upgrade California, the Marin Housing Authority, PG&E and participatory contractors) to procure funding (grants and/or loans), and qualifying energy upgrades for eligible owner and renter households. Program resources and contact information will be maintained and updated on the City’s website.	Coordinate and support financing for rehabilitation and energy efficiency.	Community Development Department; Marin Housing Authority; PG&E; and others	Ongoing	Novato’s Sustainability Division implements a Property Assessed Clean Energy (PACE) financing program enabling property owners to finance energy and water efficiency and renewable energy projects as an assessment on their property tax bills. In addition to private funding options, the City has routinely designated a portion of its CDBG funding for residential rehabilitation/upgrading of homes belonging to low-income individuals. It is unclear if Novato still works with Marin Housing Authority to make residential	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
						rehabilitation loan programs available, however this cooperation was in place from 2016-2018.	
<b>5.D</b>	Modify the City's Condominium Conversion Ordinance	Consider amendments to the City's Condominium Conversion Ordinance which may, as permitted by law, include: a. Prohibition of conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than 5% or there are special circumstances related to providing long-term, regulated affordable units; b. Exemptions for limited equity residential cooperatives which provide long term affordability for very low or low income households; c. Requirements for relocation assistance when units are converted; d. First right of refusal of purchase of units by occupants; e. Minimum of 20 percent of the units be affordable to low-income households; and f. Implementation of resale controls.	Amend Condominium Conversion Ordinance	Community Development Department; City Council	Consider Ordinance by June 2015; Other activities would be ongoing	The City will adopt the ordinance to modify condominium conversion rates. In 2018 the City implemented GP Housing Element Program 5.D in-lieu of a formal ordinance amendment. Program 5.D establishes a 5% vacancy rate to allow condominium conversion, an increase from a rate of 4.5%.	<b>Continue</b>
<b>5.E</b>	Inventory Affordable Housing	Maintain an up-to-date inventory of affordable housing in Novato and conduct periodic surveys of rental unit vacancy and affordable for-sale costs. As needed, work with the property (Novato Housing Element Update 2015-2023 Page 134) owners and/or other parties to, where feasible, conserve existing affordable units as part of Novato's affordable housing stock.	Maintain an inventory of affordable housing.	Community Development Department	Ongoing	The City continues to maintain an affordable housing database covering both for-sale and rental housing units.	<b>Modify</b>
<b>5.F</b>	Maintain Existing Affordable For-Sale and Rental Housing	Work with affordable housing owners and non-profit sponsors seeking to maintain and/or rehabilitate affordable housing units to in large part maintain ongoing affordability of the units. Actions may include, but not be limited to: a. Maintain and update contact information for mortgage assistance and nonprofit housing assistance for ownership and rental housing. b. Identification of possible support necessary to obtain funding commitments from governmental programs and non-governmental grants. c. Assistance in permit processing.	Preservation of affordable housing units.	Community Development Department	Ongoing	The City and Rise Housing continue to maintain existing affordable for-sale and rental housing. The City and Rise Housing receive regular compliance reports from affordable rental and for-sale developments and having Rise perform in-depth audits of a percentage of those reports each year and compile the results into a report to City management. Follow up actions are developed specific to any identified issues and Rise assures those actions are completed.	<b>Modify</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		d. Possible waiver of fees. e. Possible use of local funds if available.					
<b>5.G</b>	Preserve At-Risk Units	<p>Annually monitor assisted housing development units at risk for conversion to market rate due to termination of federal rent subsidies. For at-risk units encourage and facilitate, to the extent possible, participation by property owners in federal, state and/or local housing assistance programs that maintain affordability of existing multi-family rental housing developments. City efforts to preserve at-risk units include, but are not limited to:</p> <ol style="list-style-type: none"> <li>1. Develop a website with information and available links to federal, state, and local resources, including: <ul style="list-style-type: none"> <li>-Community Development Block Grant (CDBG) programs.</li> <li>-HOME Program.</li> <li>-Section 8 Housing Choice Voucher Program.</li> <li>-Marin County Residential Rehabilitation Loan program.</li> <li>-Low Income Housing Credit Program.</li> <li>-Marin Housing's Housing Stability Program (formerly RMR).</li> <li>-Assistance from Local Philanthropies.</li> <li>-City of Novato Housing Opportunity Fund.</li> </ul> </li> <li>2. Maintain, on the City's website, a list of for-profit and nonprofit housing providers to assist with timely action (acquisition, etc.) regarding notification of units scheduled to convert to market-rate in the near term.</li> <li>3. Work with owners, tenants, for-profit and nonprofit organizations to assist in the acquisition of at-risk projects to ensure long-term affordability of the development. For at-risk units, annually contact property owners, assess need and interest in acquisition by for-profit or non-profit partners.</li> <li>4. The City will support applications by for-profit and nonprofit housing providers for funding, as available and appropriate, to preserve or</li> </ol>	Annually monitor assisted units at risk of conversion to market rate	Community Development Department	Ongoing	No known at-risk units have been identified since the City first started keeping track in 2018. The City will monitor whether there may be units at-risk of conversion to market rate housing.	<b>Delete</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		purchase at-risk units to maintain their affordability.					
5.H	Provide Assistance to Homeowners of Below Market Rate Units	Provide owners of Below Market Rate (BMR) units with assistance in order to assist individuals with retention of below market rate units. Contact homeowners as soon as the City receives a notice of default or sale, and provide information available relating to foreclosure. Refer homeowners to the appropriate agency, such as the Marin Housing Authority, as appropriate. Provide links on the City's website and distribute informational materials, if available.	Preservation of BMR units	Community Development Department	Ongoing	The City contracts with Rise Housing to provide comprehensive resale and refinance assistance and coordinates mortgage assistance programs. Prior to contracting with Rise in 2021, the City contracted with the nonprofit Hello Housing.	Modify
5.I	Support Volunteer Efforts	Support community service clubs that provide volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support includes, but is not limited to providing a City website link to active not-for-profit service clubs, and City support (letter of recommendation, etc.) as appropriate for said clubs seeking grant funding for supplies and/or services.	Maintenance of existing housing	Community Development Department	Ongoing	The City and the County of Marin are party to a cooperative agreement to jointly undertake community development and housing assistance activities through CDBG, HOME, and PLHA funds. The City designates its portion of the annual funding allocation, as well as participates in decision making for County-wide monies for funding of various non-profit/volunteer organizations which provide services in support of lower income households.	Continue
5.J	Preserve Mobile Home Parks	Consider measures such as refinancing the Marin Valley Mobile Country Club to further save money and to permit the financing of future needed capital improvements to the park. Consider Novato Housing Element Update 2015-2023 Page 136 possible zoning amendments to preserve mobile home parks for mobile home park use.	Preserve mobile home parks	Community Development Department; City Council	Ongoing	The City annually reviews and approves the Marin Valley Mobile Country Club (MVMCC), a City-owned park, budget. The City's rent control ordinance restricts annual rent increases at MVMCC to 100% of CPI, thereby preserving the ongoing affordability of the units.	Modify
5.K	Regulate Displacement of Residential Units	Consistent with State Law regulate the removal or displacement of residential units.	Regulate removal or displacement of units	Community Development Department; City Council	Ongoing	The City administers applicable State laws to the removal or displacement of residential units on an as-needed basis. The City reports annually to the Department of Finance on the removal, if any, of existing residential units. No residences have been reported as being displaced since the City first started keeping track in 2018	Modify
<b>Goal 6: Housing, Jobs, and Transit</b>							

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>6.A</b>	Identify Existing Employee Housing Opportunities	Work with the Novato school district, public agencies, and existing businesses to seek opportunities for helping their employees find needed housing, such as mortgage buy-downs or subsidies, rent subsidies, etc. Additionally, to better inform local employees about local, affordable housing stock, staff will update the City's website to include direct links to property management for lower income apartments, and for sale housing within Novato.	Increase housing opportunities for local employees	Community Development Department	Ongoing	The Buck Institute, a local biomedical research facility, plans to construct a 130-unit housing development plan to be available to Institute employees. However, the development has been unable to secure funding since it was first developed in 2018. The City should modify the program to work with existing and new employers to identify funding opportunities for employee housing.	<b>Modify</b>
<b>6.B</b>	Promote Zoning for Live/Work Opportunities	Review implementation of live/work and home occupation provisions in the Zoning Ordinance to ensure effective standards for home occupations and live/work projects.	Increase housing opportunities for local employees	Community Development Department	Ongoing	In 2021/22, the City is considering entitlement applications for 34 live/work units. One of those, a six-unit live/work development, was approved in March 2022.	<b>Delete</b>
<b>6.C</b>	Transit-Oriented Development Incentives	Consider zoning ordinance amendments which provide incentives for transit-oriented development where specified criteria are met. Such criteria may include, but not be limited to: a. Distance to transit routes. b. Affordability of units. c. High-quality design. d. Integration of transit-oriented components. Incentives could include, but not be limited to: a. Parking reductions. b. Off-site parking alternatives. c. Transit impact fee reductions.	Provide incentives for transit-oriented development	Community Development Department	Ongoing	Pursuant to Program 6.C the City, upon request, will evaluate and consider incentives such as parking reductions and off-site parking for housing projects near transit. In 2017, the City adopted an ordinance and amended parking regulations to reflect new state legislation (SB 1069 & AB 2299) that included a parking reduction for ADU's if the location of the primary dwelling is within half-mile of a transit facility.	<b>Modify</b>
<b>Goal 7: Housing Choices</b>							
<b>7.A</b>	Encourage Co-Housing, Cooperatives, and Similar Collaborative Housing Development	Work with developers and non-profit housing sponsors to provide multi-family housing using a co-housing model or similar approaches that feature housing units clustered around a common area and shared kitchen, dining, laundry and day care facilities. To facilitate the production of co-housing, housing cooperatives or similar housing arrangements evaluate and incorporate zoning revisions as needed that will accommodate them. Zoning amendments may include, but are not limited to, allowances for a common gathering facility that may include a small meal preparation area shared kitchen and group dining space.	Development of co-housing opportunities	Community Development Department	Ongoing	Since 2019, an application for a co-housing development at 970 C Street has been in review. The project remains in process, pending site remediation activities.	<b>Delete</b>



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
7.B	Facilitate Homesharing and Tenant Matching Opportunities	Work with non-profit organizations including but not limited to Homeward Bound to develop a program to encourage homesharing by matching potential tenants with homeowners. The City in collaboration with non-profit organizations will consider and, if feasible, host a link within the City's website to homesharing and tenant matching contact information.	Create homesharing opportunities	Community Development Department, City Council	Ongoing	Since 2020, the City designates a portion of its CDBG funding to support COVIA Foundation which operates a home match program. City staff refers inquiries about homesharing to COVIA, as well as Episcopal Senior Communities and Homeward Bound of Marin which can be additional resources, depending upon specific needs of the client.	Delete
7.C	Zone and Provide Appropriate Standards for SRO Units	In order to provide housing for extremely low-income households, amend the municipal code to specifically allow single-room occupancy units in the Mixed Use, R10, and R20 districts as a conditional use. Provide appropriate parking, development and management standards. Consider reducing per unit fees and other standards in recognition of the small size and low impacts of SRO units.	Amend municipal code; development of housing for extremely low-income households	Community Development Department; Planning Commission; City Council	12/1/2015	No formal amendment has been completed; however, beginning in 2020 the City has designated \$750,000 to Homeward Bound of Marin, in support of a new development providing transitional housing to extremely low-income individuals.	Modify
7.D	Housing Opportunities on School District Properties	Work with school districts and neighborhood groups to develop surplus or underdeveloped school district property or portions of active schools for affordable housing for teachers and other school personnel. Establish an equitable selection process for school district employees if the district puts up the land and therefore has an equity interest in the housing development.	Development of affordable housing	Community Development Department; City Manager; City Council	As surplus properties become available	The City of Novato and Novato Unified School District executed an MOU in June 2018 to formally investigate development of affordable teacher housing on surplus school property. The school district's progress on development of the property slowed down in 2020 and 2021 due to COVID-19 limitations. In mid-2023, Novato Unified School District hired a Director of Staff Housing Development, the first in Marin County. The position will focus solely on utilization of surplus school properties for the development of long term housing for the District's teachers and staff.	Delete
7.E	Implement Transfer of Development Rights (TDR)	Consider the Transfer of Development Rights (TDR) if it will result in improved housing opportunities including workforce, senior or special needs affordable housing in appropriate locations.	Facilitate affordable housing development	Community Development Department	Ongoing	As proposed, the Community Development Department will evaluate projects including a transfer of development rights on a case-by-case basis for action by the appropriate decision-making bodies. These would typically be the City Council following a recommendation by Planning Commission.	Continue
7.F	Assist in the Rehabilitation and Production	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households by undertaking the following:	Facilitate and incentivize ELI housing	Community Development Department	Ongoing	The program should modify the program report on the status of the City's Affordable Housing Trust Fund and	Modify

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
	of Housing for Extremely Low-income (ELI) Households	<p>1) Develop a website with information and available links to federal, state and local resources, including:</p> <ul style="list-style-type: none"> <li>-Community Development Block Grant (CDBG) programs.</li> <li>-HOME Program.</li> <li>-Marin County Residential Rehabilitation Loan program.</li> <li>-Low Income Housing Credit Program.</li> <li>-Marin Housing's Housing Stability Program (formerly RMR).</li> <li>-Assistance from Local Philanthropies.</li> <li>-City of Novato Affordable Housing Trust Fund.</li> </ul> <p>2) To the extent funding is available in the City's Affordable Housing Trust Fund, priority shall be given to its application towards the rehabilitation and/or production of units for ELI households.</p> <p>3) The Community Development Department shall, as a matter of policy and to the extent feasible, expedite entitlement and permit processing for housing developments that include 10 percent or more of the proposed units for ELI households.</p> <p>4) Study and if deemed feasible apply, on a "sliding scale", reduced application processing fees for residential developments that include 20 percent or more of the proposed units for lower income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.</p>	rehabilitation and production			<p>execute the study on implementing a "sliding scale" for reducing application processing fees for residential developments that include 20% or more of the proposed units for lower income households. On a percentage basis, the "sliding scale" should consider maximum fee reductions for units proposed for ELI households.</p> <p>In 2017, the City issued 14 Certificate of Occupancy's for ELI households at Oma Village. In 2019 the City executed a 55-year lease with Homeward Bound of Marin (HB) to build affordable units on City-owned property. The project is in process for a 50-unit, 100% affordable housing project servicing extremely low and very low-income occupants. The project has received its design review approval and HB continues to secure all needed funding for the project. The City leased the property for \$1/year and provided an additional \$750,000 in funding.</p>	
<b>Goal 8: Mixed-Use Housing</b>							
<b>8.A</b>	Apply Mixed-Use Development Standards and Incentives	<p>Apply existing development code standards to make affordable housing development more feasible in mixed-use projects. Incentives in the Zoning Code to consider include:</p> <ul style="list-style-type: none"> <li>a. Height limit bonuses, especially in Downtown.</li> <li>b. Exceptions in applying development standards (FAR, height limits, setbacks, lot coverage) based on the location, type, and size of the units, and the design of the</li> </ul>	Development of mixed-use housing	Community Development Department	Ongoing	The Community Development Department evaluates and applies/recommends, as appropriate pursuant to existing zoning, exceptions to development standards, e.g., increased floor area ratio (FAR) from 1.2 to 2.0 for mixed use developments that include housing within the Downtown Core Retail and/or Business Districts, and up to a 30% increase in the maximum building	<b>Delete</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		development. c. Allowance for the residential component of a mixed use development to be 'additive' within the established FAR for that zone. d. Allowance for reduced and shared parking based on the use mix. e. Allowances for off-site parking.				height pursuant to 19.20.070 (C) for mixed use developments that incorporate housing. Additionally, City code allows a parking waiver for commercial uses in order to increase the availability of residential parking spaces in an effort to support housing opportunities.	
<b>8.B</b>	Potential Mixed-Use Sites	a. Consider amending Downtown Core Retail and Downtown Core Business Districts to allow multi-family dwellings in a mixed-use project as a permitted use on upper floors or at the rear of the site. b. Consider amending Neighborhood Commercial and Mixed-Use Districts to allow multi-family dwellings in a mixed-use project as a permitted use in appropriate areas of the site.	Amend Municipal Code to make residential a permitted use	Community Development Department	6/1/2015	Novato General Plan 2035 was adopted in 2020 and includes modifications to add residential density ranges to all districts allowing mixed-use development (commercial/residential). Adding residential densities supports mixed-use development by setting clear expectations regarding residential development intensity and providing a clear basis on which density bonuses can be calculated. The City has begun implementing General Plan 2035, a component of which includes reviewing permitting procedures for mixed-use development proposals. This on-going process is anticipated to result in modifications to zoning requirements, including changes to the permitting procedures and development standards for mixed-use proposals.	<b>Delete</b>
<b>Goal 9: Affordable Housing Sites and Incentives</b>							
<b>9.A</b>	Facilitate Development at Housing Opportunity Sites, Including Vacant and Underutilized Properties in the Downtown Area	Undertake appropriate General Plan amendments, rezoning, and expedited environmental review, and work with private property owners and/or developers to facilitate consolidation of properties within the Downtown, and other implementing actions to facilitate the construction of market rate and affordable housing.	Facilitate affordable housing development	Community Development Department	Ongoing and as opportunities arise	The City continues to provide updates on ongoing construction and development of sites mentioned in Program 9.B. The projects at AHO 1, 2, and 3 are all subject to reserving 20% of the residences therein at affordable levels.	<b>Delete</b>
<b>9.B</b>	Implement Actions and Incentives to Address Remaining Lower-Income Housing Need	Undertake the following steps to address the City's low and very low income housing needs as applicable to Site #1, APN 141-201-12 and 48, and Site #2, APN 153-162-59, which are two of five sites currently designated with the Affordable Housing Opportunity Overlay District (AHO) as listed in Table 65:	Facilitate development of AHO Sites 1 & 2	Community Development Department; City Council	Ongoing	Program 9.A indicates AHO Site 1 has been approved as a 32-unit multi-family housing development in December 2020. It also indicates as of 2021 the AHO Site 2 is in the project design phase with the applicant for a 35-unit multi-family housing development. Based on the	<b>Delete</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		<p>a. Waive fees for processing a merger of parcels identified as Site #1 in Table 65 if both parcels are developed concurrently for housing.</p> <p>b. Net Acreage for Affordable Housing Opportunity Site 1 (1787 Grant Ave.): A minimum 20 ft. setback measured landward from top-of-bank of Novato Creek shall be reserved from development to respect existing flood control and access easements held by the Marin County Flood Control and Water Conservation District and to serve as a buffer between new development and the riparian habitat along Novato Creek. Accordingly, the density calculation for Affordable Housing Opportunity Site 1 shall be based on a net acreage of 1.75 acres, reflecting a reduction in the gross developable area of approximately 0.39 acres as noted in Table 65. This reduction will permit development at the realistic unit capacity as noted in Table 65, while respecting existing riparian habitat and the easements held by the Marin County Flood Control and Conservation District.</p> <p>c. Net Acreage for Affordable Housing Opportunity Site 2 (Landing Ct.): The density calculation for Affordable Housing Opportunity Site 2 shall be based on a net acreage of 1.50 acres, reflecting a reduction in the gross developable area of approximately 0.50 acres as noted in Table 65. This reduction will permit development at the realistic unit capacity as noted in Table 65, while ensuring the residential setback as established in the AHO, to assure that future multi-family residential development which may abut the existing development is of a mass and scale that is complimentary to and compatible with the noted single-family residences.</p>				<p>program description and objectives, Program 9.B should be modified to be combined with Program 9.A or should be rewritten to identify additional sites to address the remaining lower-income housing need.</p>	
<b>9.C</b>	Seek Increased Multi-Family Housing Opportunities	When undertaking City-wide and/or neighborhood General Plan amendments, specific plans, rezonings, or a similar community visioning process, the City will	Facilitate affordable housing development	Community Development Department; City Council	Ongoing	In 2020 the City granted entitlements, including a general plan land use amendment, to support a 75-unit townhome project, which is deed	<b>Delete</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		<p>identify sites for multi-family affordable workforce and special needs housing where opportunities are available. Such sites and opportunities may include or consider the following:</p> <ul style="list-style-type: none"> <li>a. Land owned by the City or other governmental agencies (such as school districts).</li> <li>b. Re-use of underutilized or non-viable commercial and/or industrial sites.</li> <li>c. Parking lots.</li> <li>d. Residential, Commercial and Mixed Use sites where higher density residential is feasible.</li> <li>e. Appropriate sites in single family neighborhoods where duplexes or small multi-family uses would be appropriate.</li> <li>f. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and mitigation.</li> <li>g. Use environmental assessments to expedite processing for infill and affordable housing, such as linking plans to CEQA exemptions and expedited review, consistent with CEQA Section 15332.</li> <li>h. Establish objectives and commitments in the plans so that project specific review can focus on site-specific issues such as design.</li> <li>i. Provide clear guidelines and incentives for the development of housing in conformance with current local and State laws to streamline processing for subsequent development proposals.</li> </ul>				<p>restricted to reserve 20% of the units therein at affordable levels. This project is currently under construction. The City continues to work on expanding objective design standards for residential developments of varying types, including multi-family units and mixed-use projects. General Plan 2035 was adopted in 2020 with policies and programs directed at creating specific zoning standards for the Northwest Quadrant neighborhood. The draft standards are complete and will be presented for adoption in 2022. These objective standards support the development of a variety of “missing middle” housing types. City staff continues to offer assistance to prospective applicants seeking guidance on land use amendments and permitting procedures to develop housing. The City should continue addressing the sites and opportunities listed in the program text.</p>	
9.D	Apply CEQA Exemptions and Expedited Review	<p>Consistent with CEQA Section 15332 (“Infill Development Projects”), the City will facilitate infill development within urbanized areas consistent with local general plan and zoning requirements that may be categorically exempt from CEQA review. In addition, the City will consider area-wide assessments or Program EIR assessing area-wide infrastructure and other potential “off-site” impacts to expedite the</p>	Facilitate affordable housing development	Community Development Department	As opportunities arise	<p>Planning Division staff routinely reviews new development proposals against the housing exemptions offered in CEQA.</p>	Delete

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		processing of subsequent affordable housing development proposals.					
9.E	Facilitate Affordable Housing Development Review	Affordable housing developments shall receive priority and efforts will be made by staff and decision-makers to: a. Provide technical assistance to potential affordable housing developers in processing requirements, including community involvement. b. Consider project funding and timing needs in the processing and review of the application. c. Provide the fastest turnaround time possible in determining application completeness.	Facilitate affordable housing development	Community Development Department	Ongoing	Planning Division staff routinely provides entitlement assistance to residential development projects, including those providing inclusionary affordable units. Since 2020, the City has designated \$750,000 in support of the Homeward Bound project providing housing to extremely low- and very low-income households.	Modify
9.F	Reduced Planning Processing Fees	Evaluate and consider waiver or reduction of planning processing fees as deemed feasible on a sliding scale related to the levels of affordability, such as a rebate of planning fees for affordable units based on the proportion of such units in the project.	Facilitate affordable housing development	Community Development Department	Evaluate changes by June 2015	The City considers fee waivers on a request driven basis.	Modify
9.G	Special District Fees	Work with the water and sanitary districts to identify possible reductions or waiver of some fees for water and sewer hook-ups for affordable housing for lower income households.	Facilitate affordable housing development	Community Development Department	Evaluate changes by June 2015	The City's two utility districts and the fire district were amended in 2019 to follow requirements of State law.	Delete
9.H	Long-Term Housing Affordability Controls	The City will apply resale controls and income restrictions to ensure that affordable housing provided through incentives, density bonus, General Plan amendments, re-zonings and conditional approvals as appropriate remain affordable over time to the income group for which it is intended.	Preservation of affordable housing units	Community Development Department	Ongoing	The City requires affordable housing agreements to secure long-term affordability of inclusionary units. An affordable housing agreement was recorded in 2016 for 14 ELI units at Oma Village apartments off Marin Valley Drive and 801 State Access Senior Apartments.	Modify
<b>Goal 10: Inclusionary Housing</b>							
10.A	Work with an Affordable Housing Management Entity	Continue to fund administration of existing and future affordable housing developments/programs including, as appropriate, through the services of an outside consultant for management of all or some of the affordable housing contracts in Novato in order to ensure on-going affordability, and implement resale and rental regulations for affordable housing units and assure that these units remain at an affordable price level for the longest term possible.	Construction and preservation of affordable housing	Community Development Department; Marin Housing Authority	Ongoing	The City contracts with Rise Housing, a nonprofit organization, to administer its Below Market Rate Homeownership Program city-wide. In 2018, the City expanded its contract with its former BMR management contractor, Hello Housing, to perform affordable housing monitoring compliance for BMR rental units. No changes have been reported since 2018.	Modify



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 11: Accessory Dwelling Units</b>							
11.A	Modify Accessory Dwelling Unit Development Standards and Fees	<p>Modify Accessory Dwelling Unit Development Standards and Fees. Continue to allow accessory dwelling units, and review and modify the following accessory dwelling unit development requirements as deemed feasible:</p> <p>a. Continue to apply design criteria for second units that meet performance standards and design guidelines, and continue to allow processing of the application at the staff level. Continue to provide courtesy noticing.</p> <p>b. Work with special districts, e.g., water and sanitary, to reduce or waive connection and/or service fees.</p>	Development of at least 24 additional accessory dwelling units by October 2022	Community Development Department; City Council	Within one year of adoption of the housing element	The City accomplished this goal by approving 32 ADUs by October 2022. The City should modify the program to determine a new objective while continue addressing the program text.	<b>Delete</b>
11.B	Adopt Standards and Fees for Junior Second Units (JSU)	<p>Review and adopt zoning standards and fees that serve to incentivize the creation of Junior Second Units. Standards and fee considerations should include, but not be limited to, the following:</p> <p><u>Zoning Standards to consider:</u></p> <ul style="list-style-type: none"> <li>-Conversion of existing bedroom required – no building expansion;</li> <li>-Maximum 500 square-foot size;</li> <li>-Wet-bar type kitchen only with limitations on size of sink, waste line and counter area;</li> <li>-Cooking facility limited by electrical service (110v maximum) and prohibition of gas appliances;</li> <li>-Separate bathroom permitted, but not required;</li> <li>-Require external access and internal access to the remainder of the home;</li> <li>-No additional parking required if dwelling complies with current parking standards;</li> <li>-Owner occupancy required and established by recorded deed restriction; and</li> <li>-Ministerial approval process.</li> </ul> <p><u>Fees considerations:</u></p> <ul style="list-style-type: none"> <li>-Establish a minimal “flat fee” for a planning entitlement;</li> <li>-No City Residential Development Impact Fee charged; and</li> <li>-Work with special districts, e.g., water and sanitary, to reduce or waive fees.</li> </ul>	Development of at least 24 additional accessory dwelling units, including Junior Second Units, by October 2022	Community Development Department; City Council	Within one year of adoption of the housing element	Standards and fees were updated pursuant to State law in 2017 and 2021. The City modified second unit language to “junior accessory dwelling units.”	<b>Delete</b>



**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
<b>Goal 12: Special Housing Needs</b>							
<b>12.A</b>	Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities	Continue to encourage Novato Housing Element Update 2015-2023 Page 149 positive relations between neighborhoods and providers of emergency shelters and residential care facilities. As exists with the providers or sponsors of the approved transitional housing programs at Hamilton Field and community care facilities like Novato Human Needs Center, providers (existing and new) will be encouraged to continue outreach programs with their neighborhoods. The following could be considered: a. It is recommended that a staff person from the provider agency be designated as a contact person with the community to respond to questions or comments from the neighborhood. b. Outreach programs could designate a member of the local neighborhood to the Board of Directors of the service provider. c. Neighbors of emergency shelters, transitional housing programs, and community care facilities should be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.	Facilitate good neighborhood relations and encourage public outreach	Community Development Department	Ongoing	The City continues to closely monitor the relationships between EAH and Meadow Park homeowners and City staff occupy a position on the Meadow Park HOA Board of Directors. The City states the service provider of the City's homeless shelters, Homeward Bound of Marin, has done an excellent job in the management of its facilities.	<b>Modify</b>
<b>12.B</b>	Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District	In order to provide housing for farmworkers, amend the municipal code to allow farmworker housing in the Agricultural district as a permitted use, consistent with the provisions of California Health and Safety Code Section 17021.6. Include a definition for farmworker housing and occupancy requirements consistent with Health and Safety Code Section 17021.6.	Amend Municipal Code	Community Development Department; City Council	Within one year of adoption of the housing element	The City has not taken any action since when the program was first reviewed in 2016. The City will update the Municipal Code to be in compliance with State law (Government Code 65583(c)(1)(C) which will require farmworker housing to be allowed by-right.	<b>Continue</b>
<b>Goal 13: Special Needs Support Programs</b>							
<b>13.A</b>	Promote and support rental assistance programs	Develop and implement measures to make full use of available rental assistance programs. Actions include: a. Maintain descriptions of current programs and contacts to hand out to interested persons. b. Provide funding support, as available and appropriate (e.g., the City has previously	Promote and support rental assistance programs	Community Development Department; Marin Housing Authority	Ongoing	Ongoing - See Program 5.F. The City continues to provide annual updates and financial assistance to the organizations listed in the program. in FY 2021/22, the City will provide \$20,000 of financial assistance to North Marin Community Services (NMCS), formerly Novato	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		provided financial assistance to the Novato Human Needs Center). c. Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.				Human Needs Center and Novato Youth Center, which assists lower income people (over 4,000 people annually) and households move towards self-sufficiency through a multitude of programs. This figure is lower than previous years which ranged from \$120,302 in 2016 to \$133,630 in 2020.	
<b>13.B</b>	Support programs to address homelessness	Continue to support the 80 bed New Beginnings Center with training and educational services, the Next Key vocational training facility with 32 SROs, the Continuum of Care's 60 units of transitional housing within Meadow Park and housing placement services offered by the Novato Human Needs Center to the extent resources are available and allocated.	Support programs to address homelessness	Community Development Department; City Council	Ongoing	The City continues to implement this program on an on-going basis by supporting the 80-bed New Beginnings Center and Next Key vocational training center with 32 SROs. The City has consistently granted funds, annually, to North Marin Community Services, formerly Novato Human Needs Center and Novato Youth Center, in support of their services. In FY 20/21, the City's Successor Agency to the former Redevelopment Agency is expected to provide \$133,630 of financial assistance to North Marin Community Services, formerly the Novato Human Needs Center and Novato Youth Center. City support for the Marin Mobile Shower Program continued through 2020 to address homeless needs.	<b>Continue</b>
<b>13.C</b>	Support programs to address needs of the developmentally disabled	Work with the Golden Gate Regional Center and the Marin Housing Authority to implement an outreach program that informs families within Novato on housing and services available for persons with developmental disabilities. Provide information on services on the City's website, and distribute brochures provided by the service providers.	Support programs to address needs of the developmentally disabled	Community Development Department; City Council	By December 2015 and ongoing	The City assists on an as-needed basis.	<b>Continue</b>
<b>Goal 14: Funding for Affordable Housing</b>							
<b>14.A</b>	Maintain and Develop Local Sources of Funding for Affordable Housing	Continue to work toward the maintenance and development Novato Housing Element Update 2015-2023 Page 152 of local sources of funding to support affordable housing, including consideration of: a. Continue accepting in-lieu fee payments as prescribed under inclusionary requirements for residential development.	Development of affordable housing	Community Development Department; City Manager; City Council	Ongoing	The City maintains an Affordable Housing Programs fund that manages funds for affordable housing, a loan program for low and moderate household first-time homebuyers, and senior affordable housing. Housing in-lieu fees, when required, are updated annually and allocated to highest priority projects. The	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
		b. Voluntary donations, grants and matching funds. c. Land acquisition or donation and land banking. d. Work with special districts that serve Novato to provide a reduction(s) in connection fees for deed restricted affordable very low income units.				in-lieu fees vary based on project size e.g., in 2021 for ownership housing. For FY 2021/22 approximately \$291,500 of CDBG funds were allocated to the City as part of the Marin County county-wide CDBG allocation. The City of Novato has a cooperation agreement with the County for the administration of CDBG funds. Although the funds are allocated through the County, the City Council recommends which organizations and programs to fund.	
<b>14.B</b>	Seek Funding Resources	Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, first time homebuyer, etc.). Potential sources of funding include, but are not limited to: a. CDBG/HOME. b. Marin Community Foundation. c. Applications for mortgage revenue bonds and/or mortgage credit certificates. d. Housing Trust Fund. e. Tax Credit Allocation.	Development of affordable housing	Community Development Department; City Manager; City Council	Ongoing	The City has not received any requests for assistance since 2018. On an as needed basis City staff explores different Federal and State resources to help fund potential affordable housing opportunities.	<b>Modify</b>
<b>14.C</b>	Coordinate Funding Among Development Proposals	The City of Novato will pursue and/or participate in efforts including but not limited to available City housing funds, annual allocation of CDBG funds, and Home funds to ensure adequate coordination between City and local jurisdictions and development proposals on their various housing activities and funding proposals, ensuring that local projects are competitive for outside funding sources and resources are used in the most effective manner possible.	Development of affordable housing	Community Development Department; City Manager	Annually and ongoing	As affordable housing development becomes more complex, the City continues to coordinate with other lenders to accommodate all their respective requirements. Since 2019 the City conducted a variety of activities related to supporting Homeward Bound's application for funding from the Veterans Housing and Homelessness Prevention Program (VHHP). The City expects to further support this project and an 80-unit Habitat for Humanity project through CDBG and PLHA grant funding in 2022.	<b>Modify</b>
<b>Goal 15: Effective Implementation and Monitoring</b>							
<b>15.A</b>	Conduct an Annual Housing Element Review	Assess Housing Element implementation through annual review by the Novato Community Development Department, pursuant to Government Code Section 65400.	Annual review of the housing element	Community Development Department; City Council	Annually by April 1 of each year	The Housing Element Annual Report is annually reviewed and recommended for submission by the Planning Commission to the City Council, which, in turn, submits to the State Department of Housing and	<b>Continue</b>

**Table D-1: Existing Housing Element Programs Review**

Program #	Program Name	Program Text	Quantified Objectives	Responsible Party	Timeline	Evaluation	Modify/ Delete/ Continue
						Community Development and the Governor's Office of Planning and Research.	
<b>15.B</b>	Update the Housing Element Regularly	Undertake housing element updates in accordance with State law requirements.	Timely update of the housing element	Community Development Department; Planning Commission; City Council	Ongoing	The next Housing Element will be updated and adopted by January 31, 2023.	<b>Delete</b>

## Section D.2 Housing Element Program Comparative Review

As shown in Table D-1, the 5<sup>th</sup> Cycle Housing Element contained many successful programs which have been renewed or modified to continue implementing impactful policies. Table D-2 provides a comparative review of 5<sup>th</sup> and 6<sup>th</sup> Cycle programs, organized by 6<sup>th</sup> Cycle goals described in Housing Element Section III (Housing Plan).

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
6 <sup>th</sup> Cycle Goal 1: New Housing Construction			
	NEW	1.A	Rezone for RHNA shortfall.
	NEW	1.B	Streamline the construction of Accessory Dwelling Units (ADUs).
15.A	Conduct an Annual Housing Element Review	1.C	Produce annual housing status reports.
1.B	Collaborate on Inter-Jurisdictional Strategic Plan for Housing	1.D	Participate in State and regional housing planning efforts.
1.C	Undertake Coordinated Lobbying Efforts on State Legislation		
	NEW	1.E	Facilitate and monitor pipeline housing projects.
6 <sup>th</sup> Cycle Goal 2: Affordable Housing Opportunities			
7.E	Implement Transfer of Development Rights (TDR)	2.A	Develop and adopt a Transfer of Development Rights (TDR) Ordinance.
5.F	Maintain Existing Affordable For-Sale and Rental Housing	2.B	Maintain long-term housing affordability controls.
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households		
9.E	Facilitate Affordable Housing Development Review		
9.F	Reduced Planning Processing Fees		
9.H	Long-Term Housing Affordability Controls		
10.A	Work with an Affordable Housing Management Entity		
14.A	Maintain and Develop Local Sources of Funding for Affordable Housing	2.C	Maintain and develop local sources of funding for affordable housing.
14.B	Seek Funding Resources	2.D	Seek outside funding for affordable housing that leverages local resources.
14.C	Coordinate Funding Among Development Proposals		
	NEW	2.E	Coordinate with water and sewer service providers.
	NEW	2.F	Develop and adopt a program addressing vacant residential properties.
	NEW	2.G	Amend and monitor Inclusionary Housing Ordinance.

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
6 <sup>th</sup> Cycle Goal 3: Elimination of Housing Constraints			
	NEW	3.A	Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.
	NEW	3.B	Revise Hillside and Ridgeline Protection Regulations.
3.A	Prepare Multi-Family Housing Design Criteria	3.C	Adopt objective design standards for multi-family housing.
	NEW	3.D	Design review and use permit process improvements.
	NEW	3.E	SB 35 processing and permit streamlining.
	NEW	3.F	Evaluate and adjust impact fees.
3.B	Update Parking Standards	3.G	Modify multi-family residential parking standards.
6.C	Transit-Oriented Development Incentives	3.H	Adopt a parking reduction incentive program to facilitate transit-oriented development.
	NEW	3.I	Allow comparable zoning district standards to apply in the Planned (PD) Zoning District.
6 <sup>th</sup> Cycle Goal 4: Special Needs Populations			
12.A	Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities	4.A	Allow emergency shelters consistent with State law.
	NEW	4.B	Allow Low Barrier Navigation Centers consistent with State law.
12.B	Amend the Municipal Code to Allow Farmworker Housing as a Permitted Use in the Agriculture District	4.C	Allow farmworker/employee housing consistent with State law.
7.C	Zone and Provide Appropriate Standards for SRO Units	4.D	Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.
	NEW	4.E	Allow community/residential care facilities consistent with State law.
13.C	Support Programs to Address Needs of the Developmentally Disabled	4.F	Support programs to address the needs of the developmentally disabled.
13.B	Support Programs to Address Homelessness.	4.G	Support programs to address homelessness.
6 <sup>th</sup> Cycle Goal 5: Housing Conservation and Tenant Protections			
5.A	Ensure Adequate Tenanting, Management, and Safety for Multi-Family Housing	5.A	Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
5.B	Link Code Enforcement with Public Information Programs	5.B	Link code enforcement with public information campaigns.
5.D	Modify the City's Condominium Conversion Ordinance	5.C	Amend the City's condominium conversion ordinance.
5.E	Inventory Affordable Housing	5.D	Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
5.H	Provide Assistance to Homeowners of Below Market Rate Units		
5.I	Support Volunteer Efforts	5.E	Support volunteer efforts.
5.J	Preserve Mobile Home Parks	5.F	Preserve mobile home parks.

**Table D-2: Housing Element Program Comparative Review**

5 <sup>th</sup> Cycle Programs		6 <sup>th</sup> Cycle Programs	
5.K	Regulate Displacement of Residential Units	5.G	Regulate the displacement of residential units.
13.A	Promote and Support Rental Assistance Programs	5.H	Promote and support rental assistance programs.
	<b>NEW</b>	5.I	Expand “just cause” eviction protections to all tenants.
	<b>NEW</b>	5.J	Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.
7.F	Assist in the Rehabilitation and Production of Housing for Extremely Low-income (ELI) Households	5.K	Continue to assist in the rehabilitation and production of housing for lower-income households.
	<b>NEW</b>	5.L	Assistance for renters with animal companions or pets.
<b>6<sup>th</sup> Cycle Goal 6: Equal Access to Housing and Opportunities</b>			
1.A	Prepare Information and Conduct Community Outreach Activities on Housing Issues	6.A	Prepare information and conduct community outreach activities on fair housing issues.
2.A	Require Non-Discrimination Clauses	6.B	Require non-discrimination clauses in affordable housing agreements.
2.B	Respond to Complaints	6.C	Respond to fair housing complaints.
	<b>NEW</b>	6.D	Implement General Plan policies related to the Northwest Quadrant neighborhood.
	<b>NEW</b>	6.E	Housing Mobility.
<b>6<sup>th</sup> Cycle Goal 7: Sustainability and Energy</b>			
5.C	Implement Rehabilitation and Energy Loan Programs	7.A	Implement energy/water efficiency and rehabilitation loan programs.
4.B	Implement "Green" Building Standards and Processes	7.B	Continue to implement the California Green Building Code.



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## Section E.1 Introduction

The City conducted a diligent public outreach and engagement effort for development of the 2023-2031 Housing Element. The aim of this outreach was to better understand the perspective of all segments of the community and produce more effective and context-sensitive policies and programs to support housing development and address special needs populations. Public outreach also allowed the City to identify concerns of citizens and housing service providers and integrate local knowledge into the Housing Element that was not available in reports, online, or in City documents and may not have been initially apparent.



This Appendix summarizes the outreach efforts and input received in two sections:

- **Summary of Outreach Meetings:** An overview of the participants and public comments received.
- **Documentation:** Copies of the City's noticing materials, presentations, and other documents produced to support the outreach efforts.

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## Section E.2                      Summary of Outreach Meetings

### E.2.1                      Community Workshop #1

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*Monday, May 16, 2022 at 6:30 pm*

*Zoom Webinar*

#### **Overview**

On May 16, 2022, the City of Novato held a Community Workshop via Zoom to kick off the 6<sup>th</sup> Cycle Housing Element Update (HEU) process. This Workshop was held independently, separate from a Planning Commission or City Council meeting. The Workshop was hosted by City staff members Vicki Parker, the City's Community & Economic Development Director, and Steve Marshall, the City's Planning and Environmental Services Manager. City staff welcomed attendees and gave an introduction of the HEU process. The Consultant Team of Lisa Wise Consulting, Inc. (LWC) also attended and presented on the following topics:

- HEU Overview
- Preliminary Housing Data
- Affirmatively Furthering Fair Housing
- Community Engagement

The presentation included the purpose of the Housing Element, components of a Housing Element, additional State requirements during the 6<sup>th</sup> Cycle, and the project timeline. The presentation also provided an overview of socio-economic data that will provide context for future housing goals and programs.

Following the presentation, the City provided an opportunity for public comment. The meeting was attended by one City Councilmember, two Planning Commissioners, and 24 members of the public.

Notifications of the Outreach Workshop were distributed electronically via the City's email notification system to over 6,000 email addresses including those who signed up for notifications on latest news or initiatives and programs from the City.

The Community Workshop was also promoted through the City's social media accounts on Facebook, Instagram, Twitter, and Nextdoor. The City recorded and posted a video of the meeting on the City's YouTube channel and the [City's HEU webpage](#) for viewing or download at any time. The HEU webpage address and contact information of Vicki Parker, the City's Project Manager, was included in all Workshop material. The workshop was advertised in English and Spanish.

#### **Summary of Comments**

The following is a summary of questions and comments received from members of the public during the Community Workshop.

- When will the public be able to submit site recommendations they feel are appropriate for housing?
- How will members of the public familiar with housing be included in the outreach process?
- The Point-In-Time Count numbers recently released show an eight percent or greater increase in homelessness in Marin County. How will the project team include this information into the HEU?
- Provide clarification on the difference between the City and County site inventory process and analysis.
- Request for the City to examine the Affordable Housing Overlay from the previous HEU to identify available sites.
- Does a particular site apply towards the City's RHNA requirements.
- How will the project team will separate AFFH outreach work from the more technical aspects of the HEU.
- Expression of concern over the expansion of City boundaries and increased RHNA numbers over time. The participant also expressed concern on housing impacting open space and the City's Urban Growth Boundary. City staff clarified how the Urban Growth Boundary limits densifying growth to the existing City limits.

Screenshots from Community Workshop #1 are included below in Section E.3.3.

## **E.2.2 Focus Group Meeting #1 – Non-profit Social Service Providers**

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*Wednesday, June 8, 2022 at 10:00 am*

*Zoom*

### **Overview**

On June 8, 2022, as part of the public engagement process for the 6<sup>th</sup> Cycle HEU, LWC conducted a virtual hour-long Focus Group interview with non-profit social service providers that work in Novato. The City invited social service providers via email and followed up with the relevant Zoom link for those who agreed to participate. The Focus Group was attended by eight case managers from North Marin Community Services and a staff attorney from Legal Aid of Marin. The purpose of the meeting was:

- Discuss housing opportunities and constraints
- Gain deeper understanding of available resources as they relate to housing in Novato
- Gather policy and program recommendations

Working closely with the City, LWC developed a survey instrument and used open-ended questions where the respondents drive the interview process in a conversational style. Participants were encouraged to voice their responses, as well as to use the chat function to provide written input. A representative from City Staff was present. Participants were assured that their participation was voluntary and that all written summaries, reports, and communications

in the project were reported in aggregate format, where no comments could be tied to any one individual.

The questions asked of the participants are as follows:

- Are you a resident of Novato?
- What is your relationship with Novato? Choose one: property owner, renter, employed in, business owner in, local/regional advocate, faith-based group, realtor, developer, property manager.
- In your opinion, what groups or types of individuals/households are most in need of adequate and/or affordable housing in Novato?
- In your opinion, what type(s) of housing is most needed/in short supply in Novato?
- Do you see any disparities or concerns in housing patterns or trends in Novato among different groups/populations?
- Are you concerned about concentration or segregation in housing and access and opportunity in Novato?
- What are the most critical gaps in housing services/options in Novato?
- Have you partnered with developers (e.g., non-profit/mixed income) to pursue affordable or special needs housing in Novato?
- What would be your top policy or program recommendations to the City to help address the needs of the groups and populations you serve?
- Do you have anything else to add?

### **Summary of Comments**

The following is a summary of input received from the interview participants. Comments are not necessarily listed in order of priority, and no comments indicate group consensus.

The mood of the meeting was positive, respondents seemed pleased to be included in the process, were well-prepared, and articulate.

- Participants work closely with the following communities in Novato, providing healthy food, emergency rental assistance, affordable childcare, health education/resources, and more:
  - Low-income residents
  - Families with children
  - Individuals or families facing homelessness
  - Single-parent, especially female-headed households
  - Spanish-speaking residents
- **Rent Increases and Tenant Protections**
  - Rent increases are unsustainable for families already experiencing a housing cost-burden because they cannot be addressed like other needs (e.g., hunger and CalFresh)
  - This is especially true for seniors, whose fixed-income cannot respond to \$200-\$300 rent increases and need permanent, monthly assistance

- During the COVID-19 pandemic, the percent of program applicants who qualified as housing cost-burdened increased significantly
- Though AB 1428 (California Tenant Protection Act of 2019) established many important protections, they extend only to multi-family residences; many vulnerable residents in Novato rent single-family dwellings that AB 1428 protections does not cover
- The City does not have just-cause protections for tenants in these housing types and is not filling the gap between State protections and the most vulnerable renters
- **Accessibility and Reasonable Accommodations**
  - A participant recounted a story about a wheelchair user who was displaced by a fire and struggled to find a wheelchair-accessible unit without an already-long waitlist
  - Though City has received few reasonable accommodation requests, participants offered that many residents are not aware of these procedures or how to utilize them, indicating an education gap
- **Overcrowding**
  - Due to the long waitlists for the most in-demand housing types (accessible, income-limited, etc.), many families double up in units to afford living in Novato
  - Participants mentioned clients who asking their case managers if they know of other clients renting out space who they could cohabitate with
- **Displacement**
  - Many families wish to stay in Novato to stay close to other family members, avoid pulling their children out of school, etc.
  - Some families want to move out of Novato, but even formerly-affordable communities (e.g., Petaluma, Santa Rosa) are no longer options, between rising housing costs there and higher gas prices
- **Concentration and Segregation**
  - One participant noted Novato has one of the County's Census tracts with the most vulnerable renters (highest proportion of BIPOC individuals, greatest number of habitability/overcrowding issues, highest rent increases) *[Further research identified this as Census Tract 1022.03, containing Downtown Novato]*
- **People Experiencing Homelessness**
  - Major unmet need in available services for houseless population in the City, specifically shelter beds equivalent to the number of unsheltered homeless individuals estimated to reside in Novato
  - For example, one local resource is Gilead House, which provides a stable living situation for homeless single mothers and their children, but the process to get into the program can be prohibitive for some
- **Top Policy Recommendations**
  - Outreach to educate the community about reasonable accommodation requests

- Assistance for new arrivals to the community, especially refugees, unaccompanied youth, and undocumented persons
- An emergency shelter as close as possible to the families and individuals in Novato that needs one
- Stronger tenant protections, especially as evictions have spiked and Novato has lost its status of one of the County's remaining relatively affordable communities
  1. Ex: longer noticing periods when a multifamily development changes ownerships, which puts tenants severely at-risk; similar policies are being examined in other local jurisdictions

Screenshots from Focus Group #1 are included below in Section E.3.3.

### **E.2.3 Focus Group Meeting #2 – Housing Developers**

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*Monday, June 13, 2022 at 3:30 pm*

*Zoom*

#### **Overview**

On June 13, 2022, as part of the public engagement process for the 6th Cycle HEU, LWC conducted a virtual hour-long Focus Group interview with for-profit and nonprofit housing developers who work in Novato. The purpose of the meeting was:

- Discuss housing opportunities and constraints in Novato
- Gain deeper understanding of available resources as they relate to the production of housing
- Gather policy and program recommendations

Working closely with the City, LWC developed a survey instrument and employed a respondent-driven process, using open-ended questions where the respondents drive the interview process in a conversational style. The meeting was held without City staff present to better enable an open dialogue and frank responses. Attendees were assured that their participation was voluntary and confidential, with all reports, memos, and communications being in aggregate format, where no comments could be tied to any one individual. Participants were encouraged to voice their responses, as well as to use the chat function and provide written feedback. A total of eight individuals participated in the scheduled meeting.

The questions asked of the participants were as follows:

- Are you a resident of Novato?
- What is your relationship with Novato? Choose one: property owner, renter, employed in, business owner in, local/regional advocate, faith-based group, realtor, developer, property manager.
- In your opinion, what are the unique challenges with building housing in Novato?



- In your opinion, what are the unique challenges with building affordable housing in Novato?
- In your opinion, what are the most in demand types of housing products in Novato?
- In your opinion, what can the City do to facilitate development of the highest demand housing types?
- In your opinion, where (geographically) do you see opportunities for housing in Novato?
- Tell us about your most successful housing project in Novato or nearby communities.

### **Summary of Comments**

The following is a summary of input received from the interview participants of Focus Group #2. Comments are not necessarily listed in order of priority, and no comments indicate group consensus.

The mood of the meeting was positive, respondents seemed pleased to be included in the process, were well-prepared, and articulate. The following is a summary of comments on topics deemed the most important by the group:

- Design Review Commission (DRC)
  - The DRC frequently influences design and non-design portions of projects with little to no oversight from the City Attorney on the legality of their influence. Developers feel the power and subjectivity of the DRC adds significant time and expense to the development process.
  - The DRC may hold several meetings to review a project and oftentimes requires significant changes. Participants said this was particularly troublesome when, after a project has been altered based on Planning Commission and City Council feedback, the DRC will effectively restart the review process by claiming the project has changed too drastically and will need to be reviewed again.
- Hillside and Ridgeline Protection standards
  - Division 19.26 (Hillside and Ridgeline Protection Standards) was named as being particularly difficult for both market rate and non-profit developers, acting as a constraints for any development.
  - Ordinance seems to have been based on one from a different community and was not tailored to local conditions, making it difficult for City staff to interpret and consistently enforce its provisions.
  - Additionally, these standards apply on all parcels with an average slope of 10 percent or greater, even when a proposed project does not intend to build on land that exceeds 10 percent.
- Several participants mentioned the City is not complying with the requirements of the Permit Streamlining Act.
- Attached townhomes are one of the most in-demand housing typologies. However, several participants insisted people still come to Novato (and Marin County in general) for a suburban lifestyle, keeping the historic market for detached single-family homes strong.

- The housing market in north Novato is different from south Novato; towards the north there is greater competition from single-family homes being built on greenfield sites in Petaluma and beyond, while in the south, townhomes are more viable.
- Many sites identified in the 5<sup>th</sup> Cycle HEU were infill sites.<sup>1</sup>
- Proposed reforms and solutions
  - A permanent City staffer to coordinate the work of the City's third party permitting/engineering service providers.
  - Staff need to educate reviewing committees and other City officials on the fundamental legality of different portions of projects; some participants said that responsibility can often fall on them.
- Despite issues raised above, Novato was called one of the best places to build in Marin County.<sup>2</sup>
  - Second only to San Rafael, which some participants said has more experience with processing housing applications and a more efficient development process.
- Discretionary review prolongs the entitlement process, sometimes causing developers to risk missing funding deadlines (e.g., TCAC Low-Income Housing Tax Credits, etc.).
- Staff and the City Council work efficiently given limitations. Current staff provide an open line of communication with developers.

Screenshots from Focus Group #2 are included below in Section E.3.3.

## **E.2.4 Environmental Impact Report (EIR) Scoping Meeting**

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*Tuesday, June 25, 2022 at 6:00 pm*

*Zoom Webinar*

### **Overview**

On June 25, 2022, the City of Novato held a Scoping Meeting via Zoom to kick off the Environmental Impact Report (EIR) portion of the 6<sup>th</sup> Cycle HEU process. This meeting was hosted by the City and was attended by City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager. The Director welcome attendees and staff briefly introduced

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<sup>1</sup>The City's 5<sup>th</sup> Cycle HEU included five sites that were covered by an Affordable Housing Overlay. One of the sites is currently under construction, a second is approved, and a third is headed to approval hearings in early 2023. The fourth site has an application in process but was found to potentially have Native American artifacts on site and the local tribe has requested redesign to avoid the site of the artifact. The project applicant is currently investigating the feasibility of redesign.

<sup>2</sup>While Novato has experienced higher rates of project applications and rates of construction than the southern Marin cities and the unincorporated areas of the county, the last City-owned property in Hamilton is currently in contract to be sold for housing. The City had been effective in leveraging this available land to produce housing. Much of the future housing in the City will be on redevelopment sites.

the meeting agenda. The Consultant Team from both LWC and Rincon Consultants, Inc. were in attendance and presented on the following topics:

- Project Description
- What is CEQA?
- What is Scoping?
- Schedule and Next Steps
- How to Submit Comments

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The meeting was attended by two City Councilmembers and five members of the public. The sole public commenter expressed support for increased housing production in Novato and hoped to see the City take a more aggressive stance on increasing opportunities for lower-income households.

Screenshots from the EIR Scoping Meeting are included below in Section E.3.3.

## **E.2.5 Planning Commission Study Session #1**

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*Monday, June 27, 2022 at 6:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On June 27, 2022, the City of Novato held a Study Session via Zoom, hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff member Vicki Parker, Project Manager for the City and Community & Economic Development Director, were in attendance.

The Study Session provided the community with a review of the initial research findings on housing conditions as they relate to the 6<sup>th</sup> Cycle HEU, as well as feedback gathered during Community Workshop #1 and both Focus Groups. The Study Session also served as an opportunity for the Planning Commission and community to learn more about the Housing Element process and to provide feedback on questions of community concern.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- HEU Overview
- Housing Needs and Conditions
- Affirmatively Furthering Fair Housing
- Community Engagement
- Next Steps

## Summary of Comments

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from members of the public during the Study Session.

- Encourages the City that it is an important opportunity to provide the type of housing people need in the community and move the City on the road to providing housing for unhoused people. Wants to focus on having enough low-income housing in the City.
- Positive feedback on the presentation. Concerned about the second focus group and the feedback received. Notes that the comments are structural and wants to confirm if the City will analyze the planning process. Curious to learn what might happen with the information beyond the Housing Element process.
- Thanked the Consultant Team for their report, with great information and detailed numbers. Strongly support the work of building affordable housing in the City.
- The speaker only said they want housing in the City.

Screenshots from Study Session #1 are included below in Section E.3.3.

## E.2.6 Community Workshop #2

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*Monday, July 11, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### Overview

On July 11, 2022, the City of Novato held an interactive hybrid (virtual and in-person) Community Workshop, the second of two public workshops for the 6<sup>th</sup> Cycle HEU. This Workshop was hosted by the City's Planning Commission and was attended by City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager. The Commission Chair welcomed attendees and staff briefly introduced the workshop agenda. The Consultant Team from LWC was also in attendance and presented on the following topics:

- Introduction to Live Polling Platform Mentimeter
- Housing Element Overview
- Summary of Initial Findings
- Live Polling

The presentation provided a high-level overview of the technical analysis conducted during the update process that will inform the development of housing policies and programs, including:

- **Housing Needs Assessment:** review of Novato's socioeconomic and housing stock conditions and corresponding housing needs;

- **Housing Constraints Assessment:** assessment of governmental, market-driven, and environmental constraints to housing development; and,
- **Adequate Sites Inventory:** review of the RHNA numbers and the housing development pipeline and a map of pipeline projects.

The Consultant Team then facilitated the live polling with Mentimeter to collect community input. Respondents participated in the Mentimeter poll and provided insights attendee demographics and specific housing needs. Those included:

- **Demographics:**
  - 84 percent live in Novato
  - 65 percent work in Novato, 20 percent work outside Novato and in Marin County, 10 percent are retired, and 5 percent work outside Marin County
  - 29 percent were in support of more housing construction in Novato, with an equal 29 percent expressing concern about more housing construction
  - 72 percent own their home versus 22 percent who rent
  - 83 percent live in single-family homes, 11 percent live in either duplexes, townhomes, or condos, and six percent live in apartments
  - 44 percent are between 45 to 64 years-old, 39 percent between 25 to 44 years-old, and 17 percent are 65 years-old or older
  - 83 percent identify as white
  - 41 percent of annually earn more than \$199,200 per year, the highest income category provided in the survey
- **Housing Needs:**
  - 22 percent rank either the rate and number of new housing units getting built or the availability of multifamily housing for young families as the most critical issue in Novato
  - 48 percent rank housing affordable to low-income or middle-income households as the most housing type most needed in the City
  - 28 percent reported housing should not be built by increasing units in either existing single-family or multifamily areas, and expressed support for increasing housing in Downtown and commercial corridors
  - The top policies and programs ranked in order of priority are:
    1. Adopt objective design standards to help streamline the design review process
    2. Incentivize the consolidation of smaller parcels to make multifamily/mixed-use projects easier to build
    3. Allow mixed-use developments to be constructed in higher-density residential zoning districts
- **Public Comments:**

- Concern about rezoning the last available office/commercial lot to housing north of the Fireman's Fund area
- Recommends for Novato to accommodate additional housing
- Provide housing options to the downtown core to support the Grant Avenue area
- Recommends for Novato to rezone more parcels for low- and moderate-income units than the RHNA requirements to increase the chance of attracting developers
- Recommends creating co-housing models for intergenerational communities
- Recommends the City change policy to make it easier to add larger ADUs (1,500+ square feet) on properties and to expedite the permitting process
- Requests the City to take action at the encampment at Rush Creek for safety and aesthetic concerns
- Recommends Yes in my Backyard (YIMBY) solutions for longtime homeowners and local businessowners
- Recommends affordable and multifamily housing to be built as in-fill development where amenities are available and preserve green space

After the live polling activity, the City opened the floor for public comment. The meeting was attended by five Planning Commissioners, City staff, and members of the public.

Notifications of the Outreach Workshop were distributed electronically via the City's email notification system to over 6,000 email addresses including those who signed up for notifications on latest news or initiatives and programs from the City.

The Community Workshop #2 was also promoted through the City's social media accounts on Facebook, Instagram, Twitter, and Nextdoor. The meeting was recorded and posted on the City's YouTube channel and the [City's HEU webpage](#) so it could be accessed at any time. The HEU webpage address and contact information of Vicki Parker, the City's Project Manager was included in all workshop material. The workshop was advertised in English and Spanish.

## **Summary of Comments**

There was one public comment asking to clarify the definition of a low-barrier navigation center. The following is a summary of questions and comments received from Planning Commissioners during Community Workshop #2:

- A commissioner inquired whether religious institutions or nonprofit organizations can still be included in the HEU process. The HEU team assured they could be included and highly encouraged it.
- A commissioner expressed concern the reported median rent data in Novato seemed to be low and suggested it would be difficult to find a unit for that price in the City.
- A commissioner raised the point that the current pipeline projects would cover the RHNA requirements. The commissioner then asked what the process would be for finding additional inventory if a project's final approval is for fewer units than assumed in the Housing Element.

- A commissioner stated the site inventory analysis would not have many new locations in addition to the projects already in the pipeline. The project team responded that it was fair to say that based on the project pipeline, but affordable housing is increasingly harder to find and implement than in the past.
- A commissioner inquired whether there are uncertainties or recommended best practices to gain approval of the sites inventory analysis. They followed up asking whether there should be a buffer to cover the unpredictability. The project team informed them an 18 to 20 percent buffer is accounted for in the sites inventory.

Screenshots from Community Workshop #2 are included below in Section E.3.3.

## **E.2.7 Planning Commission Study Session #2**

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*Monday, July 25, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On July 25, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager were present.

This second Study Session with the Planning Commission provided the community with updates on the results from the polling exercise conducted during Community Workshop #2 and a discussion of the sites inventory rezoning process. During the session, the City's housing development pipeline numbers were presented alongside potential capacity of certain identified rezone sites. The discussion included detailed information on density and total unit counts.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Live Polling Summary
- Sites Inventory Analysis
- Summary and Next Steps

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from both Planning Commissioners and members of the public during the Study Session.

- A commissioner inquired whether the NUSD parcel's potential rezoning meant an additional 85 units could be built there. City staff clarified that was not the case; it is an "empty PD" with no density or development standards currently in effect.



- A commissioner asked what the process was for developing the NUSD parcel as a PD. City staff explained there would be additional requirements for objective design standards (ODS). The commissioner expressed dislike for form-based codes and wanted a balance between streamlining and flexibility.
- A commissioner expressed concern about the low number of participants in the previous survey. City staff provided a reminder that the sites were selected incorporating the online survey, other public community feedback, and internal conversations. After staff also described the upcoming development of ODS with the Design Review Commission, the commissioner expressed concern that development would be more formulaic and reduce creativity.
- A commissioner expressed strong support for [pipeline site] 5 San Andreas Dr. as a housing site. They then expressed concern about potential community pushback on specific sites and encouraged community members and the press to see beyond particular sites.
- A commissioner observed that the San Andreas site has been vacant for years and also believes this would be a great site for housing broadly speaking, but will have to see the specifics.
- A commissioner observed support for infill housing Downtown in the survey results and pointed out that, without ODS, State streamlining provisions will already push the potential for certain projects forward.
- A member of the public asked for the presentation to be made available and inquired about the Fourth and Grant site.
- A member of the public identified themselves as a former City Council member and recalled past misunderstandings around sites. Encouraged that information be shared early and clearly with the public, and City staff assured them that more would be forthcoming and shared with the City's mail list and via its social media profiles.

Screenshots from Study Session #2 are included below in Section E.3.3.

## **E.2.8 City Council Study Session #1**

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*Tuesday, August 23, 2022 at 6:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On August 23, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled City Council meeting. In addition to all Councilmembers, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This first Study Session with the City Council provided a recap of information previously presented to the Planning Commission and ensured the broader community was informed of the project's progress. During the session, the City's housing development pipeline numbers were presented alongside potential capacity of certain identified rezone sites. The discussion included detailed information on density and total unit counts.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment. The following is a summary of questions and comments received from both City Councilmembers and members of the public during the Study Session.

- Interest in opportunities presented by the NUSD property and how it could be combined with an additional five acres on its eastern border.
- Concern about Native American artifacts and seasonal wetlands.
- Local housing supporter, expressing excitement about affordable housing, mixed-use housing, and potential programs to support tenant protections and emergency shelter.
- Owner of one of the potential rezone properties, briefly described the background and strong potential of the site and their enthusiasm for rezoning. Asked about how the proposed 20 units fit into the overall development of R-10 zoning. City staff responded by expanding on future impact of ODS adoption, parcel unit estimates, etc.
- Concern about [pipeline site] 200 Landing Ct. City staff responded with a description of AFFH requirements.
- Hopes the City does everything they can do get more housing and is in favor of rezoning more parcels, any renter protections, and is concerned about in-lieu fees instead of on-site provision of affordable housing. City staff clarified that the current inclusionary housing ordinance cutoff is nine units.
- Encouraged listeners to not assume that low level of interest in this Council meeting means the community is not interested in general. Hopes thorough analysis is done regarding level of service needs for new housing development.
- Several Councilmembers expressed interest in the "The Square" property. City Staff responded that the owners would need to approach the City with interest to rezone, but until then it is not a reliable site to include in the Sites Inventory.
- A Councilmember asked if any recent discussions with NUSD had occurred regarding their parcel. City staff responded a meeting was planned the following week to discuss it and potentially other District sites. Also expressed support for a request from the Marin Humane Society for pro-pet housing policies.

- A Councilmember expressed interest in the NUSD site, especially if it can provide teacher-oriented workforce housing. Also in support of pro-pet policies. Expressed concern about vacant homes and interest in a vacant homes policy/task. Also asked if rent control policies/programs have been considered.
- A Councilmember expressed a desire for greater clarity with regard to existing vs. proposed General Plan designation/zoning. Also expressed support for an ADU incentive program.

Screenshots from City Council Study Session #1 are included below in Section E.3.3.

### **E.2.9 Planning Commission Study Session #3**

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*Monday, November 28, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

#### **Overview**

On November 28, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled Planning Commission meeting. In addition to all Commissioners, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This third Study Session with the Planning Commission was held after the release of the Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU. During the session, the finalized housing development pipeline and the capacity of identified rezone sites were presented to display how the City will be meeting its RHNA. This was followed by a walkthrough of the HEU's Housing Plan, detailing programs continued from the 5<sup>th</sup> Cycle HEU and new programs proposed to comply with State law and address identified needs/constraints.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

#### **Summary of Comments**

Following the presentation, the City provided an opportunity for public comment from the seven attendees. The following is a summary of questions and comments received from both Commissioners and members of the public during the Study Session.

- Inquiry as to what impact rezoning will have on the 1628 Novato Blvd. rezone site before it is redeveloped, and whether it would be considered legal non-conforming

- Discussion of how rezoning of the NUSD site would influence interest in its ultimate development as teacher housing
- How ADUs are classified and whether they are eligible for waived impact fees
- A member of the public asked how various City policies listed in the Housing Plan would be implemented
- Clarifying questions regarding the timeline of the CEQA process, rezoning process, etc.
- Commissioner expressed concern about the number of vacant units estimated for the City and inquired if developing a program to address these was worth it

Screenshots from Planning Commission Study Session #3 are included below in Section E.3.3.

## **E.2.10 City Council Study Session #2**

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*Tuesday, December 6, 2022 at 7:00 pm*

*In-Person and Zoom Webinar*

### **Overview**

On December 6, 2022, the City of Novato held a hybrid (virtual and in-person) Study Session hosted during a regularly-scheduled City Council meeting. In addition to all Councilmembers, City staff members Vicki Parker, Project Manager for the City and Community & Economic Development Director, and Steve Marshall, Planning and Environmental Services Manager, were present.

This second Study Session with the City Council was held after the release of the Public Review Draft (PRD) of the 6<sup>th</sup> Cycle HEU. During the session, the finalized housing development pipeline and the capacity of identified rezone sites were presented to display how the City will be meeting its RHNA. This was followed by a walkthrough of the HEU's Housing Plan, detailing programs continued from the 5<sup>th</sup> Cycle HEU and new programs proposed to comply with State law and address identified needs/constraints.

The Consultant Team from LWC was also in attendance and presented on the following topics:

- Housing Element Overview
- Progress Towards RHNA
- Goals, Policies, and Programs

### **Summary of Comments**

Following the presentation, Councilmembers discussed the various issues raised and twice opened public comment from the nine attendees. The following is a summary of questions, comments, and decisions made by both Councilmembers and members of the public during the Study Session:

- Removal of NUSD site from Sites Inventory

- NUSD is interested in developing this property, but is not prepared to submit a letter to HCD detailing their intentions (e.g., densities, financing, etc.)
  - CC voted unanimously to remove site from Sites Inventory
- Tenant protections programs
  - Both Councilmembers and one public commenter expressed apprehension at the ramifications of these being implemented, but agreed a public outreach process would be the place to discuss the details and did not call for the programs' removal
  - Public commenter cited concerns that expanded tenant protections would limit the development of ADUs on single-family parcels and that AB 1482 (which the programs cite as the source of their specific provisions, but extended to single-family homes) sunsets in 2030, raising questions about whether local protections would continue in the event AB 1482 is not extended or made permanent
- Councilmember requested that references to "Hillside Protections" be revised to read "Hillside and Ridgeline Protections" to reflect the full name and scope of Division 19.26
  - CC voted unanimously to edit the HEU accordingly
- Councilmember expressed concerns about the number of estimated vacant homes reported in Appendix A and would like to see an added program which addresses these findings
- Councilmember asked if the City could implement Northwest Quad policies sooner than 2025; Department would need to consider earlier implementation in accordance with their work plan for the next several years
- A public commenter called on the City to consider rezoning any vacant or underutilized site which could provide more affordable housing, and expressed surprise the Sites Inventory was so short
- Councilmember requested that a footnote be added to the Pipeline Projects table indicating their unit numbers are those proposed by applicants at the time of application submission
- Mayor proposed the Buck Center be added to the Sites Inventory
  - Project Team explained the potential consequences of this addition and suggested that the site had complicated entitlements that would need to be addressed in order for it to become a realistic site; Council did not move forward with this modification to the Sites Inventory

Screenshots from Planning Commission Study Session #3 are included below in Section E.3.3.

## **E.2.11 Summary of Public Review Draft Comments**

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The City made the draft HEU available for public review from November 18, 2022 through December 18, 2022. Oral comments were made in-person and online at Planning Commission Study Session #3 and City Council Study Session #2. Written comments were also taken, both in response to the agenda postings for both meetings and throughout the review period at a

dedicated email address established for the HEU process. In addition, the City hosts an “e-comment” function for all Council meetings which is enabled immediately upon agenda posting and takes comments up until 3:00 pm the day of the meeting.

A total of 50 comments were received. They can be categorized as shown in the following breakdown. Some comments contained multiple ideas; thus, the aggregate total is slightly more than 50.

- Concerns over specific projects or sites (29)
- Resource concerns, especially water (5)
- Concerns over cost of new development to existing residents in actual City expenses as well as in decreases to levels of service/quality of life (3)
- Request for more detail on specific policies, programs or goals; suggestions (7)
- Interest in issues of sustainability (2)
- Interest in additional housing capacity (5)
- Questioning validity of state/regional process (6)

## Section E.3 Documentation

### E.3.1 Social Media Notifications

Figure E-3: Social Media Notification Examples (Facebook)

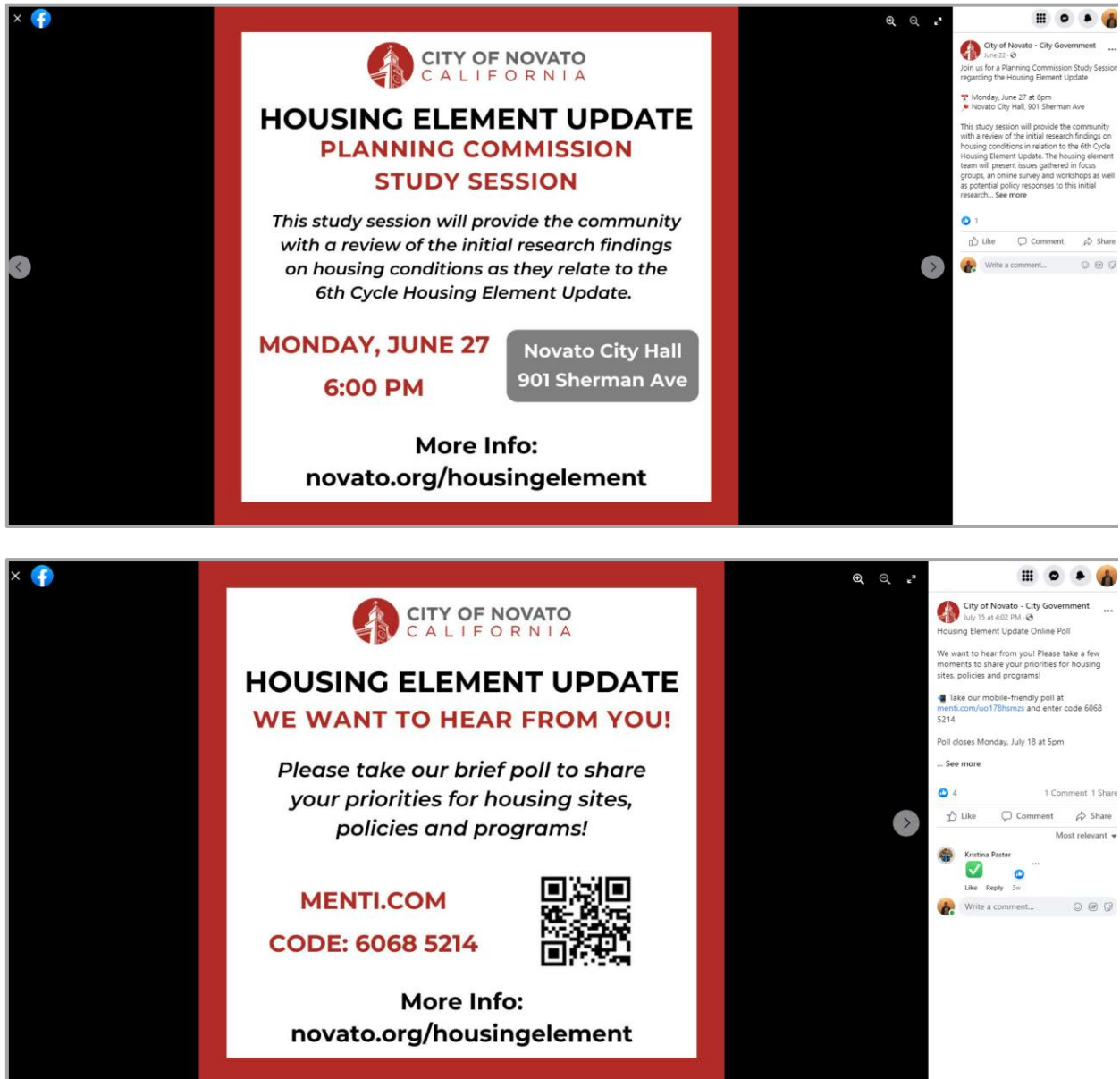
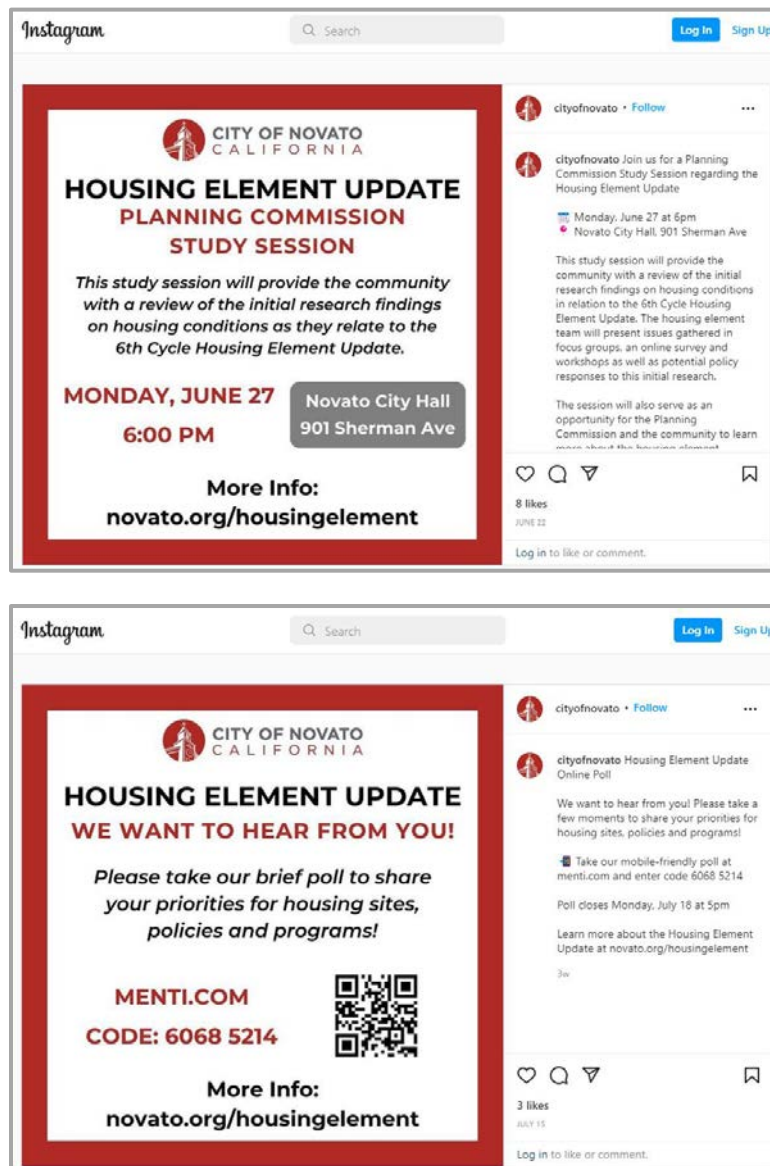
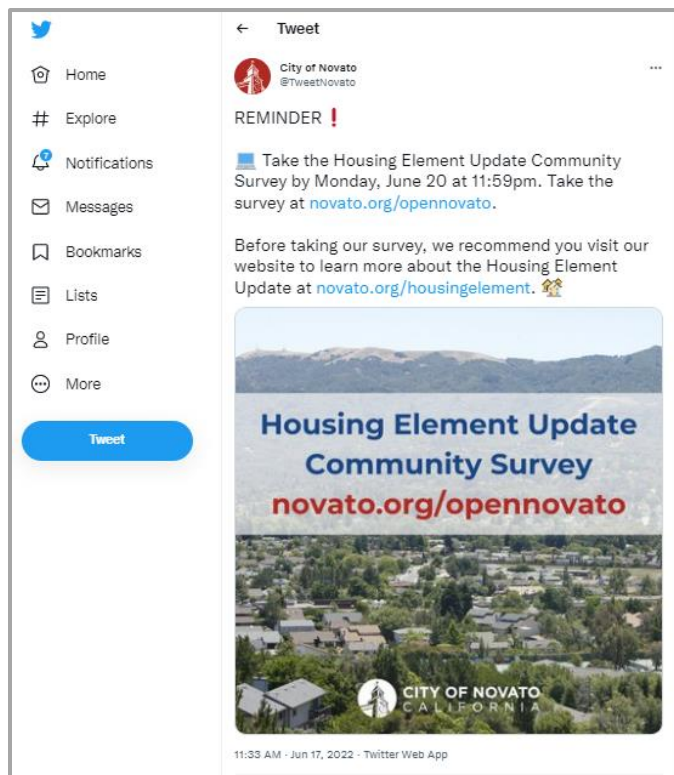
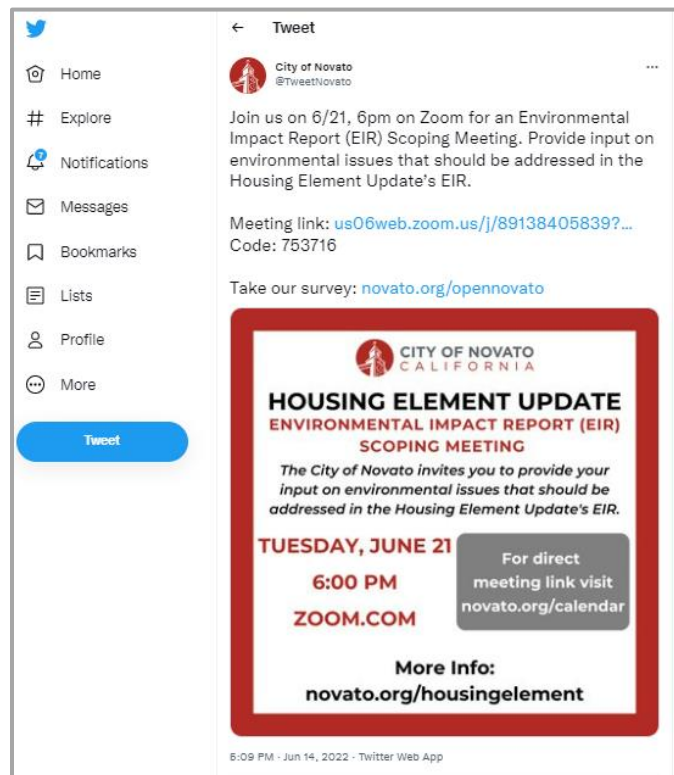




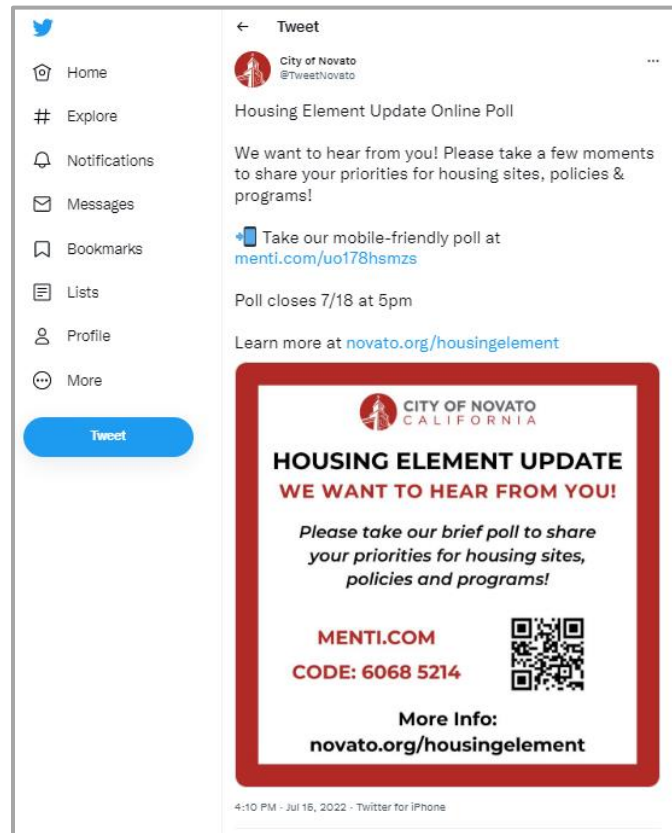
Figure E-4: Social Media Notification Examples (Instagram)



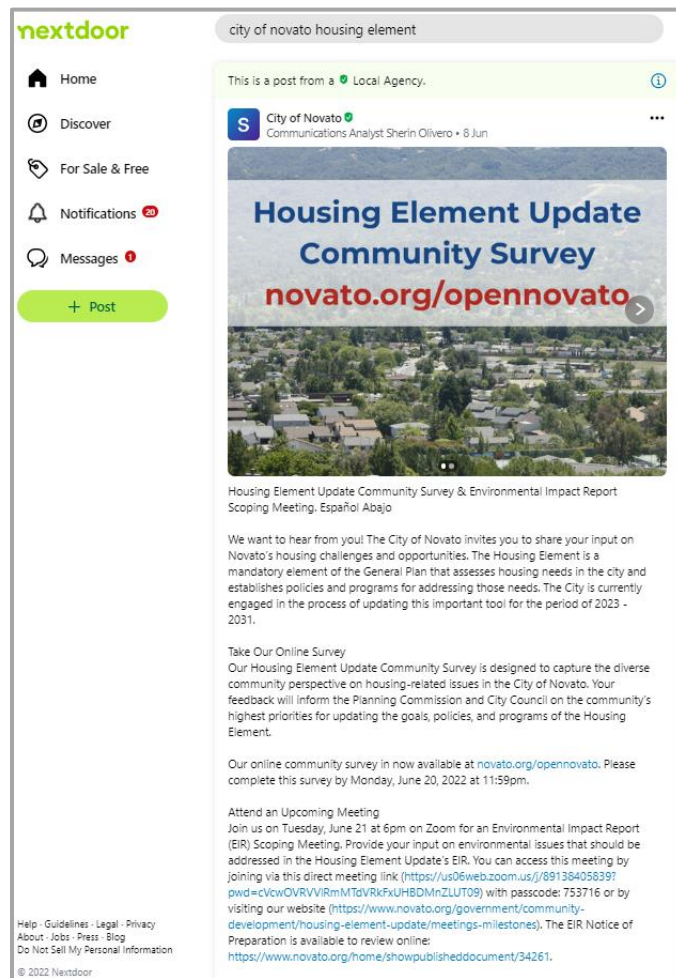
**Figure E-5: Social Media Notification Examples (Twitter)**



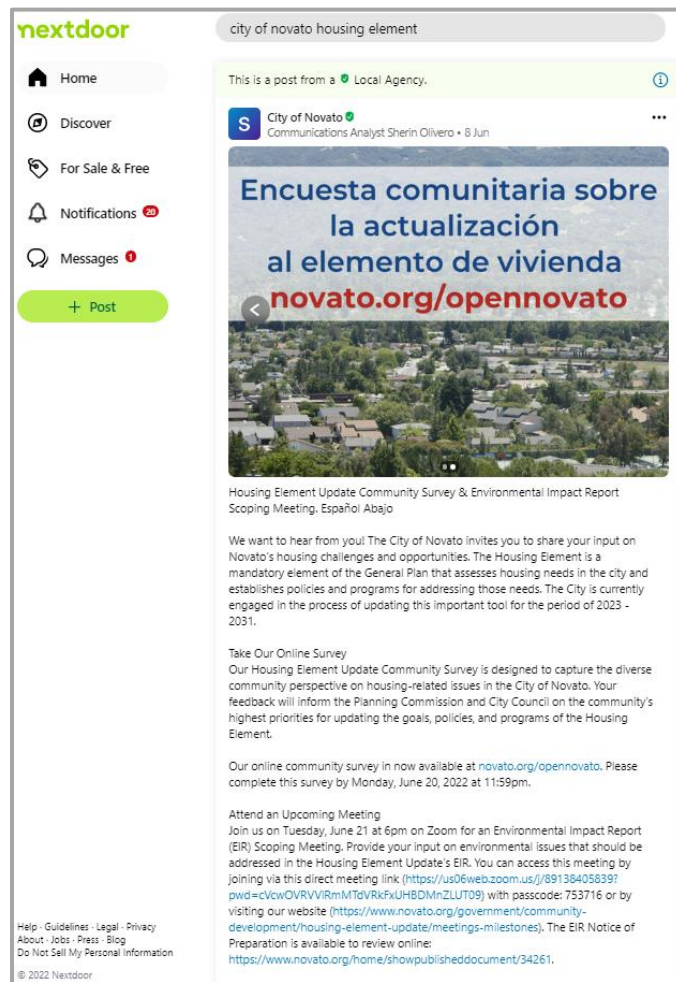
**Figure E-5: Social Media Notification Examples (Twitter)**



**Figure E-6: Social Media Notification Examples (Nextdoor)**



**Figure E-6: Social Media Notification Examples (Nextdoor)**





## E.3.2 Survey Results

Figure E-7: Housing Survey (Instructions)

**Housing Element Update Survey / Encuesta de Elemento de Vivienda**  
Share your feedback on housing opportunities and challenges in Novato / Comparta sus comentarios sobre las oportunidades y los desafíos para la vivienda en Novato

### Introduction

Español abajo

We want to hear from you! The City of Novato invites you to share your input on Novato's housing challenges and opportunities. The Housing Element is a mandatory element of the General Plan that assesses housing needs in the city and establishes policies and programs for addressing those needs. The City is currently engaged in the process of updating this important tool for the period of 2023 - 2031.

Our Housing Element Update Community Survey is designed to capture the diverse community perspective on housing-related issues in the City of Novato. Your feedback will inform the Planning Commission and City Council on the community's highest priorities for updating the goals, policies, and programs of the Housing Element.

Before taking our survey, we recommend you visit our website to learn more about the Housing Element Update at [novato.org/housingelement](https://novato.org/housingelement).

Please take our survey to share your feedback by Monday, June 20, 2022 at 11:59pm.

iQueremos su opinión! La Ciudad de Novato lo invita a compartir sus comentarios sobre los desafíos y las oportunidades para la vivienda en Novato. El Elemento de Vivienda es un elemento obligatorio de Plan General que evalúa las necesidades de vivienda en la ciudad y establece políticas y programas para abarcar a esas necesidades. La Ciudad está actualmente pasando por el proceso de actualizar esta herramienta importante para el periodo de 2023-2031.

Nuestra encuesta sobre la actualización al Elemento de Vivienda está diseñada para entender las perspectivas diversas de la comunidad sobre temas relacionados a la vivienda en la Ciudad de Novato. Sus comentarios informarán a la Comisión de Planificación y el Concejo Municipal sobre las prioridades más importantes de la comunidad respecto a la actualización de las metas, las políticas y los programas del Elemento de Vivienda.

Antes de completar nuestra encuesta, le recomendamos que visite nuestro sitio web para aprender más sobre la actualización al Elemento de Vivienda: [novato.org/housingelement](https://novato.org/housingelement).

Por favor responda a nuestra encuesta para compartir sus comentarios antes del lunes 20 de junio de 2022 a las 11:59pm.

Figure E-8: Housing Survey (Questions)

Survey Questions	
<p><b>QUESTION 1</b></p> <p><b>Are you a resident of Novato? / ¿Usted es residente de Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>	<p><b>QUESTION 6</b></p> <p><b>Are you concerned about concentration or segregation in housing access and opportunity in Novato? / ¿Le preocupa la concentración o segregación en acceso a y oportunidad para viviendas en Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>
<p><b>QUESTION 2</b></p> <p><b>What is your relationship with Novato? (Please select all that apply) / ¿Cuál es su relación con Novato? (Seleccione todas las que apliquen)</b></p> <ul style="list-style-type: none"> <li>• Property owner / Propietario</li> <li>• Renter / Arrendatario</li> <li>• Employed in / Empleado en</li> <li>• Business owner in / Dueño de negocio en</li> <li>• Local/regional advocate / Defensor local/regional</li> <li>• Faith-based group / Grupo religioso</li> <li>• Realtor / Agente inmobiliario</li> <li>• Developer / Constructor/desarrollador</li> <li>• Property manager / Administrador de propiedades</li> </ul>	<p><b>QUESTION 7</b></p> <p><b>What are the most critical gaps in housing services/options in Novato? / ¿Cuáles son las faltas más críticas en servicios/opciones de vivienda en Novato?</b></p>
<p><b>QUESTION 3</b></p> <p><b>In your opinion, what groups or types of individuals/households are most in need of adequate and/or affordable housing in Novato? / En su opinión, ¿cuáles grupos o tipos de individuos/hogares tienen mayor necesidad de vivienda adecuada y/o económica en Novato?</b></p>	<p><b>QUESTION 8</b></p> <p><b>Have you partnered with developers (e.g., non-profit/fixed income) to pursue affordable or special needs housing in Novato? / ¿Usted ha trabajado con desarrolladores/construtores (por ejemplo, sin fines de lucro/de renta fija) para buscar vivienda económica o de necesidades especiales en Novato?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>
<p><b>QUESTION 4</b></p> <p><b>In your opinion, what type(s) of housing is most needed/in short supply? / En su opinión, ¿cuáles tipos de vivienda se necesitan más o quedan pocos?</b></p>	<p><b>QUESTION 9</b></p> <p><b>What would be your top policy or program recommendations to help address needs of groups and populations you may be familiar with? / ¿Cuál sería su primera recomendación de política o programa para abarcar las necesidades de los grupos y las poblaciones con los que usted está familiarizado?</b></p>
<p><b>QUESTION 5</b></p> <p><b>Do you see any disparities or concerns in housing patterns or trends in Novato among different groups/populations? / ¿Usted observa alguna desigualdad o preocupaciones sobre los patrones de la vivienda en Novato entre distintos grupos/poblaciones?</b></p> <ul style="list-style-type: none"> <li>• Yes / Sí</li> <li>• No / No</li> </ul>	<p><b>QUESTION 10</b></p> <p><b>Please share your thoughts and concerns. / Por favor comparta sus ideas e inquietudes.</b></p>
	<p><b>QUESTION 11</b></p> <p><b>If you would like to stay up to date on this topic, please provide your email address below: / Si quiere mantenerse al día con este tema, por favor escriba su dirección de correo electrónico abajo:</b></p>
	<p><b>QUESTION 12</b></p>
<p><b>Is there anything else you would like to share? / ¿Le gustaría compartir algo más?</b></p>	



Figure E-9: Housing Survey (Responses)

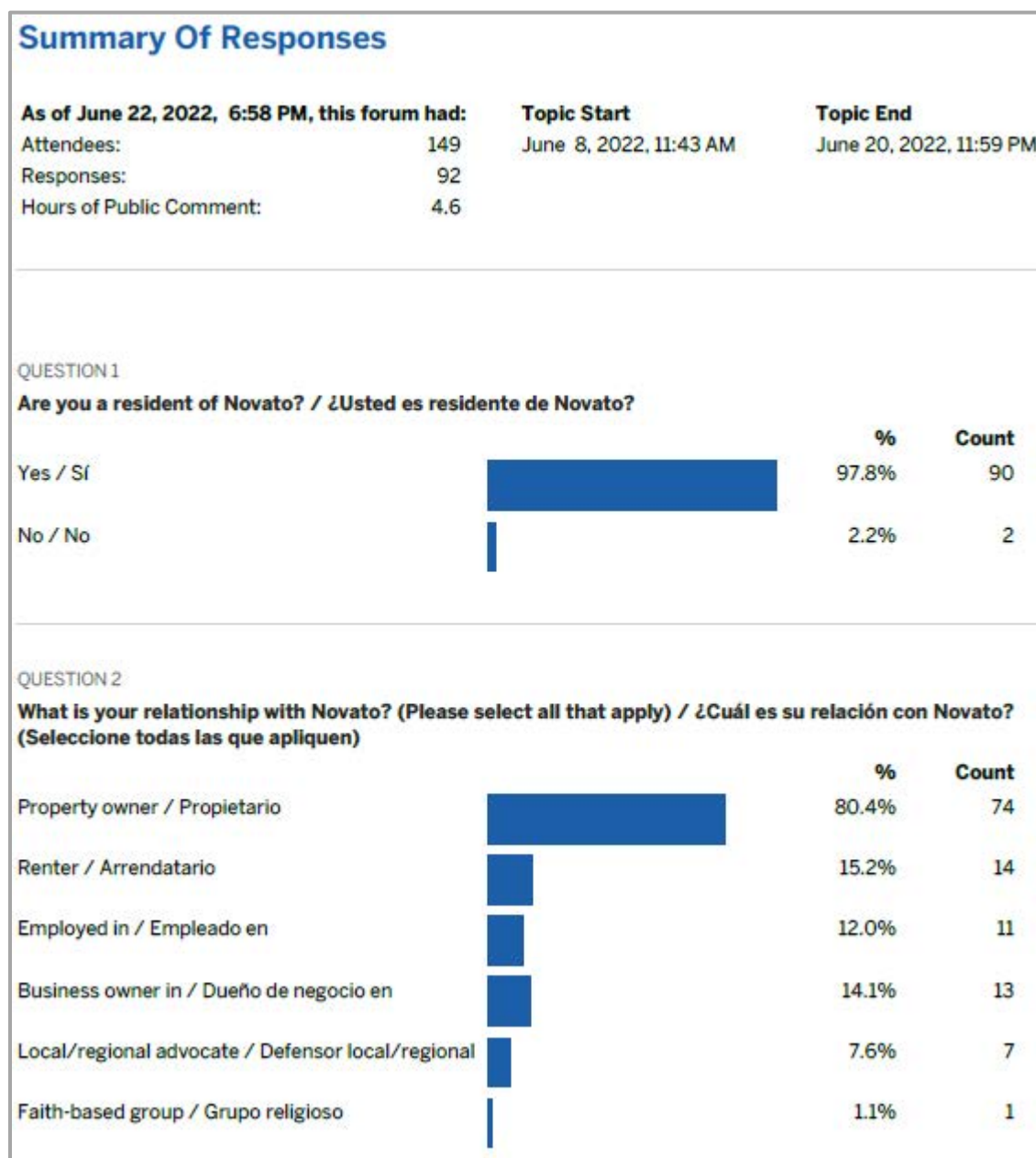


Figure E-9: Housing Survey (Responses)

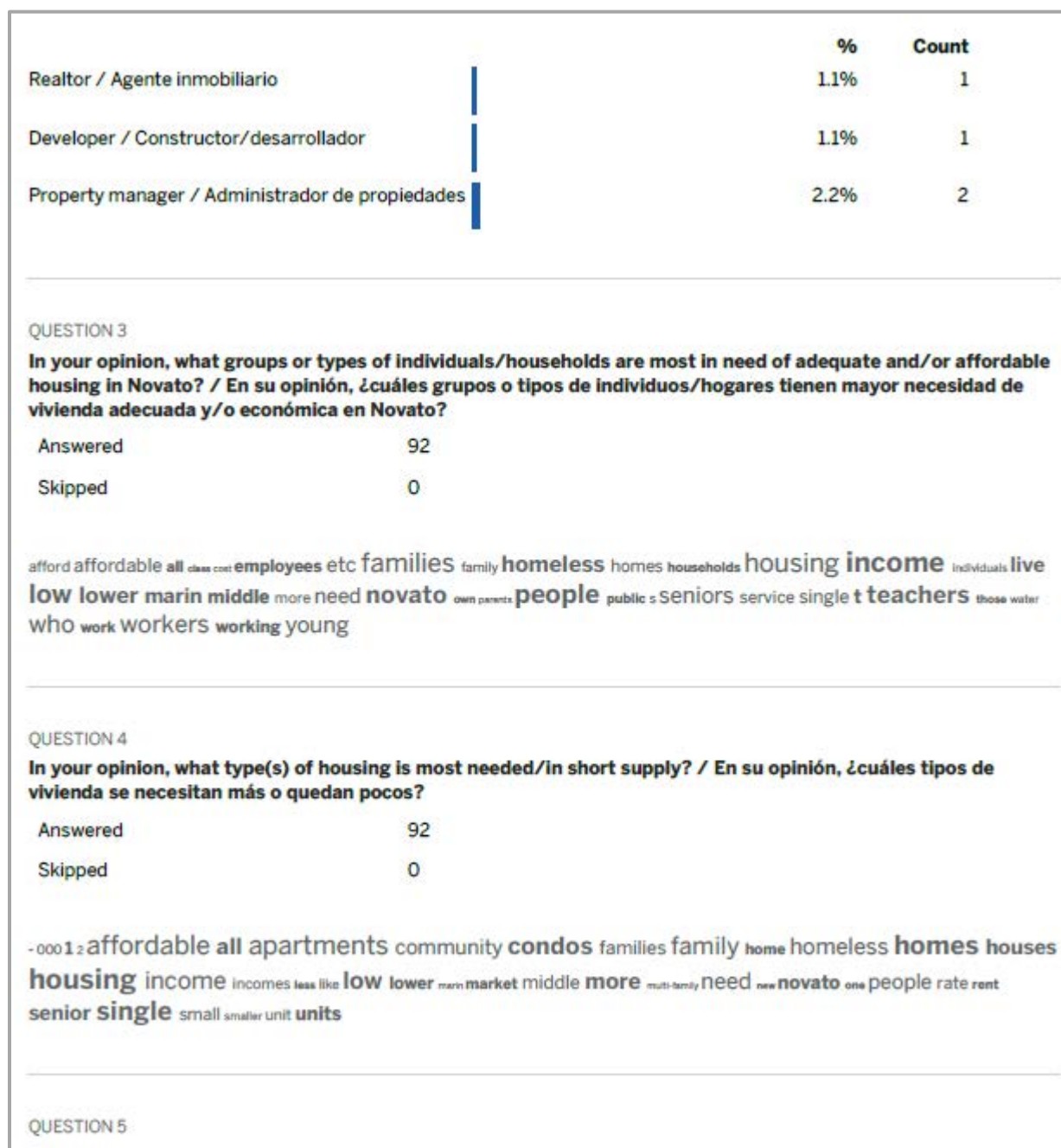


Figure E-9: Housing Survey (Responses)

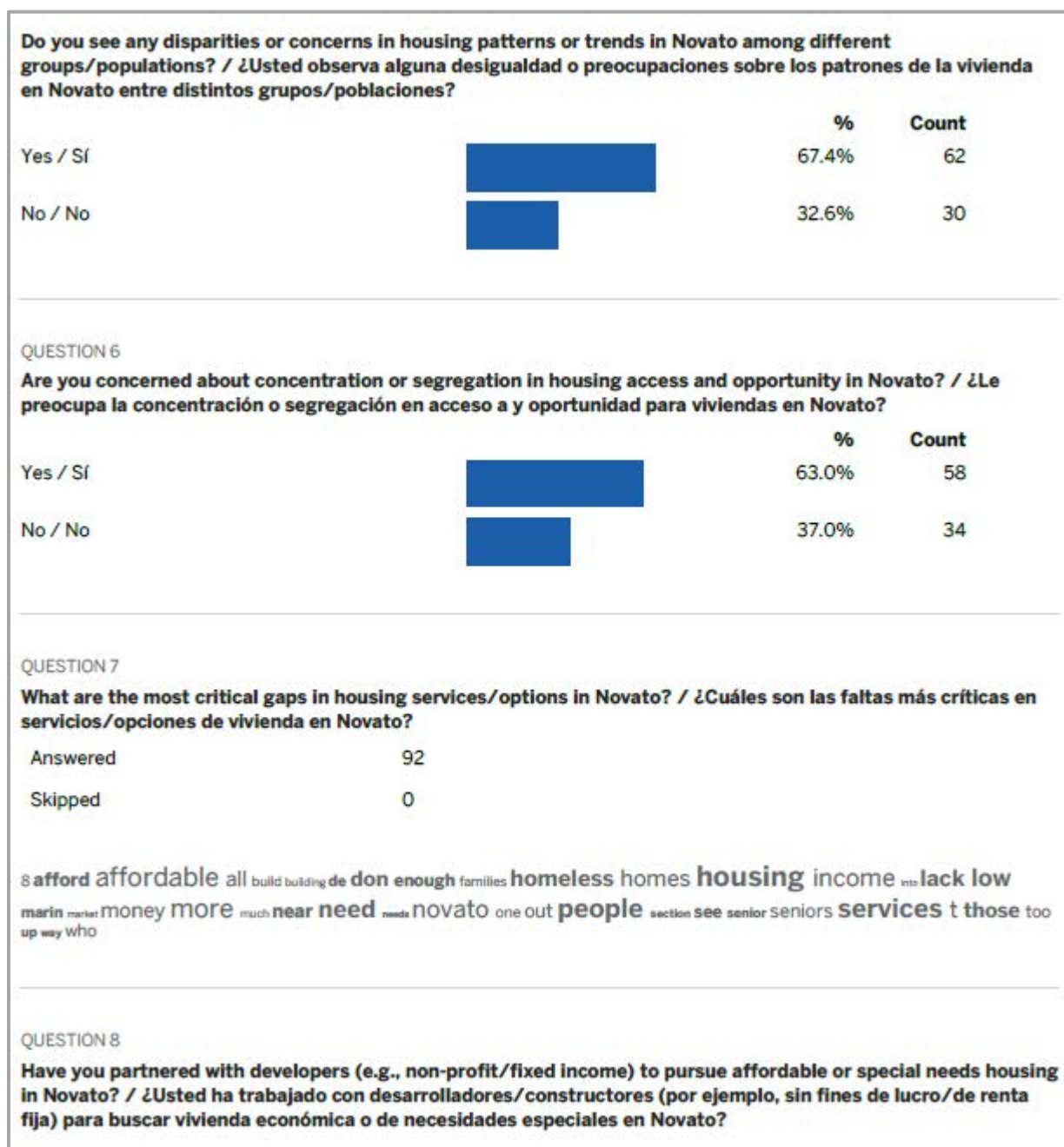


Figure E-9: Housing Survey (Responses)

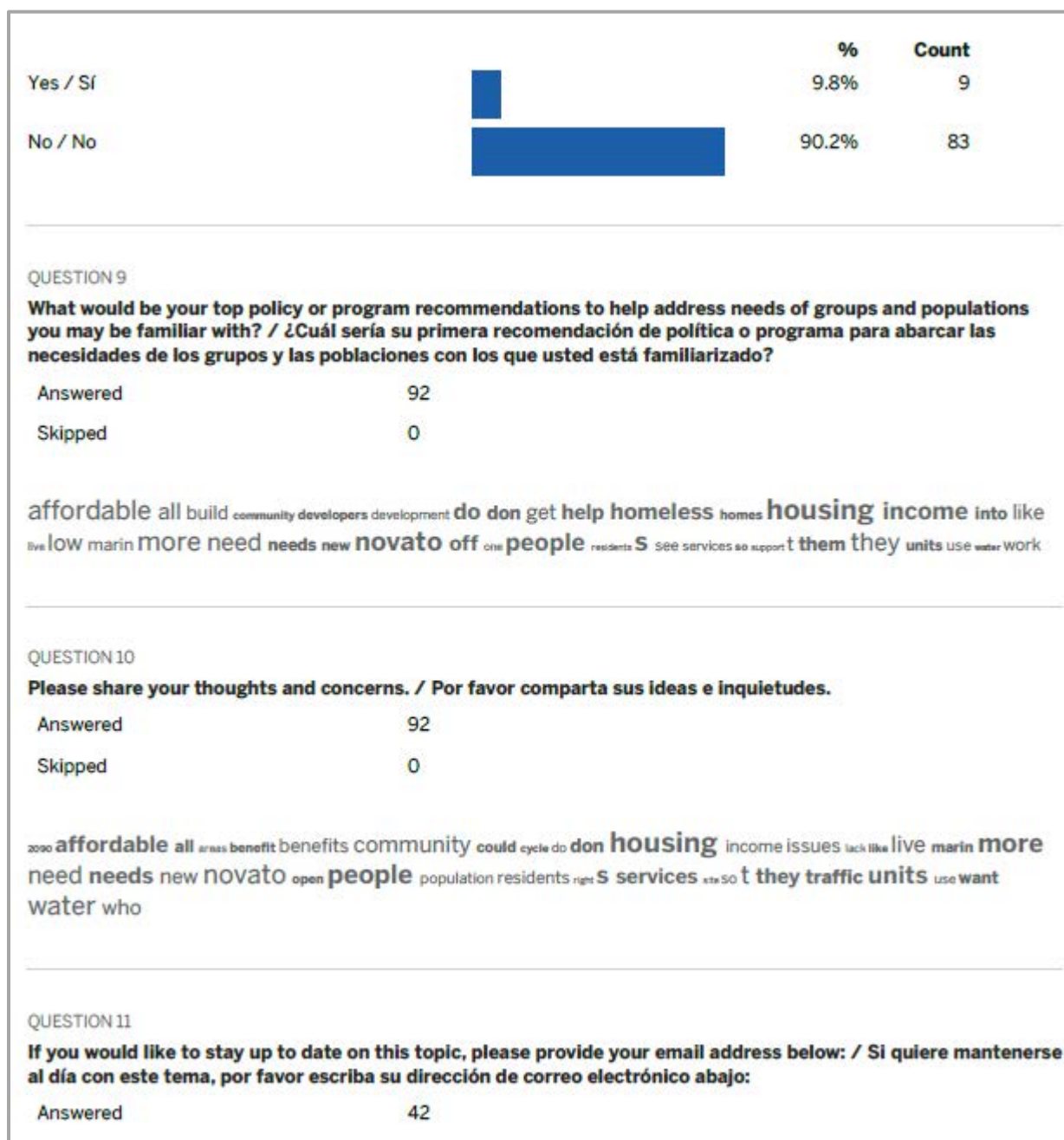
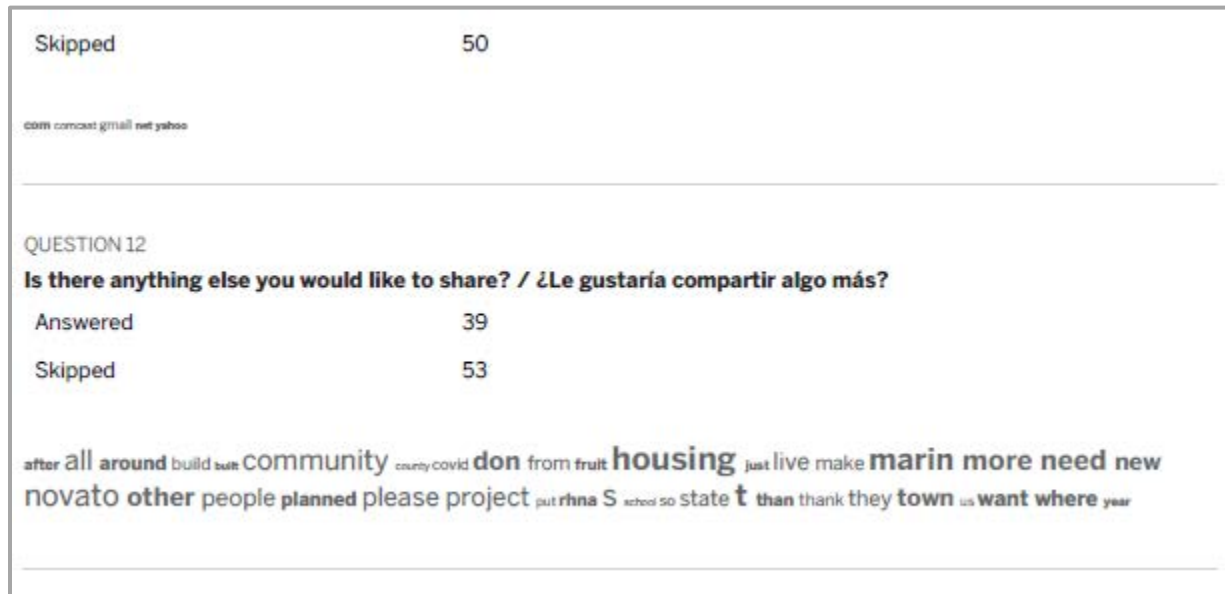
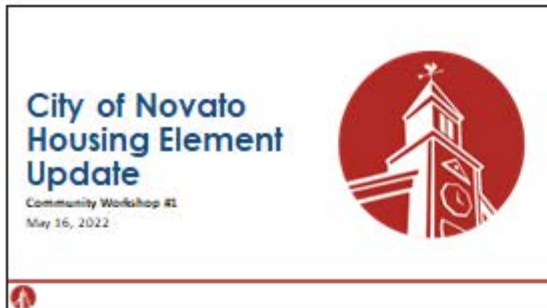


Figure E-9: Housing Survey (Responses)



## E.3.3 Presentations

### Community Workshop #1 (May 16, 2022) Presentation



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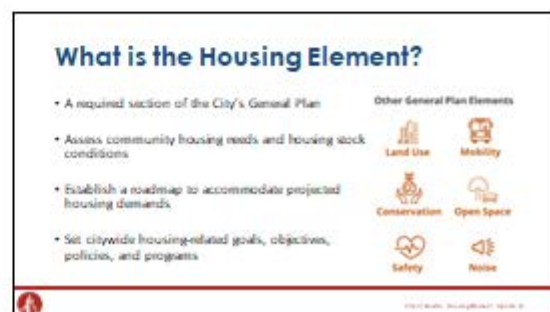
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## Housing Element Components

Policy and Programs Review

Analysis of Fair Housing

Housing Needs Assessment

Housing Resources Assessment

Housing Constraints Assessment

Implementation Plan

Adequate Sites Inventory

7

## Regional Housing Needs Allocation (RHNA)

- RHNA is the amount of housing each city must plan for in the Housing Element
- Novato's RHNA (2023-2031) is 2,090 total units

Novato RHNA by Income Level

Number of Persons in Household	1	2	3	4
Very Low Income (25% of AGI)	\$14,780	\$17,980	\$20,280	\$21,480
Low Income (34% of AGI)	\$19,680	\$23,980	\$26,980	\$28,480
Moderate Income (32% of AGI)	\$24,580	\$29,980	\$33,980	\$35,980
High Income (7% of AGI)	\$39,480	\$47,980	\$53,980	\$56,980

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## Key 6<sup>th</sup> Cycle Housing Element Bills

- AB 1397: Adequate Housing Element Sites
- SB 166: No Net Loss
- AB 686: Affirmatively Furthering Fair Housing
- AB 72: Housing Element Enforcement
- AB 671: ADU plan
- AB 879: Reporting Requirements
- AB 1763: Enhanced Density Bonus
- AB 2162: Supportive Housing Streamlined Approval
- SB 6: Design and Development of the Site Inventory
- AB 1851: Religious Institutions Affiliated Housing

9

## How does the Housing Element help?

- Programs to help provide housing for all (seniors, persons with disabilities, people experiencing homelessness, etc.)
- Actions to expand housing production at all income levels, remove constraints, and further fair housing
- Accommodate the RHNA (capacity for housing units at all income levels)

10

## Process 2022-2023

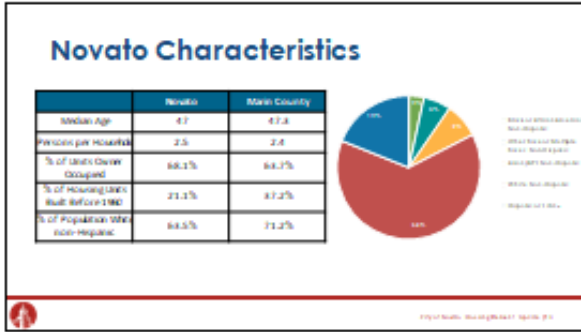
City of Novato 6th Cycle Housing Element Update Process

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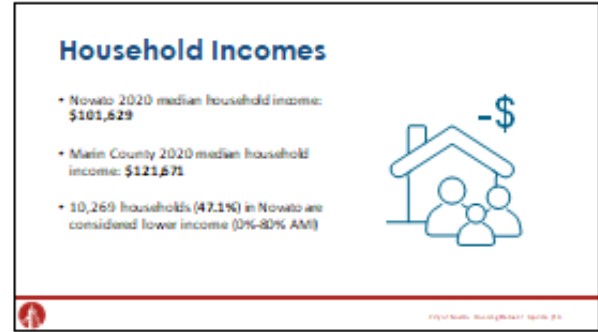
## 2 Preliminary Housing Data

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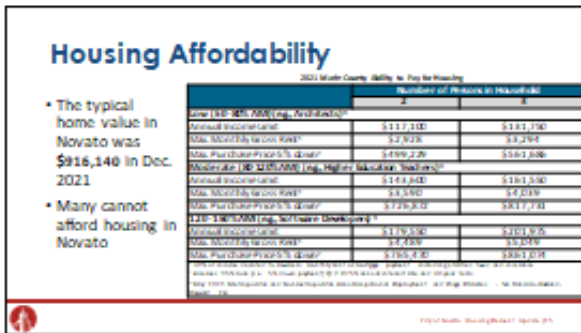




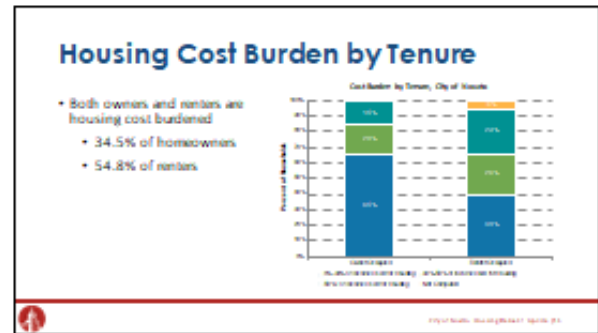
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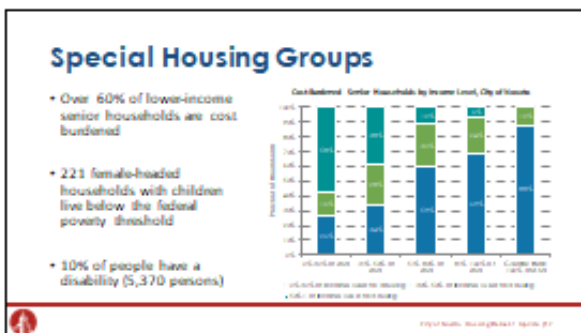
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## Affirmatively Furthering Fair Housing (AFFH) Requirements

- 1. Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
- 2. Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs of special needs groups.
- 3. Analysis of the Inventory:** An evaluation of whether the site inventory improves or exacerbates conditions for fair housing.
- 4. Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issues.
- 5. Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.



https://www.novato.org/housingelement/2019/01/15/

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## 4 Community Engagement



https://www.novato.org/housingelement/2019/01/15/

20

## Community Engagement Overview

- Community Workshops
- Stakeholder Interviews
- Online Survey
- Study Sessions
- Public Hearings
- Dedicated Webpage ([novato.org/housingelement](https://www.novato.org/housingelement))
- Access throughout project ([HousingElement@novato.org](mailto:HousingElement@novato.org))



https://www.novato.org/housingelement/2019/01/15/

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## 5 Next Steps



https://www.novato.org/housingelement/2019/01/15/

22

## Next Steps

- Continue outreach
- Continue technical analysis – use input heard today to inform analysis
- June-September: Drafting the Housing Element
- Fall 2022: Draft Housing Element released



https://www.novato.org/housingelement/2019/01/15/

23

## Stay Informed and Involved

[www.novato.org/housingelement](https://www.novato.org/housingelement)

Sign up for our E-Notifier service to stay informed!

[HousingElement@novato.org](mailto:HousingElement@novato.org)



https://www.novato.org/housingelement/2019/01/15/

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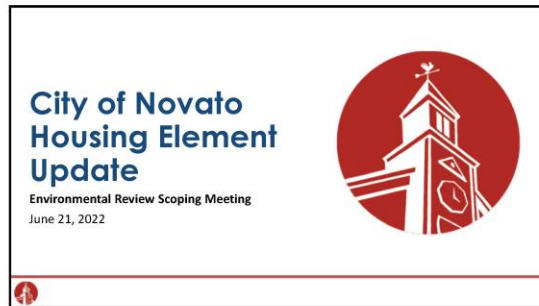
## Questions?



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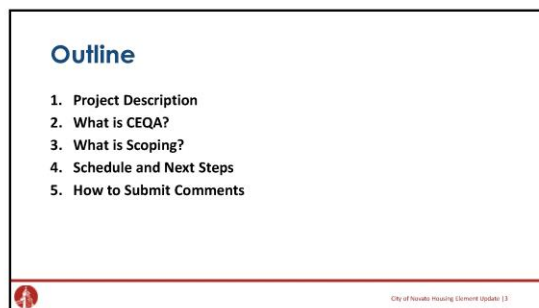
# EIR Scoping Meeting (June 25, 2022) Presentation



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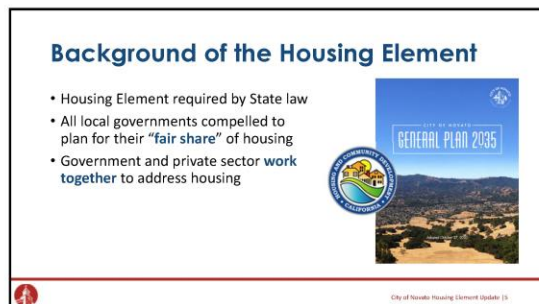
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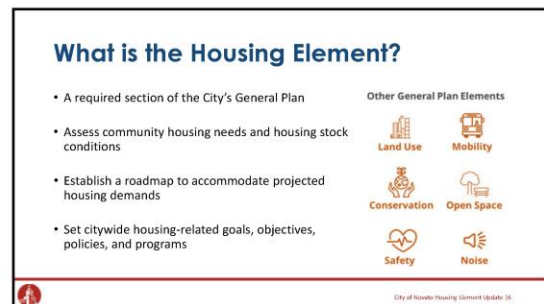
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## Housing Element Components

Policy and Programs Review

Analysis of Fair Housing

Housing Needs Assessment

Housing Resources Assessment

Housing Constraints Assessment

Implementation Plan

Adequate Sites Inventory

City of Novato Housing Element Update | 7

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## Regional Housing Needs Allocation (RHNA)

- RHNA** is the amount of housing each city must plan for in the Housing Element
- Novato's RHNA (2023-2031) is **2,090 total units**

**Novato RHNA by Income Level**

Number of Persons in Household	1	2	3	4
Extremely Low Income (0-30% AMI)	\$15,700	\$17,950	\$20,200	\$22,450
Very Low Income (30-50% AMI)	\$38,400	\$43,850	\$49,350	\$54,800
Low Income (50-80% AMI)	\$63,950	\$71,300	\$78,250	\$85,350
Moderate Income (80-120% AMI)	\$102,450	\$117,300	\$131,750	\$146,350
Area Median Income (AMI)	\$125,650	\$143,600	\$161,550	\$179,500

Source: Department of Planning and Community Development | PG&E 2021

City of Novato Housing Element Update | 8

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## 2 What is CEQA and Scoping?

City of Novato Housing Element Update | 9

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## What is CEQA?

- California Environmental Quality Act (1970)
- Public disclosure and input process
- Minimize, reduce or avoid environmental impacts
- Adopt mitigation monitoring program
- Program-level analysis

City of Novato Housing Element Update | 10

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## CEQA Environmental Review Process

```

graph TD
    A[City circulates Notice of Preparation] --> B[City prepares Draft EIR]
    B --> C[City publishes Draft EIR]
    C --> D[Public review period (45 days)]
    D --> E[City prepares Final EIR]
    E --> F[City publishes Final EIR]
    F --> G[Planning Commission Hearing]
    G --> H[City solicits input on contents of Draft EIR (public agencies and members of the public provide comments)]
    H --> I[City solicits comments on the Draft EIR (public agencies and members of the public provide comments)]
    I --> J[You Are Here]
    
```

City of Novato Housing Element Update | 11

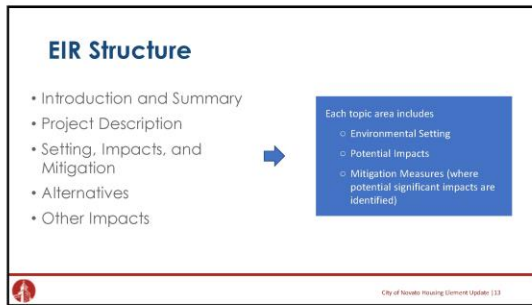
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## What is Scoping?

- Public input on the environmental analyses
- Topic areas
- Issues of concern
- Potential alternatives to the project
- Proposed mitigation measures

City of Novato Housing Element Update | 12

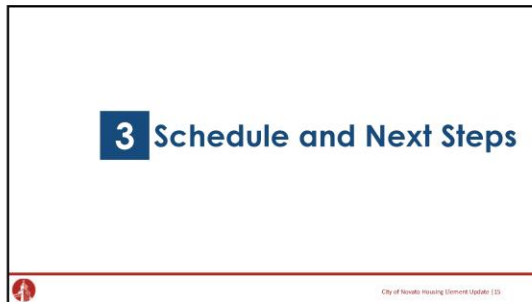
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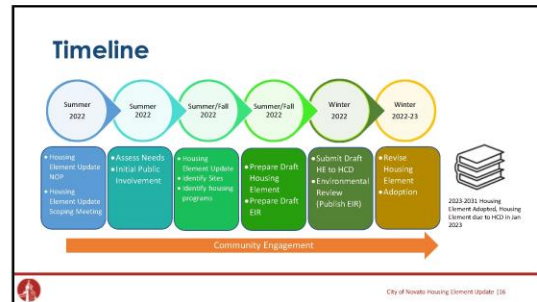
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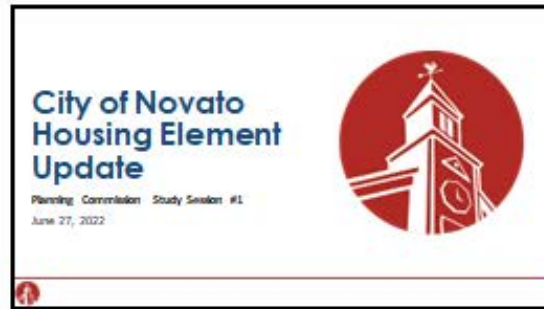


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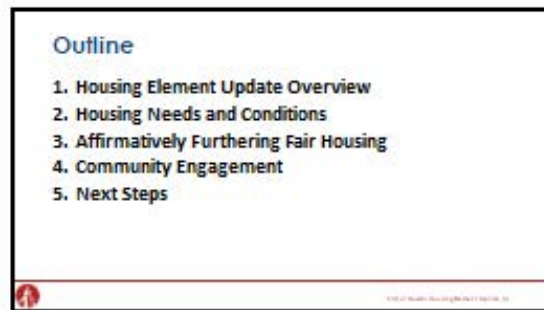
## Planning Commission Study Session #1 (June 27, 2022) Presentation



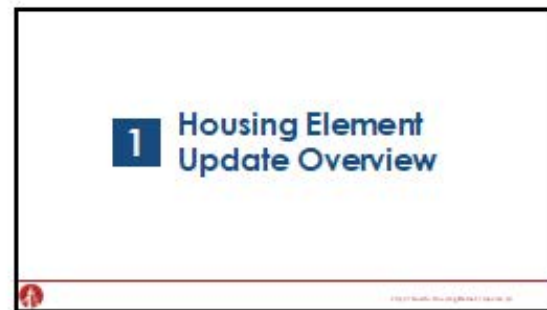
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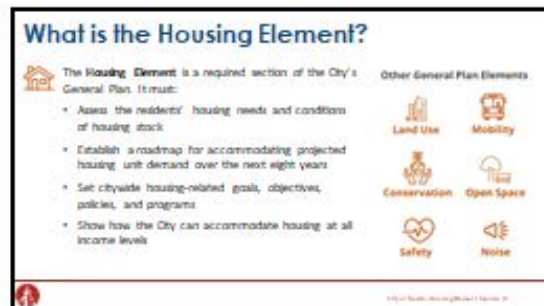
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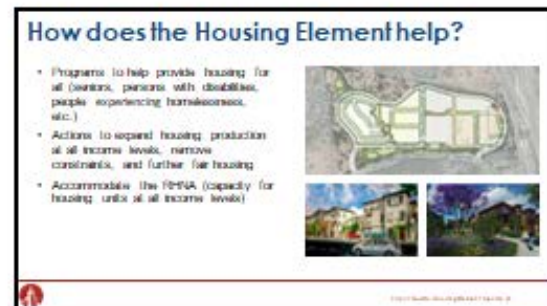
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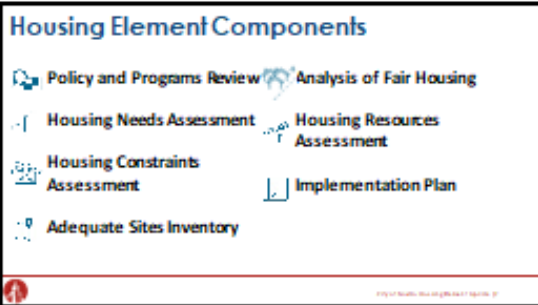
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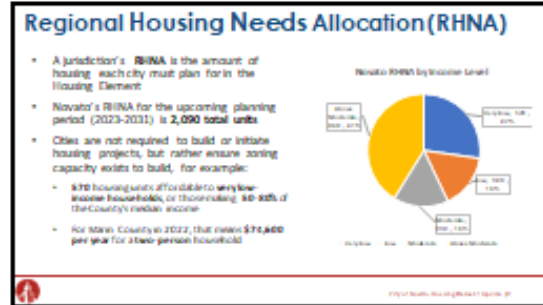
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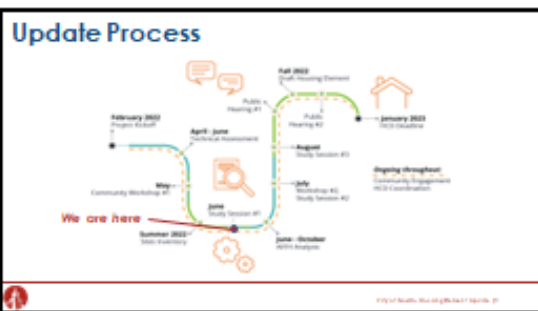
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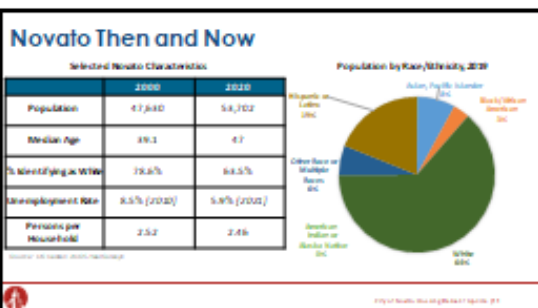


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## 2 Housing Needs and Conditions

City of Novato Housing Element Update 2020

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### Novato's Housing Stock

	Novato (2019)	Marin County (2019)
Owner/Resident Occupied	68%/92%	84%/98%
Housing Units Built Before 1980	21.1%	17.9%
Housing Units Built After 2010	0.8%	1.4%
Median Rent Increase Since 2009	45.4%	25.1%
Resident-headed Households at Risk of Condemnation	92%	2,641

City of Novato Housing Element Update 2020

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## Household Income Distribution

- Novato 2020 median household income: **\$101,629**
- Marin County 2020 median household income: **\$121,671**
- 10,269 households (47.1%) in Novato are considered lower income (0%-80% of County median income)



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## Household Income Distribution

Marin County 2022 Annual Income Limits				
Number of Persons in Household:	1	2	3	4
Extremely Low Income (15-30%AMI)	\$39,150	\$44,750	\$50,350	\$55,900
Very Low Income (30-50%AMI)	\$66,250	\$74,600	\$83,900	\$93,200
Low Income (50-80%AMI)	\$104,400	\$119,300	\$134,200	\$149,100
Median Income (100%AMI)	\$116,200	\$132,800	\$149,400	\$166,000

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## Housing Affordability – For Sale

- Typical home value in Novato was **\$916,140** in Dec. 2021
- Home prices are slightly lower relative to the County, but still difficult to afford
- A two-person household must earn **\$180,980** (over 150% of AMI) to afford an average priced home in the City



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## Housing Affordability – For Rent

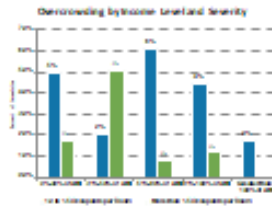
- Median rent in Novato has increased 45.4% since 2009, from **\$1,540** to **\$1,950**
- A household must earn **\$78,023** (over 50% of AMI) to afford median rent
- 32% of Novato's households are renter-occupied
- 83% of renters live in multi-family housing
- 55% of renters spend over 30% of their income on housing



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## Impacts on Large Families

- In Novato, renter households are more likely to live in overcrowded conditions than owner-occupied households
- 3.7% of all renter households are severely overcrowded, meaning more than 1.5 occupants per room, this compares to 0.5% of households that own
- 29% of Hispanic/Latino and multiracial households experience some form of overcrowding



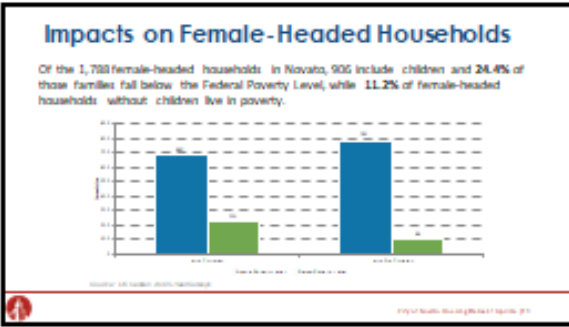
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## Impacts on Seniors

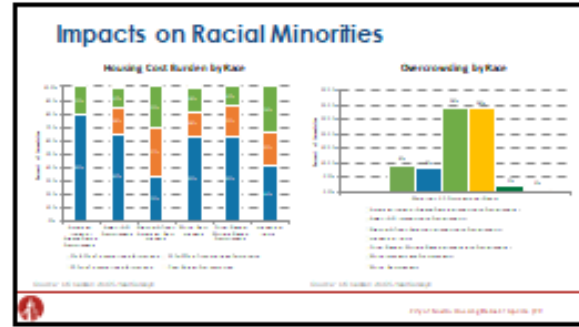
- Novato's median age is 47, with seniors over 65 making up **21%** of the population
- Among all Novato seniors, **41%** are cost burdened
- Seniors have limited options for smaller, more accessible units that allow them to age in place



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## 3 Affirmatively Furthering Fair Housing

Source: US Census Bureau, American Community Survey

City of Novato, Housing and Community Development

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- ### Affirmatively Furthering Fair Housing (AFFH) Requirements
- Inclusion and Equitable Outreach:** A summary of fair housing is already and equitably distributed to all economic segments of the community.
  - Assessment of Fair Housing:** A reassessment of fair housing issues, including demographic composition and trends, including an identification of barriers to fair housing, including barriers to fair housing, including barriers to fair housing.
  - Analysis of Fair Housing:** A reassessment of fair housing issues, including an identification of barriers to fair housing, including barriers to fair housing, including barriers to fair housing.
  - Identification of Fair Housing:** The identification and prioritization of fair housing issues, including fair housing issues, including fair housing issues, including fair housing issues.
  - Provision, Goals, and Action to AFFH:** The identification of fair housing goals and actions that directly address the fair housing issues, including fair housing issues, including fair housing issues, including fair housing issues.
- Source: US Census Bureau, American Community Survey
- City of Novato, Housing and Community Development

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## 4 Community Engagement

Source: US Census Bureau, American Community Survey

City of Novato, Housing and Community Development

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- ### Community Engagement Overview
- So far:
- Community Workshop #1 (May 14)
  - Focus Groups #1 and #2 (June 1)
  - Environmental Analysis Scoping Meeting (June 2)
  - An Online Survey (closed Monday, June 2)
  - A dedicated webpage: [novato.org/housingengagement](https://novato.org/housingengagement)
  - Access throughout the project: [HousingEngagement@novato.org](mailto:HousingEngagement@novato.org)
- Up next:
- Community Workshop #2 (July)
  - Study Session #1 (July)
  - Study Session #2 (August)
  - Public Hearings #1 and #2 (late summer/early 2022)
- 
- Source: US Census Bureau, American Community Survey
- City of Novato, Housing and Community Development


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## Focus Group #1

Participants: social service providers

**What we heard:**

- Rent increases are unsustainable for residents already experiencing a housing cost burden because they cannot be addressed like other needs (e.g., hunger and childcare), especially for seniors
- Many vulnerable renters are not protected by statewide tenant protections because they rent single-family homes
- Due to the long waitlists for the most in-demand housing types (accessible, income-based, etc.), many families double up in homes to afford being in Novato
- County-wide support is needed in available services for homeless populations, direct shelter is an ideal, supportive transitional housing in Novato makes transportation from housing to jobs, schools, daycare, etc. extremely difficult



City of Novato Housing Element Update 2022


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## Focus Group #2

Participants: stakeholder and non-profit housing developers

**What we heard:**

- The development review process adds significant time and expense as projects wait their way from the Design Review Commission (DRC), to the Planning Commission, to the City Council; after approval, it is often required to go back to the DRC
- **Habitat and Minimum Protection standards** are not tailored to Novato's local conditions and are difficult for developers to understand and the City to enforce
- Review the factors desired for detached single-family residences across Marin County, attached townhomes continue to be in demand
- Streamline review process, the development process, sometimes causing developers to re-submit funding applications



City of Novato Housing Element Update 2022


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## Community Survey

Participants: 127 members of the community that equate to 4.6 hours of public comment.

**What we heard:**

- **Who is most in need of adequate/affordable housing in Novato?**
  - Public employees, low and moderate income families, homeless individuals, local employees (e.g., service workers), young people, seniors, recent immigrants, large families
- **What type of housing is most needed?**
  - Affordable housing, affordable rental housing, homes near downtown, apartments/condos, rental housing, smaller units for single people and young families, larger multifamily units for growing families
- **Are you concerned about the concentration of poverty?**
  - Yes/Yes, No/No
- **Do you see any disparities in housing among different groups?**
  - Yes/Yes, No/No



City of Novato Housing Element Update 2022

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## 5 Next Steps

City of Novato Housing Element Update 2022

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## Next Steps

- Continue community engagement
- Conduct technical analysis and incorporate feedback we receive here today
- Community Workshop #2 (July)
- Study Session #2 (July)
- June-September: Drafting the Housing Element
- Fall 2022: Draft Housing Element released



City of Novato Housing Element Update 2022

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## Stay Informed and Involved

Visit [www.novato.org/housingelement](http://www.novato.org/housingelement)

Sign up for our E-Notifier service to stay informed!  
[HousingElement@novato.org](mailto:HousingElement@novato.org)

City of Novato Housing Element Update 2022

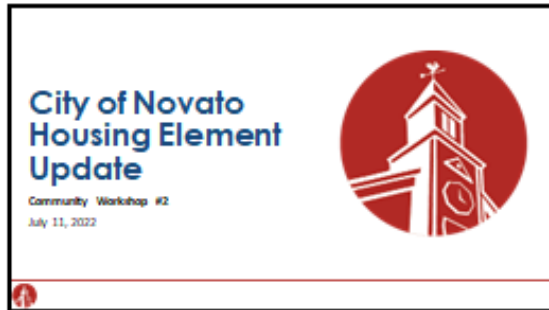
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## Questions and Comments

City of Novato Housing Element Update 2022

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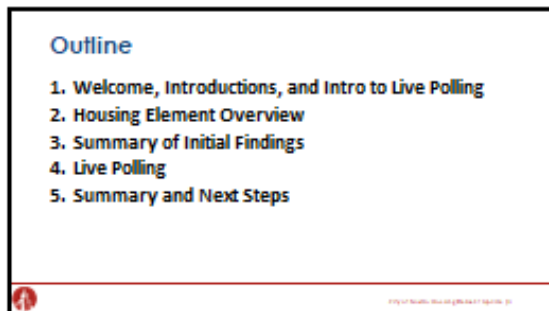
## Community Workshop #2 (July 11, 2022) Presentation



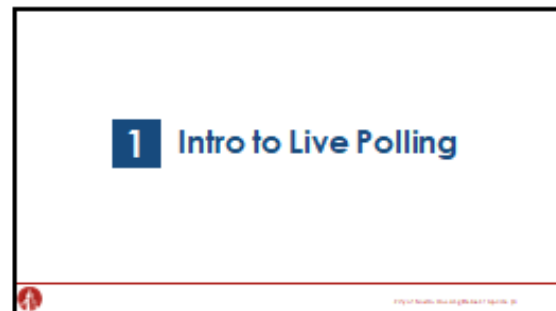
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## Participant Survey

Who is joining us today?

Go to  
[www.menti.com](https://www.menti.com)  
Enter code: 6068 5214



City of Novato Housing Element Update 2023

7

## 2 Housing Element Overview

City of Novato Housing Element Update 2023

8

## What is the Housing Element?

The **Housing Element** is a required section of the City's General Plan. It must:

- Assess the residents' housing needs and conditions of housing stock
- Establish a roadmap for accommodating projected housing unit demand over the next eight years
- Set citywide housing-related goals, objectives, policies, and programs
- Show how the City can accommodate housing at all income levels

Other General Plan Elements


- Land Use
- Mobility
- Conservation
- Open Space
- Safety
- Noise

City of Novato Housing Element Update 2023

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## How does the Housing Element help?

- Programs to help provide housing for all (seniors, persons with disabilities, people experiencing homelessness, etc.)
- Actions to expand housing production at all income levels, remove constraints, and further fair housing
- Accommodate the RHNA (capacity for housing units at all income levels)



City of Novato Housing Element Update 2023

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## Housing Element Components

- Policy and Programs Review
- Analysis of Fair Housing
- Housing Needs Assessment
- Housing Resources Assessment
- Housing Constraints Assessment
- Implementation Plan
- Adequate Sites Inventory

City of Novato Housing Element Update 2023

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## Regional Housing Needs Allocation (RHNA)

- A jurisdiction's **RHNA** is the amount of housing each city must plan for in the Housing Element
- Novato's RHNA for the upcoming planning period (2023-2031) is **2,090 total units**
- Cities are not required to build or initiate housing projects, but rather ensure zoning capacity exists to build, for example:
  - 870 housing units affordable to very low income households, or those making 80% of the County's median income
  - For Marin County in 2022, that value is **\$18,200 per year** for a four-person household
  - To complete, the median income for a four-person household is **\$146,200**



City of Novato Housing Element Update 2023

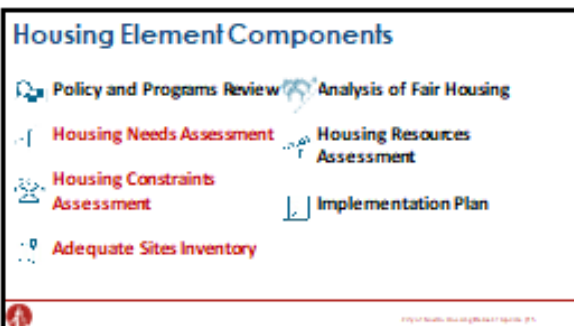
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## 3 Summary of Initial Findings

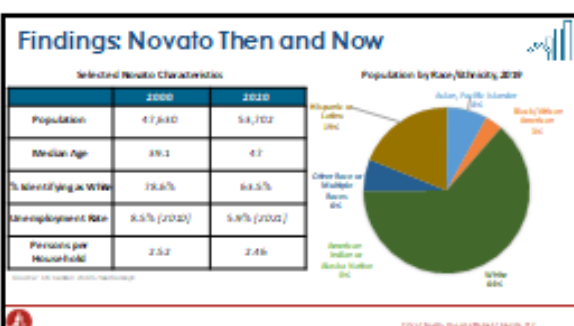
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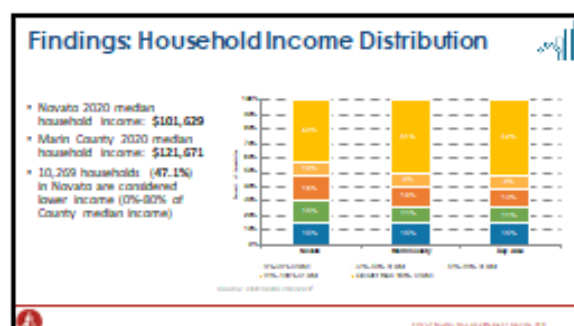
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## Housing Needs Assessment

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## Findings: Household Income Distribution

Maine County 2022 Annual Income Limits				
Number of Persons in Household:	1	2	3	4
Extremely Low Income (15-30% AMI)	\$39,150	\$44,750	\$50,350	\$55,900
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Source: Department of Housing, Administration and Community Development

19

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- Typical home value in Novato was \$916,140 in Dec. 2021
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## Findings: Housing Affordability (For Rent)

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- A household must earn \$79,023 (over 50% of AMI) to afford median rent
- 32% of Novato's households are renter-occupied
- 83% of renters live in multi-family housing
- 55% of renters spend over 30% of their income on housing



21

## Findings: Impacts on Specific Groups

- In Novato, renter households are more likely to live in overcrowded conditions than owner-occupied households
- 29% of Hispanic/Latino and multiracial households experience some form of overcrowding
- Among all Novato seniors, 41% are cost-burdened
- 24.4% of female-headed households fall below the Federal Poverty Level



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## Housing Constraints Assessment

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## Findings: Constraints to Housing Production

- Large-lot, single family zoning districts (RR, RVL, R1) make up 90 percent of residential zoning
- The Zoning Code does not allow "missing middle" housing types in lower density zoning districts (e.g., duplexes)
- The Zoning Code must be updated to allow certain residential uses to be compliant with State law (e.g., low barrier navigation centers, transitional/supportive housing)
- The design review process needs to be streamlined to comply with State law and reduce multiple rounds of project review

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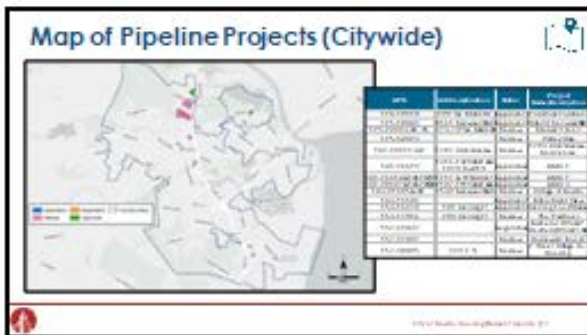
### RHNA and the Housing Development Pipeline

Novato RHNA Surplus/Shortfall (Before Housing)

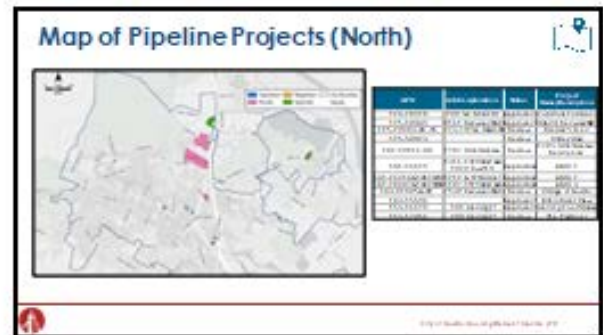
Affordability Level	Extremely Low	Very Low	Low	Moderate	None/Moderate	Total
RHNA	5,110	8,238	8,112	5,540	2,290	
ADU's*	300	45	45	45	12	117
Approved/Permitted/ Applied Projects	298	5,176	2,138	2,299	2,451	
Remaining RHNA Surplus (Shortfall)	47		(19)	484	479	

\*The number of ADU's that are currently in the pipeline.

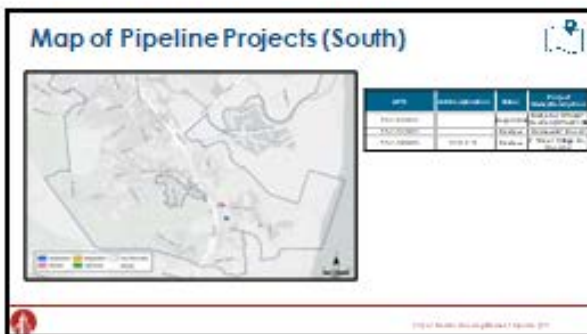
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## 4 Live Polling

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Enter code: 6068 5214

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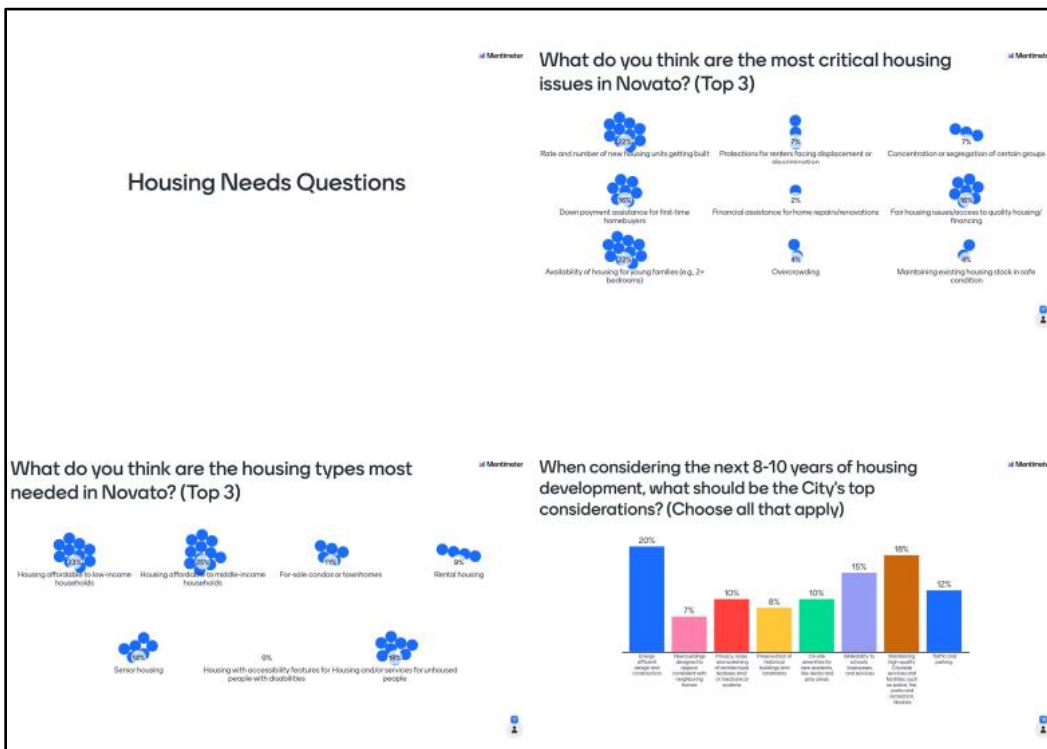
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## City of Novato | E-51





Are there specific sites where you would be particularly concerned if new housing was proposed?

anywhere  
undveloped  
open space  
anywhere  
open spaces  
any sft neighborhoods  
existing preserved land  
bowman canyon  
greenbelts  
high fire areas  
indian valley cc  
other flood prone sites  
ignacio  
ridges  
sea level rise areas  
marsh  
hillsides and ridgelines  
flood area  
green space  
south novato  
simmons and san marin  
any open space areas  
undeveloped areas

Is there anything else you would like to add? Any questions, comments, or additional housing opportunities we should be aware of?

How should we measure if the same level of housing is achieved?

This is a great first step but we need more data on housing. Can this be a more detailed study of the area to see if there is a need for more housing?

There is a concern about housing the same level of housing. How can we ensure that the housing is of a higher quality than the existing housing?

How do we make sure that the housing is of a higher quality than the existing housing?

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Is there anything else you would like to add? Any questions, comments, or additional housing opportunities we should be aware of?

Can you do something about the housing development in the area?

Can you do something about the housing development in the area?

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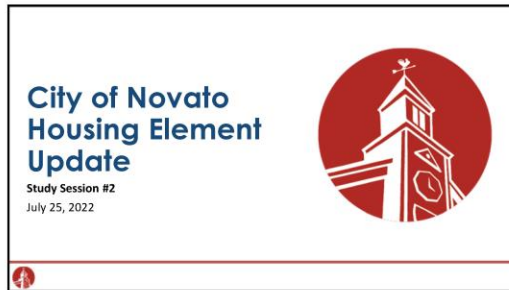
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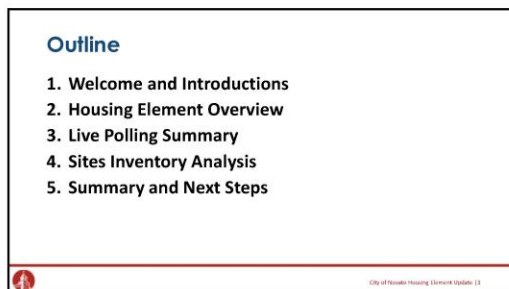
## Planning Commission Study Session #2 (July 25, 2022) Presentation



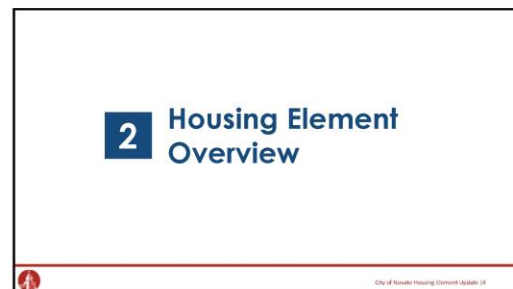
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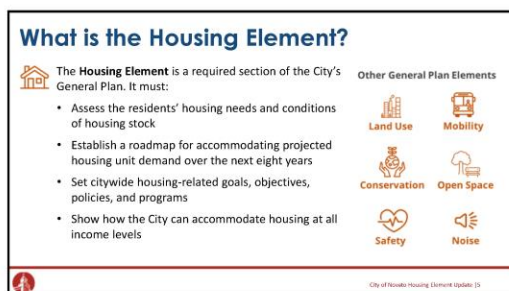
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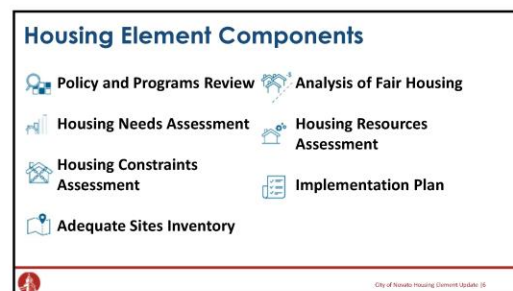
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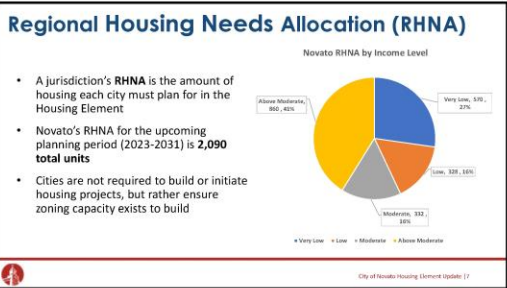
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### Findings: Household Income Distribution

Marin County 2022 Annual Income Limits

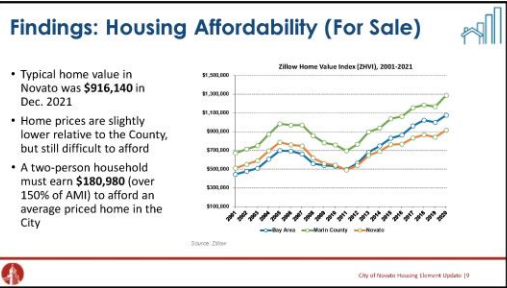
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<b>Median Income (100% AMI)</b>	\$116,200	\$132,800	\$149,400	\$166,000

Area Median Income (AMI): \$166,000

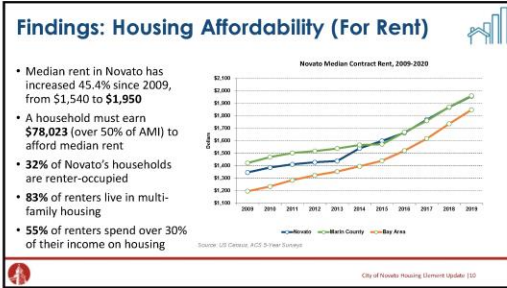
Source: Department of Housing and Community Development (HCD), 2022

City of Novato Housing Element Update | 8

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## 3 Live Polling Summary

City of Novato Housing Element Update | 11

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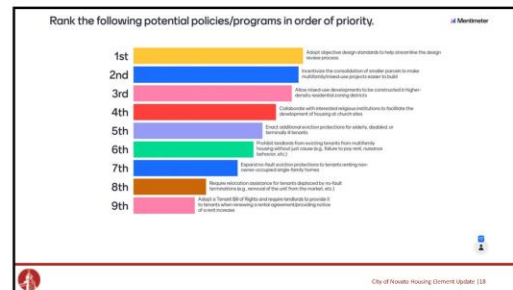
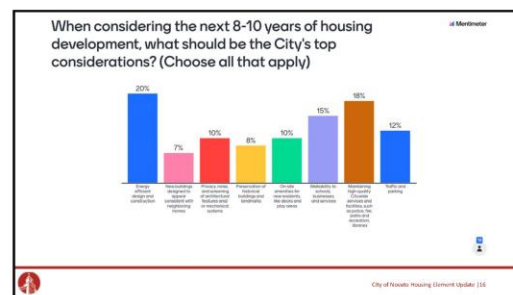
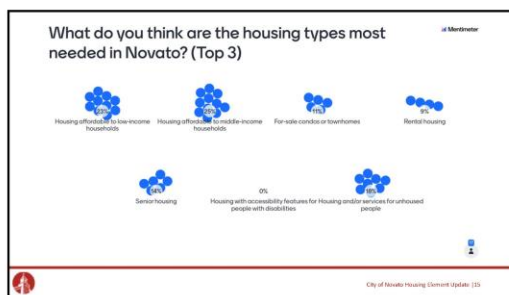
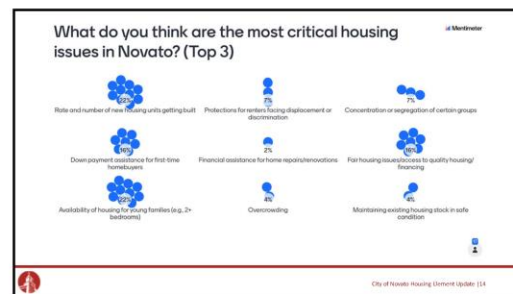
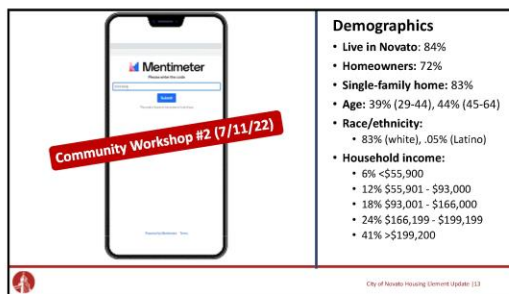
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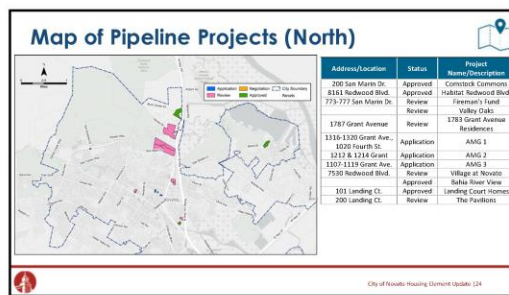
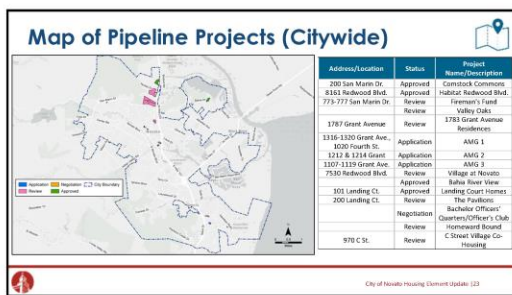
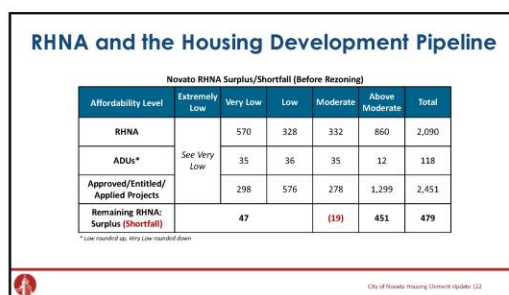
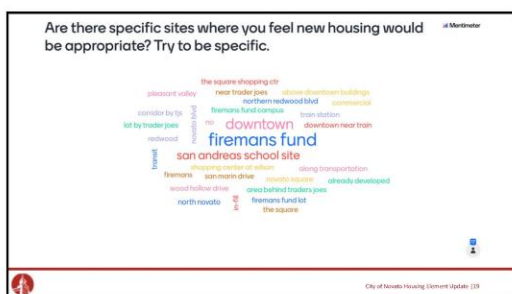
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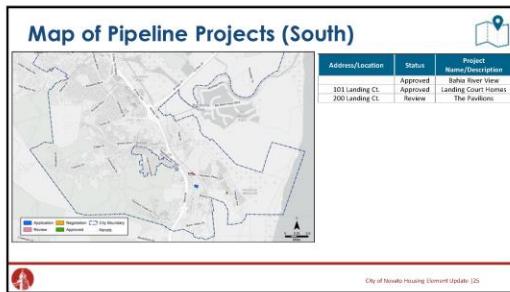
City of Novato Housing Element Update | 12

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### RHNA with Pipeline Projects and Rezoning

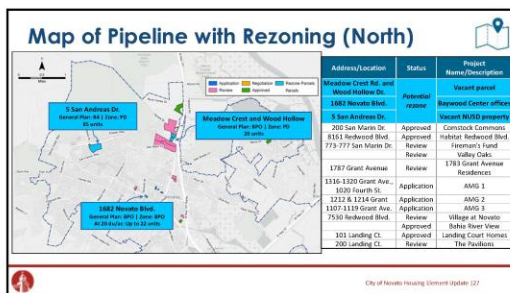
Novato RHNA Surplus/Shortfall (With Rezoning)

Affordability Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA		570	328	332	860	2,090
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Remaining RHNA (w/o rezoning):		47		(19)	451	479
Surplus (Shortfall)						
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Remaining RHNA (w/ rezoning):		47		65	494	606
Surplus (Shortfall)						

\*Low number of up, very low number of down

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## 5 Summary and Next Steps

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### Stay Informed and Involved

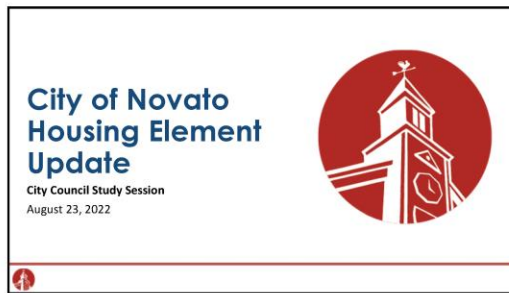
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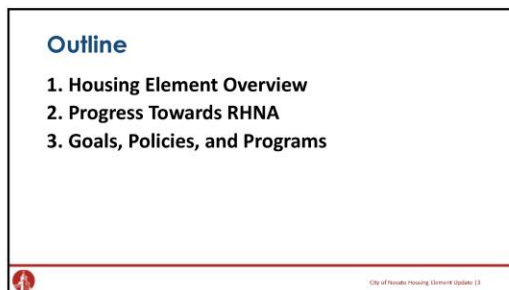
## City Council Study Session #1 (August 23, 2022) Presentation



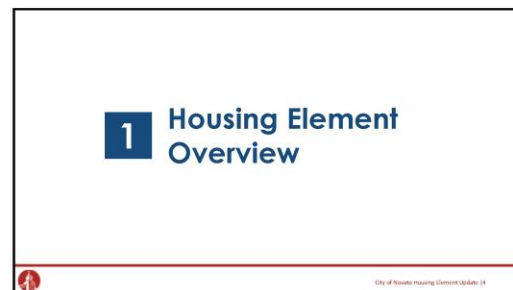
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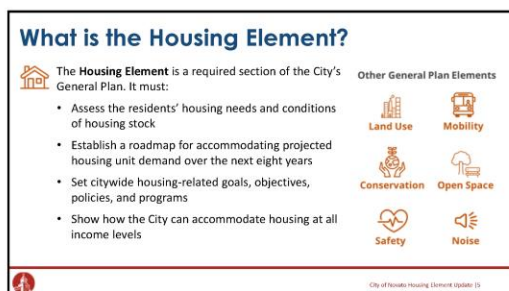
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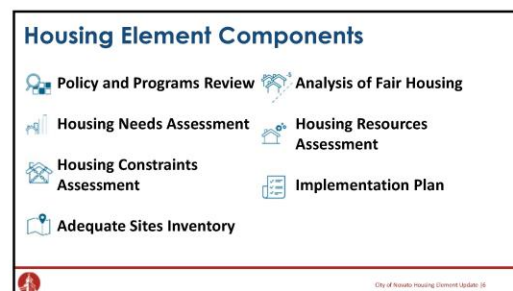
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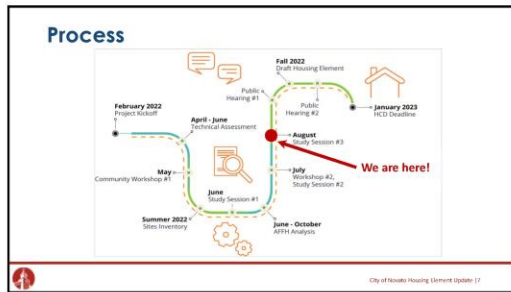
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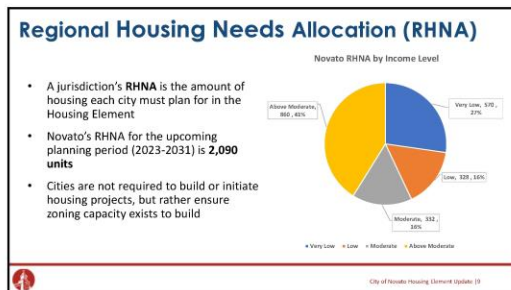
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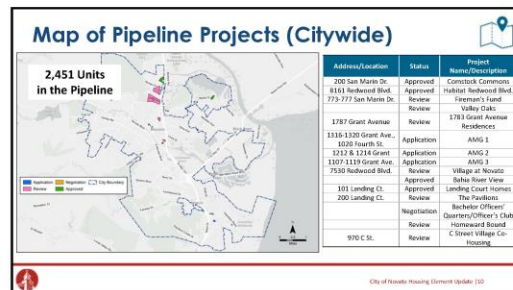
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City of Novato Housing Element Update 11

11

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City of Novato Housing Element Update 12

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## 3 Goals, Policies, and Programs

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### The Housing Plan

The **Housing Plan** of the Housing Element serves as the City's strategy for addressing its housing needs. The Housing Plan includes **goals, policies, and programs**.

- Goals** are aspirational purpose statements that indicate the City's direction on housing-related needs.
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- Programs** provide actionable steps to implement the City's goals, further the City's progress towards meeting its housing allocation, and take into consideration Novato's size, opportunities for housing, and identified needs and constraints.

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### Recommended Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

<b>Goal 1</b>	Promote new housing construction to meet Novato's Regional Housing Needs Allocation (RHNA).
<b>Goal 2</b>	Facilitate affordable housing to accommodate the housing needs of moderate- and lower-income households.
<b>Goal 3</b>	Remove constraints to the development of housing.
<b>Goal 4</b>	Create housing opportunities for people with special needs.
<b>Goal 5</b>	Conserve and improve the existing housing stock.
<b>Goal 6</b>	Promote fair housing access and opportunities for all persons.
<b>Goal 7</b>	Encourage energy and resource conservation and sustainability measures.

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### Recommended Programs

**Programs** generally fall into one of three categories:

- Programs required to bring Novato's Zoning Code into compliance with State Law.
- Programs designed to reduce or remove constraints to the production of housing in Novato.
- Programs designed to facilitate housing development, improve housing stability, and support specific segments of Novato's community (including special needs groups).

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### Key Programs: Compliance with State Law

- Assembly Bill 101 requires **Low Barrier Navigation Centers (LBNCs)** to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multi-family uses if they meet certain requirements.
- The California Community Care Facilities Act requires regulations and definitions for **community care facilities** (e.g., foster, group homes, etc.). Review current land uses and definitions for compliance with State law.
- The California Health and Safety Code requires cities to treat **farmworker/employee housing** developments as an "agricultural use" and be permitted by-right in certain areas. The City follows this requirement in practice but must update the Code to be in full compliance.

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### Key Programs: Housing Constraints

- **Hillside Lot Regulations**
  - Feedback from both non-profit and market rate housing developers indicated that the Hillside Lot Regulations constrain housing development because they apply to all parcels with an average slope >10%, even when a proposed project does not intend to build on land that exceeds 10%.
- **Objective Design Standards**
  - The design criteria that the Design Review Commission must consider when reviewing a project are subjective and may lead to a denial based on interpretation. Objective design standards, with specific dimensions for developers to apply to projects, should be adopted.



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### Key Programs: Others to Consider

- Establish “**just cause**” **eviction protections** for tenants living in single-family homes.
- Educate the community on the availability of **reasonable accommodation** procedures that support residents with disabilities and other special needs.
- Develop housing programs to address **overcrowding** in lower-income households.
- Incentivize the development of an **emergency shelter** in Novato to meet the significant unmet need for homeless services.



City of Novato Housing Element Update | 20

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### Key Programs: Others to Consider

- Incentivize **small lot consolidation** to support affordable housing projects.
- Incentivize the **creation of play areas** in multi-family housing projects.
- Conduct direct outreach to religious institution site owners to inform them about AB 1851, passed in 2020, which incentivizes **housing production on faith-based properties**.
- Prepare and distribute standardized or **pre-approved plans for ADUs**.



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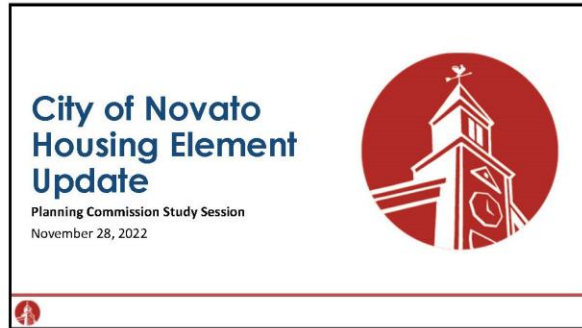


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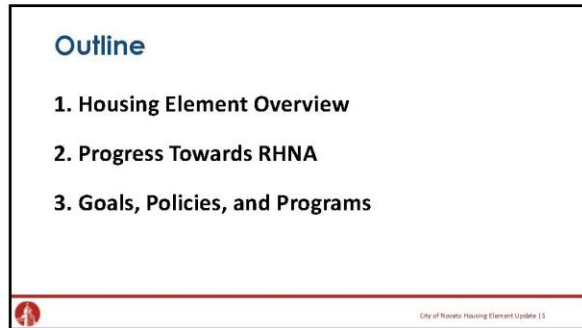
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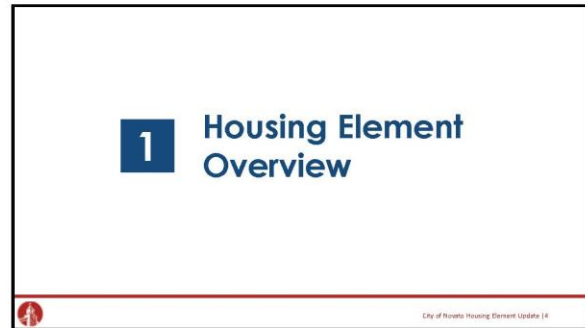
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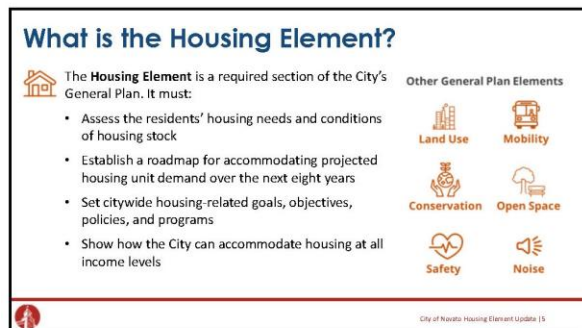
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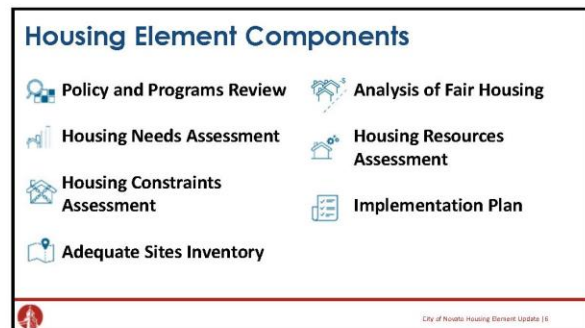
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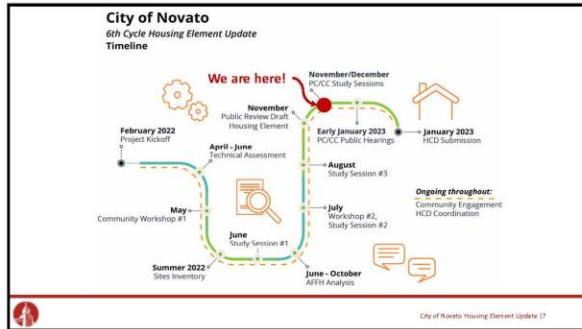
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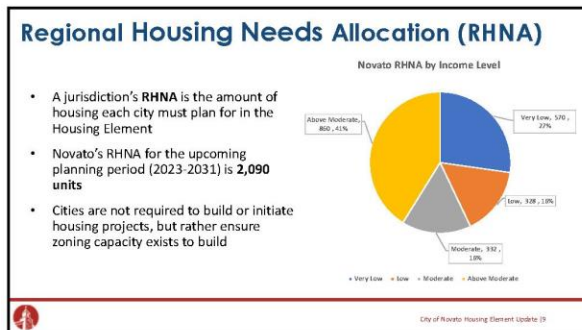
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## 2 Progress Towards RHNA

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**RHNA with Pipeline Projects and Rezoning**

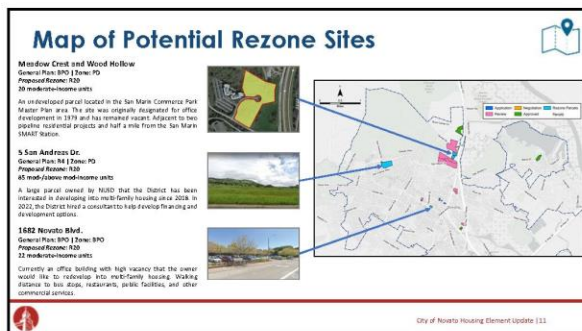
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City of Novato Housing Element Update 10

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## 3 Goals, Policies, and Programs

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## The Housing Plan

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## Housing Plan Goals

The following **goals** provide a clear, community-supported foundation for the **Housing Plan**.

<b>Goal 1</b>	New Housing Construction
<b>Goal 2</b>	Affordable Housing Opportunities
<b>Goal 3</b>	Elimination of Housing Constraints
<b>Goal 4</b>	Special Needs Populations
<b>Goal 5</b>	Housing Conservation and Tenant Protections
<b>Goal 6</b>	Equal Access to Housing and Opportunities
<b>Goal 7</b>	Sustainability and Energy



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## Continued Programs

The following **programs** were continued or adapted from the previous **2015 – 2023 Housing Element Update**.

<b>1.C</b> Produce annual housing status reports.	<b>5.A</b> Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units.
<b>1.D</b> Participate in State and regional housing planning efforts.	<b>5.B</b> Link code enforcement with public information campaigns.
<b>2.A</b> Develop and adopt a Transfer of Development Rights (TDR) Ordinance.	<b>5.C</b> Amend the City's condominium conversion ordinance.
<b>2.B</b> Maintain long-term housing affordability controls.	<b>5.D</b> Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
<b>2.C</b> Maintain and develop local sources of funding for affordable housing.	<b>5.E</b> Support volunteer efforts.
<b>2.D</b> Seek outside funding for affordable housing that leverages local resources.	<b>5.F</b> Preserve mobile home parks.
<b>3.C</b> Adopt Marin County inclusive design standards for multi-family housing.	<b>5.G</b> Regulate the displacement of residential units.
<b>3.G</b> Modify multi-family residential parking standards.	<b>5.H</b> Promote and support rental assistance programs.
<b>3.H</b> Adopt a parking reduction incentive program to facilitate transit-oriented development.	<b>5.I</b> Continue to assist in the rehabilitation and production of housing for lower-income households.
<b>4.A</b> Allow emergency shelters consistent with State law.	<b>6.A</b> Prepare information and conduct community outreach activities on fair housing issues.
<b>4.C</b> Allow farmworker/employee housing consistent with State law.	<b>6.B</b> Require non-discrimination clauses in affordable housing agreements.
<b>4.D</b> Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.	<b>6.C</b> Respond to fair housing complaints.
<b>4.F</b> Support programs to address the needs of the developmentally disabled.	<b>7.A</b> Implement energy/water efficiency and rehabilitation loan programs.
	<b>7.B</b> Continue to implement the California Green Building Code.



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## Goal 1: New Housing Construction

Program	Notes
<b>Rezone for RHNA shortfall.</b>	
<b>1.A</b> Accommodates the remaining 19-unit moderate-income shortfall identified above.	State req.
<b>Encourage and streamline the construction of Accessory Dwelling Units (ADUs).</b>	
<b>1.B</b> Calls for the City to prepare a set of "permit-ready" ADU plans and promote the availability of grants to interested homeowners.	



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## Goal 2: Affordable Housing Opportunities

Program	Notes
<b>Coordinate with water and sewer service providers.</b>	
<b>2.E</b> Directs the City to immediately distribute a copy of the Housing Element to area water and sewer districts and work with district staff to reduce/waive fees to 100 percent lower-income housing projects.	State req.



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## Goal 3: Elimination of Housing Constraints

Program	Notes
<b>3.A</b> Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law. Fixes a small inconsistency with State law regarding how "total units" are counted.	State req.
<b>3.B</b> Revise Hillside Lot Regulations. The City will clarify how hillside developments are regulated when identifying non-slope areas of a site.	Community feedback
<b>Design review and use permit process improvements.</b>	
<b>3.D</b> Adopt improvements to reduce subjectivity and repetition in the design review process and establish clear, objective thresholds for when staff review certain applications.	State req., community feedback
<b>SB 35 and permit streamlining.</b>	
<b>3.E</b> Directs the City to prepare applications, checklists, and application guidelines for SB 35 projects	State req.
<b>Evaluate and adjust impact fees.</b>	
<b>3.F</b> Recommends calculating fees on a square foot basis (rather than per unit) to make smaller, more affordable units more feasible.	



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## Goal 4: Special Needs Populations

Program	Notes
<b>Allow Low-Barrier Navigation Centers consistent with State law.</b>	State req., community feedback
<b>4.B</b> Permits "Housing First," low-barrier, service-enriched shelters in mixed-use and non-residential zones permitting multi-family uses.	
<b>Allow community/residential care facilities consistent with State law.</b>	State req.
<b>4.E</b> Fixes minor inconsistencies with State law in how these facilities are permitted and defined.	

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## Goal 5: Housing Conservation and Tenant Protections

Program	Notes
<b>Expand "just cause" tenant protections to all tenants.</b>	Community feedback
<b>5.I</b> Closes a loophole in State tenant law that limits protections to only multi-family units, applying them to renters in single-family homes as well.	
<b>Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</b>	Community feedback
<b>5.J</b> Following programs in San Rafael and Fairfax, Novato will adopt tenant protection best practices such as improved enforcement, requiring landlords to provide a Notice of Tenants Rights, and participation in a County-provided mediation program for large rent increases.	
<b>Assistance for renters with animal companions or pets.</b>	Community feedback
<b>5.L</b> Provides a framework for the City to work with Marine Humane and Animal Services JPA to establish model "pet friendly" lease agreements and publish an annual survey of rental properties that allow tenants to keep pets.	

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## Goal 6: Equal Access to Housing and Opportunities

Program	Notes
<b>Implement General Plan policies related to the Northwest Quadrant neighborhood.</b>	State req.
<b>6.D</b> In order to affirmatively further fair housing, this program directs the City to implement the community-supported recommendations developed for the Northwest Quadrant in 2017 and incorporated in the 2035 General Plan.	

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## New Programs

The following programs are new additions to the City's Housing Plan.

<b>1.A</b> Rezone for RHNA shortfall.	<b>3.F</b> Evaluate and adjust impact fees.
<b>1.B</b> Encourage and streamline the construction of ADUs.	<b>4.B</b> Allow Low Barrier Navigation Centers consistent with State law.
<b>2.E</b> Coordinate with water and sewer service providers.	<b>4.E</b> Allow community/residential care facilities consistent with State law.
<b>3.A</b> Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	<b>5.I</b> Expand "just cause" eviction protections to all tenants.
<b>3.B</b> Revise Hillside Lot Regulations.	<b>5.J</b> Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increase greater than five percent.
<b>3.D</b> Design review and use permit process improvements.	<b>5.L</b> Assistance for renters with animal companions or pets.
<b>3.E</b> SB 35 and permit streamlining.	<b>6.D</b> Implement General Plan policies related to the Northwest Quadrant neighborhood.

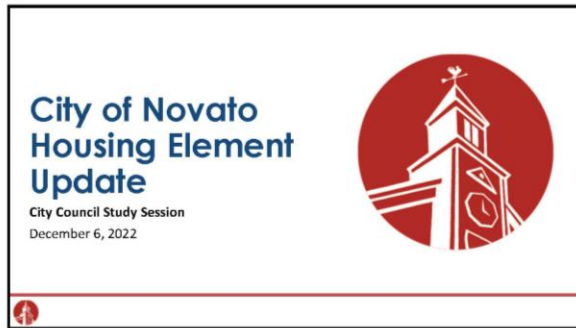
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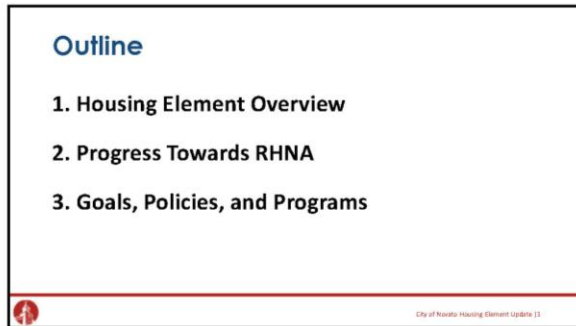
## City Council Study Session #2 (December 6, 2022) Presentation



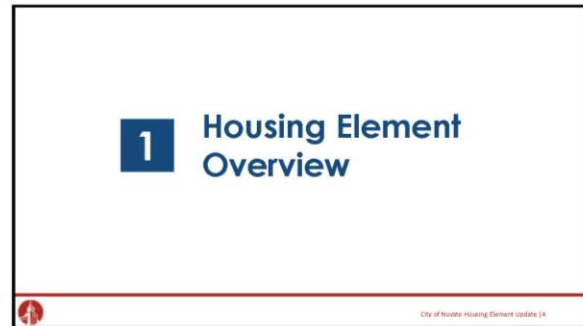
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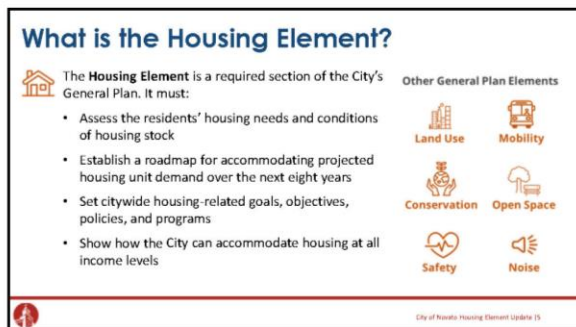
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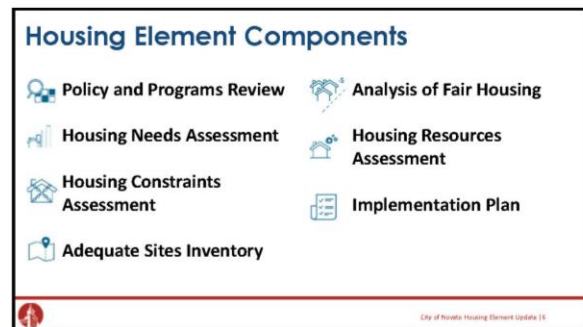
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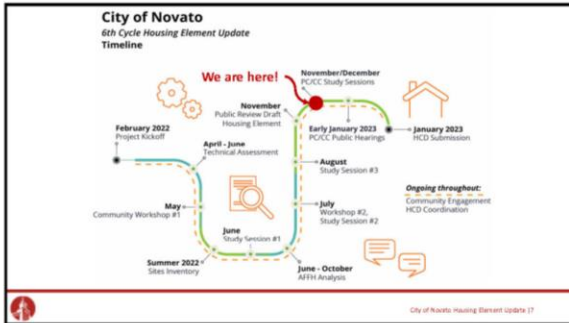


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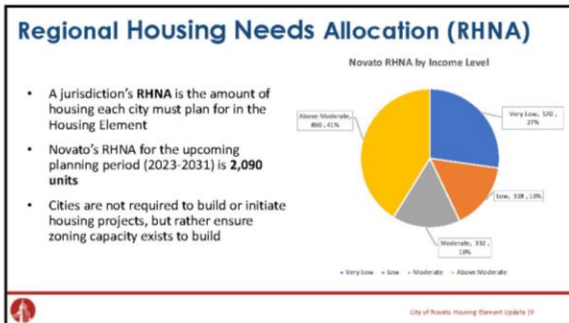


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## 2 Progress Towards RHNA

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**RHNA with Pipeline Projects and Rezoning**

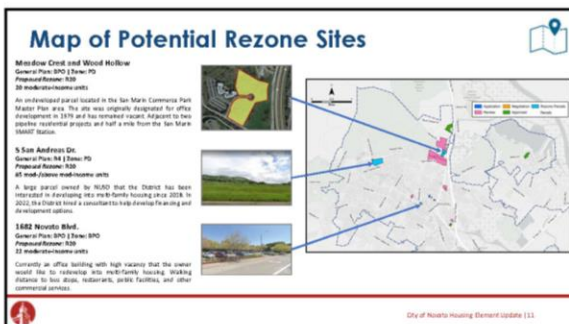
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City of Novato Housing Element Update 10

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City of Novato Housing Element Update 116

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## Continued Programs

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2.A Develop and adopt a Transfer of Development Rights (TDR) Ordinance.	5.C Amend the City's condominium conversion ordinance.
2.B Maintain long-term housing affordability controls.	5.D Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.
2.C Maintain and develop local sources of funding for affordable housing.	5.E Support volunteer efforts.
2.D Seek outside funding for affordable housing that leverages local resources.	5.F Promote mobile home parks.
3.C Adopt Marin County objective design standards for multi-family housing.	5.G Regulate the displacement of residential units.
3.G Modify multi-family residential parking standards.	5.H Promote and support rental assistance programs.
3.H Adopt a parking reduction incentive program to facilitate transit-oriented development.	5.I Continue to assist in the rehabilitation and production of housing for lower-income households.
4.A Allow emergency shelters consistent with State law.	6.A Prepare information and conduct community outreach activities on fair housing issues.
4.C Allow for worker/employee housing consistent with State law.	6.B Require non-discrimination clauses in affordable housing agreements.
4.D Allow Single Room Occupancy units (SROs) to facilitate the provision of affordable housing.	6.C Respond to fair housing complaints.
4.F Support programs to address the needs of the developmentally disabled.	7.A Implement energy/water efficiency and rehabilitation loan programs.
	7.B Continue to implement the California Green Building Code.



City of Novato Housing Element Update 115

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## Goal 1: New Housing Construction

Program	Notes
Rezone for RHNA shortfall.	
1.A Accommodates the remaining 19-unit moderate-income shortfall identified above.	State req.
Encourage and streamline the construction of Accessory Dwelling Units (ADUs).	
1.B Calls for the City to prepare a set of "permit-ready" ADU plans and promote the availability of grants to interested homeowners.	



City of Novato Housing Element Update 116

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## Goal 2: Affordable Housing Opportunities

Program	Notes
Coordinate with water and sewer service providers.	
2.E Directs the City to immediately distribute a copy of the Housing Element to area water and sewer districts and work with district staff to reduce/waive fees to 100 percent lower-income housing projects.	State req.



City of Novato Housing Element Update 117

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## Goal 3: Elimination of Housing Constraints

Program	Notes
3.A Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	State req.
Revises a small inconsistency with State law regarding how "total units" are counted.	
3.B Revise Hillside Lot Regulations.	Community feedback
The City will clarify how hillside developments are regulated when identifying non-slope areas of a site.	
3.D Design review and use permit process improvements.	State req., community feedback
Adopt improvements to reduce subjectivity and repetition in the design review process and establish clear, objective thresholds for when staff review certain applications.	
3.E SB 35 and permit streamlining.	State req.
Directs the City to prepare applications, checklists, and application guidelines for SB 35 projects.	
3.F Evaluate and adjust impact fees.	
Recommends calculating fees on a square foot basis (rather than per unit) to make smaller, more affordable units more feasible.	



City of Novato Housing Element Update 118

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## Goal 4: Special Needs Populations

	Program	Notes
	<b>Allow Low-Barrier Navigation Centers consistent with State law.</b>	
4.B	Permits "Housing First," low-barrier, service-enriched shelters in mixed-use and non-residential zones permitting multi-family uses.	State req., community feedback
	<b>Allow community/residential care facilities consistent with State law.</b>	
4.E	Fixes minor inconsistencies with State law in how these facilities are permitted and defined.	State req.



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## Goal 5: Housing Conservation and Tenant Protections

	Program	Notes
	<b>Expand "just cause" tenant protections to all tenants.</b>	
5.I	Closes a loophole in State tenant law that limits protections to only multi-family units, applying them to renters in single-family homes as well.	Community feedback
	<b>Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</b>	
5.J	Following programs in San Rafael and Fairfax, Novato will adopt tenant protection best practices such as improved enforcement, requiring landlords to provide a Notice of Tenants Rights, and participation in a County-provided mediation program for large rent increases.	Community feedback
	<b>Assistance for renters with animal companions or pets.</b>	
5.L	Provides a framework for the City to work with Marine Humane and Animal Services JPA to establish model "pet friendly" lease agreements and publish an annual survey of rental properties that allow tenants to keep pets.	Community feedback



City of Novato Housing Element Update 120

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## Goal 6: Equal Access to Housing and Opportunities

	Program	Notes
	<b>Implement General Plan policies related to the Northwest Quadrant neighborhood.</b>	
6.D	In order to affirmatively further fair housing, this program directs the City to implement the community-supported recommendations developed for the Northwest Quadrant in 2017 and incorporated in the 2035 General Plan.	State req.



City of Novato Housing Element Update 121

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## New Programs

The following programs are new additions to the City's Housing Plan.

1.A	Rezone for RHNA shortfall.	3.F	Evaluate and adjust impact fees.
1.B	Encourage and streamline the construction of ADUs.	4.B	Allow Low Barrier Navigation Centers consistent with State law.
2.E	Coordinate with water and sewer service providers.	4.E	Allow community/residential care facilities consistent with State law.
3.A	Ensure the Affordable Housing Requirements Ordinance remains consistent with State Density Bonus law.	5.I	Expand "just cause" eviction protections to all tenants.
3.B	Revise Hillside Lot Regulations.	5.J	Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increase greater than five percent.
3.D	Design review and use permit process improvements.	5.L	Assistance for renters with animal companions or pets.
3.E	SB 35 and permit streamlining.	6.D	Implement General Plan policies related to the Northwest Quadrant neighborhood.



City of Novato Housing Element Update 122

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City of Novato Housing Element Update 123

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# Appendix F: Affirmatively Furthering Fair Housing (AFFH)

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## Section F.1 Introduction

[Assembly Bill 686](#) (AB 686), signed in 2018, establishes a statewide framework to affirmatively further fair housing (AFFH) with the goal of achieving better economic and health outcomes for all Californians through equitable housing policies. AB 686 defined “affirmatively furthering fair housing” to mean “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes. AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. Housing Elements are now required to address the following five components:

- **Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
- **Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs for all identified populations.
- **Analysis of Sites Inventory:** An evaluation of whether the Housing Element’s sites inventory improves or exacerbates conditions for fair housing.
- **Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issue.
- **Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.

This section documents four of the five components of the AFFH components. The summary of AFFH-related outreach is included in Housing Element Section I.E (Summary of Public Participation).

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### F.1.1 Notes on Figures and Analysis

The City used a variety of data sources for the assessment of fair housing at the regional and local level. These include:

- Housing Needs Data Packet prepared by the Association of Bay Area Governments (ABAG), which rely on 2015-2019 American Community Survey (ACS) data by the U.S. Census Bureau for most characteristics;

- Note: The ABAG Data Packets also referenced the U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) reports (based on the 2013-2017 ACS).
- AFFH Segregation Report (2022) for Unincorporated Marin prepared by ABAG, the Metropolitan Transportation Commission (MTC), and UC Merced;
- HCD Geospatial Data; and,
- Local data and knowledge.

Some of these sources provide data on the same topic, but because of different methodologies, the resulting data differs. For example, the AFFH Segregation Report uses 2020 Decennial Census data, which reports slightly different estimates for the total population, number of households, number of housing units, etc. than ACS data. This is in part because the ACS provides estimates based on a small survey of the population taken over the course of the whole year. Because of the survey size, some information provided by the ACS is less robust. For this reason, readers should keep in mind the margin of error when drawing conclusions based on the ACS data used in this Appendix. The information is included because it provides an indication of possible trends. The analysis makes comparisons between data from the same source during the same time periods, using the ABAG Data Package as the first source since ABAG has provided data at different geographical levels for the required comparisons. As such, even though more recent ACS data may be available, 2014-2019 ACS reports are cited more frequently (and 2013-2017 for CHAS data).

HCD has developed statewide geospatial datasets for use in fair housing analysis and assessment that can be obtained online from HCD's AFFH Data and Mapping Resources Hub.<sup>1</sup> These HCD datasets, which are from various sources and time frames, provide information for addressing each of the components within the full scope of the fair housing assessment. The data sources and time frames used in the HCD geospatial data may differ from the ACS data presented in the ABAG Data Package and in the Needs Assessment. The City attempted to ensure comparisons between the same time frames wherever possible, but in some instances, comparisons have been made for different time frames (often different by one year). As explained earlier, the assessment is most useful in providing an indication of possible trends.

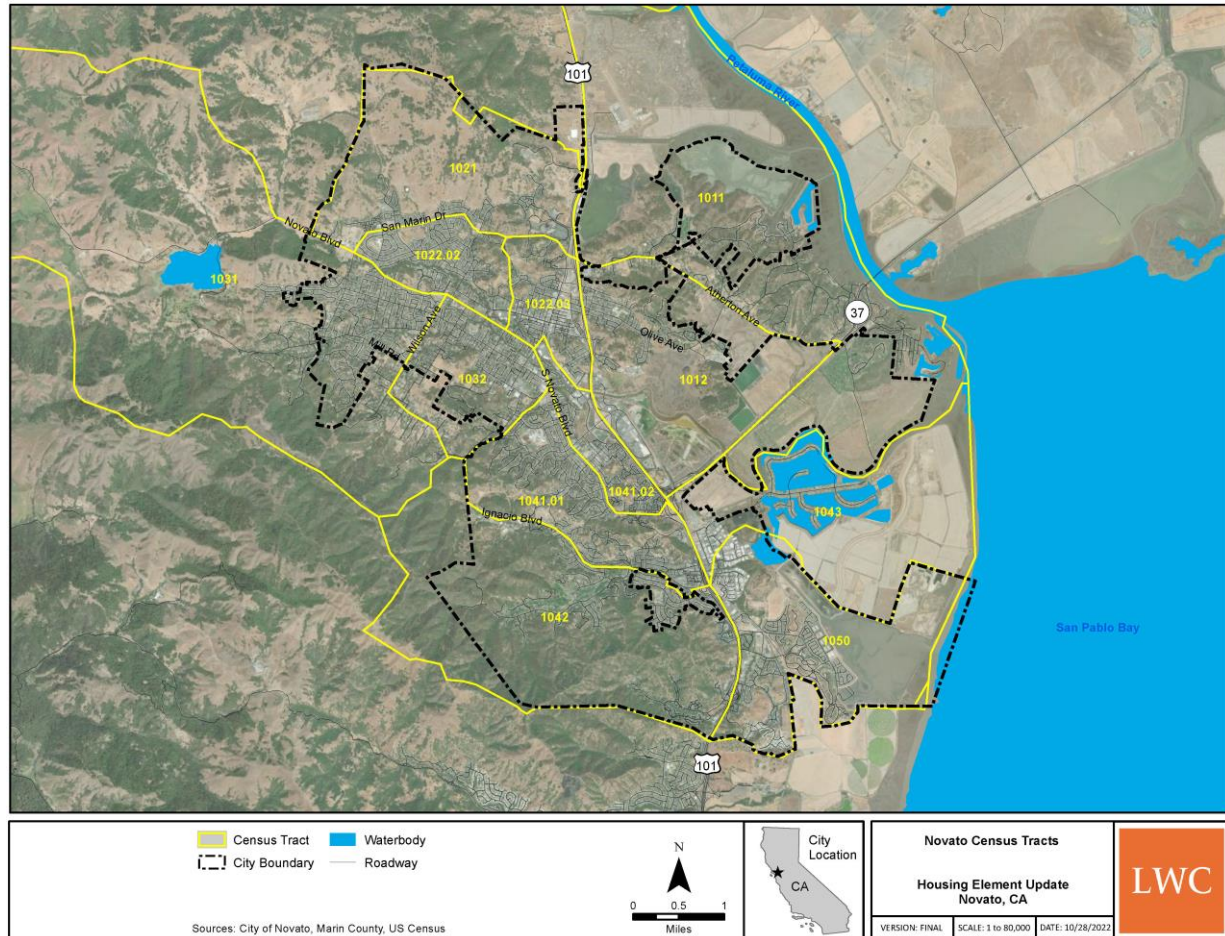
Lastly, in addition to using federal or state level data sources, local jurisdictions are also expected to use local data and knowledge to analyze local fair housing issues. Using point-in-time federal and State-level data sets alone to identify areas may misrepresent areas that are experiencing more current and rapid changes or may be primed to do so in the near future. For these reasons, an additional screen of local data and knowledge is necessary. Local data and knowledge from

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<sup>1</sup> California Department of Housing and Community Development, [AFFH Data and Mapping Resources](#).

stakeholders, community members, and City staff are interwoven within each section where available.

**Figure F-1: Novato Census Tracts**





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## Section F.2 Assessment of Fair Housing

### F.2.1 History of Fair Housing Issues

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Before the arrival of European settlers, Marin County, including the City of Novato, was the ancestral homeland of the Coast Miwok (Me-Wuk) people, today represented by the [Coast Miwok Tribal Council of Marin](#) and the [Federated Indians of Graton Rancheria](#). The village of Olompali is the most well-known site of the Coast Miwok people dating back to approximately 6,000 B.C.<sup>2</sup> The legacies of European colonization – including the Spanish missionary system, the California Gold Rush, foreign diseases, and United States federal- and State-imposed genocidal policies and practices – forcibly displaced the Coast Miwok people from their land. Despite the establishment of reservations by the federal government, there remains a population of Coast Miwok people living in the Marin County area, including in Novato.<sup>3</sup>

Sir Francis Drake of England is considered the first colonial settler to arrive in the Marin County area in 1579, followed by Spanish and Russian colonists between 1595 and 1808.<sup>4</sup> After Mexico won independence from the Spanish Empire in 1821, the Mexican government began to provide grants of confiscated Indigenous land to both native-born and naturalized Mexican citizens, establishing land use patterns still influential today. In 1839, a former Spanish army officer named Fernando Feliz was granted the 9,000-acre Rancho Novato.<sup>5</sup> Subsequently, between 1839 to 1844, four additional land grants were given, dividing much of Marin County and the land Novato occupies today.<sup>6</sup> Of the five land grants, only one was given to a Coast Miwok tribal member – Camilo Ynitia – whose land now hosts Olompali State Historic Park.<sup>7</sup> Displacement and violence would follow the Coast Miwok people through the 19<sup>th</sup> century, persisting through the Mexican-American War and after California declared statehood in 1850.

Several federal and state laws protect archaeological resources, including the American Indian Religious Freedom Act (federal), and the California Environmental Quality Act (CEQA). CEQA requires an assessment of impacts to archaeological resources, and resources of significance to Native American tribes. If a development project is found to potentially cause damage to an archaeological resource, reasonable efforts may be required to preserve the resource, leave it in an undisturbed state, or undertake additional mitigation measures if avoidance is not possible.

In addition to CEQA, several federal and state laws protect human remains, including the Native American Grave Protection and Repatriation Act (NAGPRA, 25 U.S.C. Section 3001, et. seq.,

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<sup>2</sup> City of Novato. General Plan (2020).

<sup>3</sup> Marin Miwok. “Who Are the Coast Miwok of Today?” (n.d.).

<sup>4</sup> Houston, Will. [“Marin historians, tribe members examine Drake history.”](#) Marin Independent Journal (August 20, 2022).

<sup>5</sup> Novato Historical Guild. “Timeline: Chronological History of Novato.” (n.d.).

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

and accompanying regulations codified as Title 43 of the Code of Federal Regulations, Part 10 and AB 978, the California Native American Graves Protection and Repatriation Act (CalNAGPRA) and subsequently adopted AB 2836 (Repatriation), and AB 275 (Native American cultural preservation). It is important that the City continues its ongoing consultations with FIGR on new development in Novato in order to preserve tribal resources.

As the following analysis illustrates, Native Americans are underrepresented in Novato homeownership. Currently, the City notifies the Tribe when new below market rate units come on the market in hopes of providing more ownership opportunities to families within their traditional territory.

The completion of the Northwestern Pacific Railroad in 1879 paved the way for the development of a business and distribution hub to serve nearby farms and industry.<sup>8</sup> In 1888, Francis de Long, a land grant beneficiary, subdivided his 6,000-acres along the railroad and Grant Avenue, enabling the construction of the hotels, restaurants, and residences that became Downtown Novato.<sup>9</sup> Growth continued through the early 20<sup>th</sup> century, but took a significant downturn during the Great Depression.

In 1932, Novato landowners and businessmen worked in partnership with the County to sell over 900-acres of land to the federal government and construct Hamilton Air Force Base.<sup>10</sup> This new economic lifeline stimulated the City's economy but brought with it a discriminatory legacy of housing policies and practices. As the United States entered World War II, the Marinship Corporation in Sausalito (approximately 20 miles south) employed up to 20,000 shipyard workers. Marin City was rapidly built in 1942 to house them. Many shipyard workers were African American labors who had migrated to the Bay Area from a racially charged Midwest and South.<sup>11</sup> By the 1960s, these Black laborers had become the core of Marin City's community, either by choice or because many Black families were restricted from living in or buying homes in the surrounding towns due to restrictive, racially-exclusionary covenants.<sup>12</sup>

The City of Novato was incorporated in 1960, and the proceeding decades brought significant residential growth to the City, especially with the construction of Highway 101 in 1974, bypassing the City center and redeveloping Redwood Boulevard. By 1980, the City's population had increased to 44,000, up from 17,900 in 1960. As housing prices in southern Marin County rose, Black shipyard workers and their descendants began moving to San Rafael and Novato.<sup>13</sup> From

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<sup>8</sup> City of Novato. General Plan (2020).

<sup>9</sup> Novato Historical Guild. ["Timeline: Chronological History of Novato."](#) (n.d.).

<sup>10</sup> Ibid.

<sup>11</sup> Crispell, Mitchell. "Marin City: Historic African American Enclave at Risk" University of California, Berkeley (June 2015).

<sup>12</sup> Crispell, Mitchell. "Marin City: Historic African American Enclave at Risk" University of California, Berkeley (June 2015).

<sup>13</sup> Ibid.



1980 to 1990, the population of Black residents in Novato increased from 1.8 percent to 2.7 percent.<sup>14</sup> In 2019, four percent of Novato residents identified as Black or African American, in comparison to two percent in Marin County and six percent in the Bay Area.<sup>15</sup> While the population of Black residents slightly increased in Novato during this time, the City is on par with Marin County and the Bay Area as a whole in contributing to patterns of racial segregation in the United States.<sup>16</sup>

In 2018, the Othering and Belonging Institute at UC Berkeley published a study examining countywide segregation patterns across the Bay Area. The report states, “the displacement of many people of color from these [Marin County] communities and the corresponding in-migration of white families over the last twenty years has diversified the municipal populations in these cities, but has not always resulted in more integrated neighborhoods.”<sup>17</sup> The study provided a series of maps emphasizing segregation in each Bay Area county to illustrate a “clear portrait of the reality and extent of the racial segregation in their communities.”<sup>18</sup> As the study reports, Marin County is “one of the most segregated counties in the Bay Area, especially for whites,” which they find also applies in and around Novato.<sup>19</sup> Figure F-2, taken from the Institute’s 2018 report, designates “Historic Novato” as a “high segregation area” and the planned, unincorporated community of Bel Marin Keys as “moderate segregation,” with over 85 percent of residents identifying as white.<sup>20</sup> This map contextualizes the segregation issues and lack of affordable housing opportunities facing Novato today.

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<sup>14</sup> U.S. Census Bureau, 1980 Data Profiles (1980). U.S. Census Bureau, 1990 Data Profiles (1990).

<sup>15</sup> U.S. Census Bureau, 2020 ACS 5-Year Estimates Data Profiles (2020).

<sup>16</sup> Gambhir, Samir & Menendian, Stephen. “Racial Segregation in the San Francisco Bay Area, Part 1.” The Othering and Belonging Institute of University of California, Berkeley (October 30, 2018).

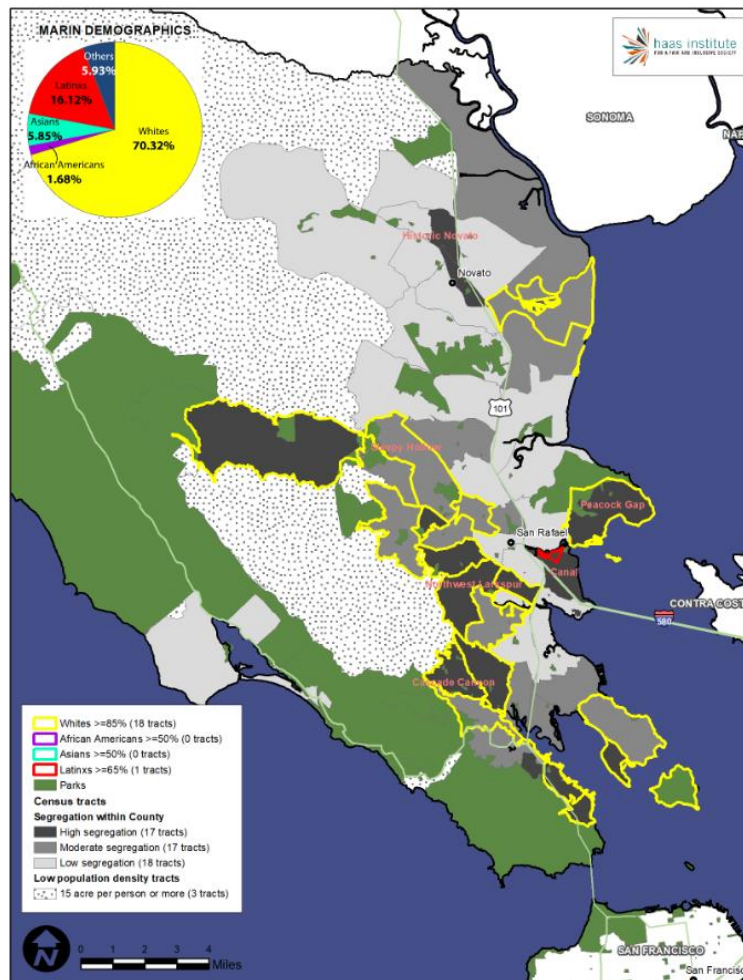
<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

Figure F-2: Segregation in Marin County



Source: Gambhir, Samir & Menendian, Stephen. "Racial Segregation in the San Francisco Bay Area, Part 1." *The Othering and Belonging Institute of University of California, Berkeley* (October 30, 2018).

As of 2019, Novato had a significantly higher percentage of white, non-Hispanic residents (63 percent) than the rest of the Bay Area (39 percent).<sup>21</sup> While Novato increased its population of people of color between 2000 and 2019 from 21 percent to 37 percent, it remains disproportionately white compared to the rest of the Bay Area (61 percent).<sup>22</sup> As of 2019, while white, non-Hispanic residents were 63 percent of Novato's population, and 88.4 percent of non-Hispanic and white residents were homeowners compared to 11.6 percent of non-white residents.<sup>23</sup> In the context of housing development by the type of unit, between 2010 to 2020 multifamily housing development experienced an increase of two to four units (1.7 percent) and

<sup>21</sup> U.S. Census Bureau, 2020 ACS 5-Year Estimates Data Profiles (2020).

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

five-plus units (3.3 percent). While this exceeded the development growth of single-family homes (1.4 percent), homeownership opportunities for non-white resident may continue to be a challenge in Novato.<sup>24</sup> Thus, Novato is part of the group of cities in Marin County providing opportunities to affirmatively forward fair housing.

## **F.2.2 Fair Housing Outreach and Enforcement**

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Fair housing complaints can be an indicator of housing discrimination in Novato. Fair housing issues can arise through discrimination against an individual based on disability, race, national origin, familial status, disability, religion, or sex when renting or selling a dwelling unit.

The U.S. Department of Housing and Urban Development's (HUD) Office of Fair Housing and Equal Opportunity (FHEO) is the federal agency responsible for eliminating housing discrimination, promoting economic opportunity, and achieving diverse, inclusive communities. FHEO services and activities include investigating fair housing complaints, conducting compliance reviews, ensuring civil rights in HUD programs, and managing fair housing grants.

The [Marin Housing Authority](#) provides fair housing services to incorporated areas of Marin County, offering information and workshops on tenants' rights, fair housing, and local tenant protections. Specifically, the Marin Housing Authority's Supportive Housing Department supports families and individuals to secure and maintain stable housing. The non-profit organization [Fair Housing Advocates of Northern California](#) (FHANC) provides fair housing services to residents of Marin County that include assisting individuals with housing discrimination complaints.

Discrimination complaints from both residents and prospective tenants can be filed through FHANC, which refers complaints to the Department of Housing and Urban Development (HUD), or the Department of Fair Employment and Housing (DFEH). From 2021 to 2022, there were 28 fair housing cases in Novato. These cases related to protected classes as follows: disability (23), familial status (4), race (3), source of income (3), national origin (2), age (1), and gender (1). Note, some households alleged discrimination on the basis of more than one protected class. As of Fall 2022, the disposition of the 28 cases are as follows: new (1), in-progress (4), waiting on client response (2), ready to close (6), and closed (15).<sup>25</sup>

Comments during the Housing Element Update process identified a need for providing more information about available services to residents, particularly reasonable accommodation. Program 6.A is included to promote awareness of available resources, information, and services related to fair housing and affordable housing generally.

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<sup>24</sup> Ibid.

<sup>25</sup> Noelle Ticman, Data Administrator, FHANC, October 2022.

The City does not have any pending lawsuits, enforcement actions, judgements, settlements, or findings related to fair housing and civil rights. The City does not currently have any local fair housing laws or programs to specifically address fair housing issues.

The City complies with State and federal housing laws as follows:

- **Fair Housing Act; Title VI of the Civil Rights Act of 1964** – the City complies by ensuring its actions related to housing are not discriminatory through City protocols, decision-making procedures, and adhering to non-discrimination requirements of federal funding programs.
- **Rehabilitation Act of 1973** – see Fair Housing Act; also, the City complies through its accessibility protocols, administered and enforced by the City's ADA/504 Coordinator and Building Official.
- **Americans with Disabilities Act** – the City complies with the ADA through building permit review and issuance and as described in Appendix C (Housing Constraints, Section C.2.2, Housing for Persons with Disabilities), as well as review by the City engineer during design and construction of improvements in the public right-of-way.
- **California Fair Employment and Housing Act (FEHA) and FEHA Regulations** – the City complies with FEHA and its regulations through established City protocols for hiring and decision making, mandatory trainings for City staff, and legal counsel and advisement.
- **Government Code Section 65008** – the City ensures that the City's actions are not discriminatory through training programs conducted by the City's Human Resources Department. Programs are included in this Housing Element to facilitate housing for all households, including protected classes (e.g., programs regarding residential care facilities, reasonable accommodation, and emergency shelters).
- **Government Code Section 8899.50** – Appendix F of this Housing Element documents compliance with AFFH requirements.
- **Government Code Section 11135 et. seq.** – the City complies with anti-discrimination requirements through the City's Human Resources programs and the City's procurement protocols.
- **Density Bonus Law (Government Code Section 65915)** – the City complies with State Density Bonus law by cross-referencing to Government Code Section 65915 et seq. as described in Appendix C (Housing Constraints).
- **Housing Accountability Act (Government Code Section 65589.5)** – the City has documented compliance with the HAA as described in Appendix C (Housing Constraints).
- **No-Net-Loss Law (Government Code Section 65863)** – the City has documented compliance with sufficient capacity for RHNA and will ensure compliance with no-net-loss via programs (Program 1.C).

- **Least Cost Zoning Law (Government Code Section 65913.1)** – the City includes programs in this Housing Element to ensure that sufficient land is zoned with appropriate standards to accommodate its RHNA.
- **Excessive subdivision standards (Government Code Section 65913.2)** – the City’s subdivision standards are typical or not excessive in compliance with the Government Code (see Appendix C, Section C.2.5).
- **Limits on growth control (Government Code Section 65302.8)** – the City has adopted an Urban Growth Boundary in compliance with State law (see Appendix C, Section C.2.2).
- **Housing Element Law (Government Code Section 65583)** – this Housing Element documents compliance with Housing Element Law.

### **F.2.3 Integration and Segregation**

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This section analyzes integration and segregation, including patterns and trends, related to people with protected characteristics.

#### **Segregation Report**

As part of a statewide effort, an AFFH Segregation Report for Novato was prepared by the University of California, Merced Urban Policy Lab in cooperation with ABAG/MTC. Novato’s Segregation Report reviews income and racial segregation and integration both between neighborhoods within Novato and across Bay Area jurisdictions.

#### **Race and Ethnicity**

The Dissimilarity Index (DI) is a tool that measures segregation across a defined geographic boundary. DI ranges from 0 to 100 where 0 is perfect integration and 100 is complete segregation. 0 to 39 is considered low segregation. Utilizing data from the 2020 Decennial Census, racial segregation *within* Novato’s neighborhoods compared to the Bay Area ranges from below average to above average depending on the racial groups being compared (ranging from 15.7 to 24.5). Segregation is lower compared to the Bay Area between white and Asian/Pacific Islander residents (15.7 vs. 18.5) and white and African American residents (23.6 vs. 24.4). However, segregation is more pronounced when compared to the Bay Area between white and Latino residents (24.5 vs. 20.7) and between white and people of color as a whole (19.7 vs. 16.8). Put another way, the DI indicates that 19.7 percent of all white residents in Novato would need to relocate within the City to be completely integrated with the community’s other racial groups.

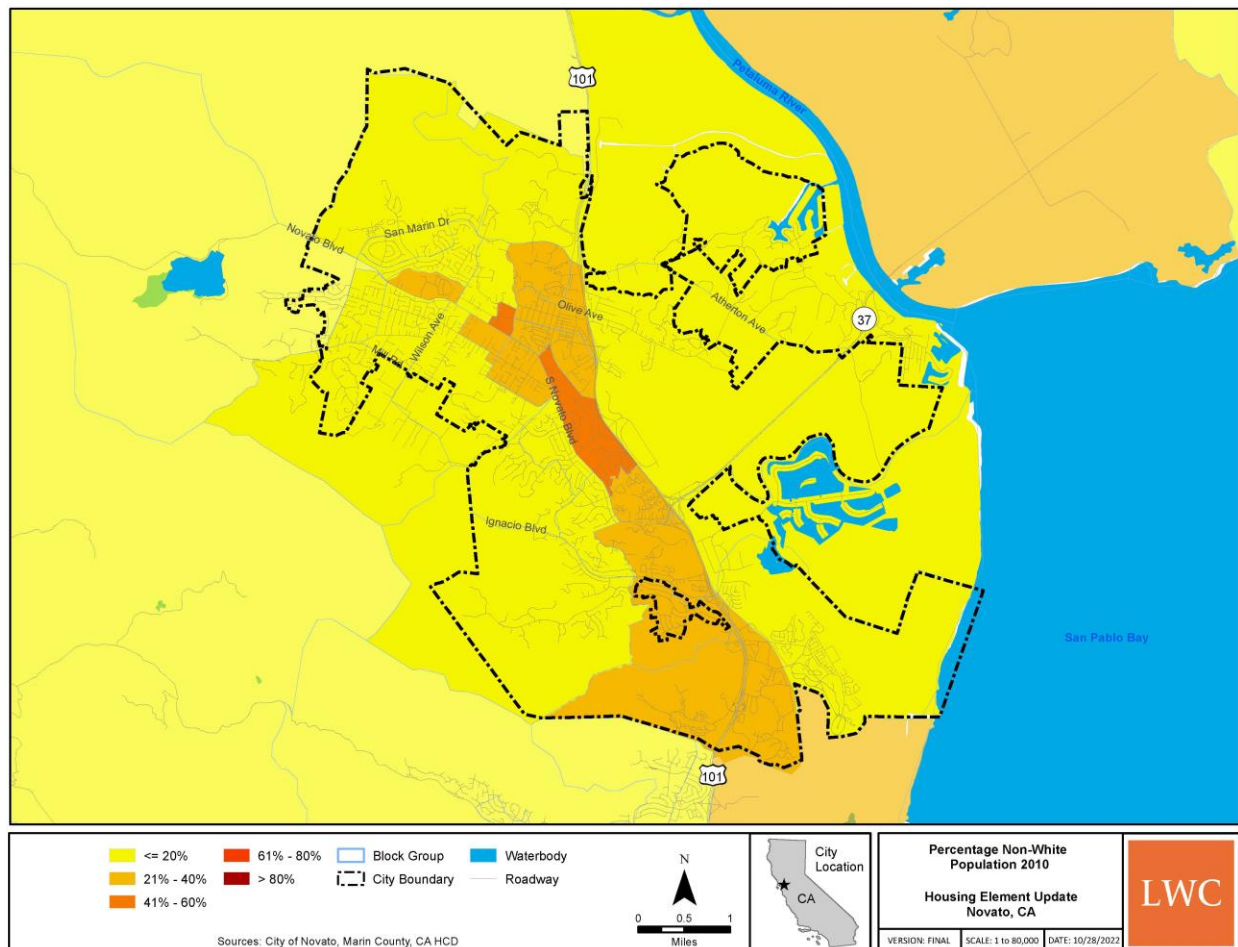
As detailed in Appendix A (Needs Assessment), according to 2019 ACS data, the percentage of residents in Novato identifying as white has decreased substantially in the past two decades, from 79 percent in 2000 to 63 percent in 2019. However, Novato’s population has increased both in absolute numbers and in racial diversity, such that the *absolute* number of white residents decreased more slightly (from 36,336 in 2000 to 35,312 in 2019). Though Novato had a lower proportion of white- residents than Marin County in 2019 (63 percent vs. 71 percent), this is a

significantly higher percentage than the Bay Area as a whole (39 percent). Additionally, the AFFH Segregation Report for Novato indicates that white residents are, overall, the most “isolated;” Novato’s isolation index of 60.3 for white residents means that the average white resident lives in a neighborhood that is 60.3% white. However, this value has changed the most over time, with white residents becoming less segregated from other racial groups between 2000 and 2020 (78.1 vs. 60.3).

In 2019, approximately 36 percent of Novato residents belonged to a non-white racial group, compared to 29 percent of the County and 62 percent of the Bay Area. The largest non-white group was Hispanic or Latino in both the City and County at 19 percent and 16 percent, respectively. Residents identifying as Asian/Pacific Islander accounted for eight percent of City residents and six percent of County residents and are the largest non-white racial group in the Bay Area at 27 percent.

Figure F-3 provides historical non-white population percentages by Census block group based on 2010 ACS data. At that time, two non-contiguous block groups had the highest proportion of non-white residents in the 41 to 60 percent range. Block groups in Downtown, adjacent to Highway 101, and one western block group also had a higher proportion of non-white residents in the 21 to 40 percent range. Many of the City’s other block groups, covering much of its geographic area, had non-white populations under 20 percent.

**Figure F-3: Non-White Population by Block Group (2010)**



As shown in Figure F-4, many block groups saw an increase in the proportion of non-white residents between 2010 and 2018. During this time period, Downtown Novato’s residential areas had become the block group with the highest proportion of non-white residents in the 61 to 80 percent range. In 2018, nearly all block groups adjacent to Highway 101 had non-white populations in the 41 to 60 percent range, an increase from the 21 to 40 percent range for most of these block groups in 2010. Additionally, in 2018, block groups accounting for much of the City’s remaining geographic area had entered the 21 to 40 percent range compared to 2010 where most of the other block groups had 20 percent or less of non-white residents. Only a handful of block groups on the City’s edges, mainly hillside and bayside residential areas, had non-white populations below 20 percent in 2018 compared to 2010 where most of Novato had block groups with non-white populations below 20 percent.

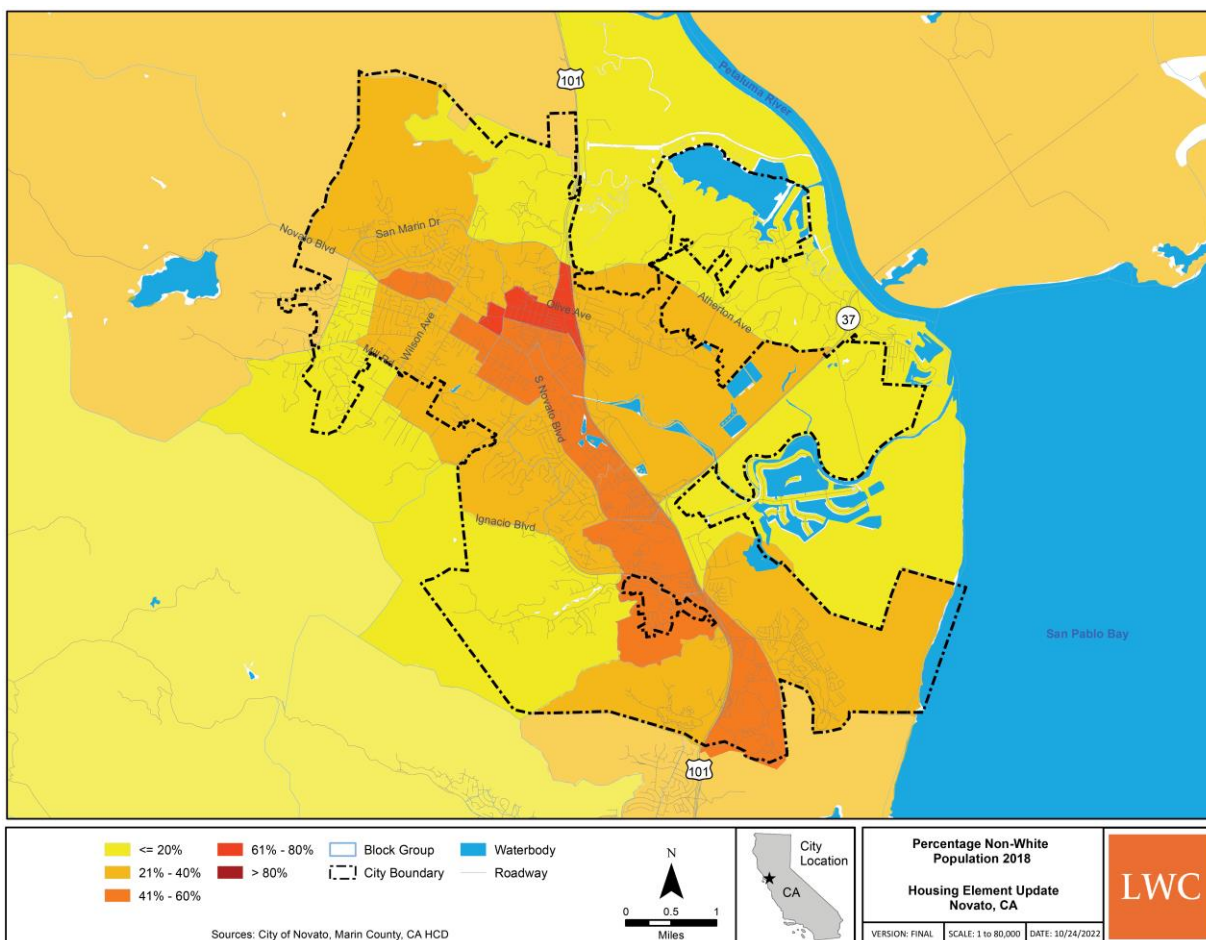
### **Patterns and Trends – Race and Ethnicity**

Throughout Novato, the resident population has increased in racial and ethnic diversity between 2010 and 2018, primarily in the block groups in the Downtown area and adjacent to Highway 101. However, this population change also saw the City’s non-white population increasingly



concentrated in these two areas. The City's most racially and ethnically diverse block groups coincide with the City's lowest-income neighborhoods (Figure F-12). These concentrated areas of lower-income residents result in most of the area outside of Downtown and the Highway 101 corridor being considered Racially Concentrated Areas of Affluence (RCAAs) (Figure F-15). This indicates while Novato has seen racial and ethnic diversity increase in the City in the previous decade, there remains to be a concentration of non-white residents in the Downtown area and Highway 101 corridor, with non-white residents concentrated in some neighborhoods experiencing higher rates of poverty and segregation as identified by HUD as a RCAA. This is discussed further in Section F.2.4 below.

**Figure F-4: Non-White Population by Block Group (2018)**



## Persons with Disabilities

People are considered to have a disability if they have one or more of the following: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory

impairments, many people with disabilities live on fixed incomes and require specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers.

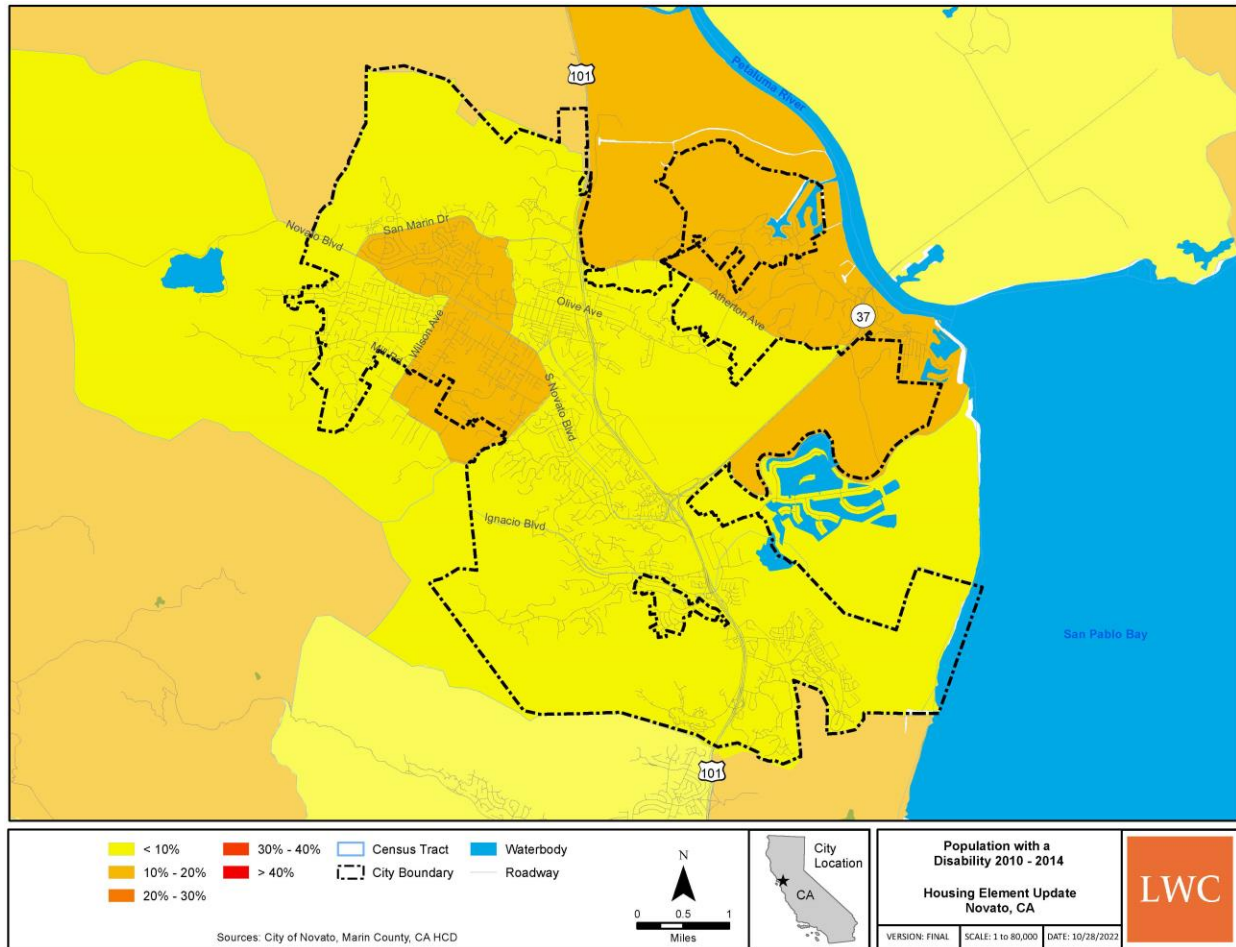
Figures F-5 and F-6 present the 2014 and 2019 ACS data, respectively, for the percentage of Novato's population with a disability. Overall, approximately 10 percent of Novato residents had a disability in 2019, compared to nine percent Countywide and 10 percent in the Bay Area (Table F-1). In 2014, two western tracts and one eastern tract had the highest proportion of residents with disabilities, making up 10 to 20 percent of the population. Tracts in the rest of the City had lower rates at less than 10 percent. By 2019, five contiguous tracts in the central and eastern core of the City had the highest proportion of residents with disabilities in the 10 to 20 percent range.

**Table F-1: Population with a Disability (2019)**

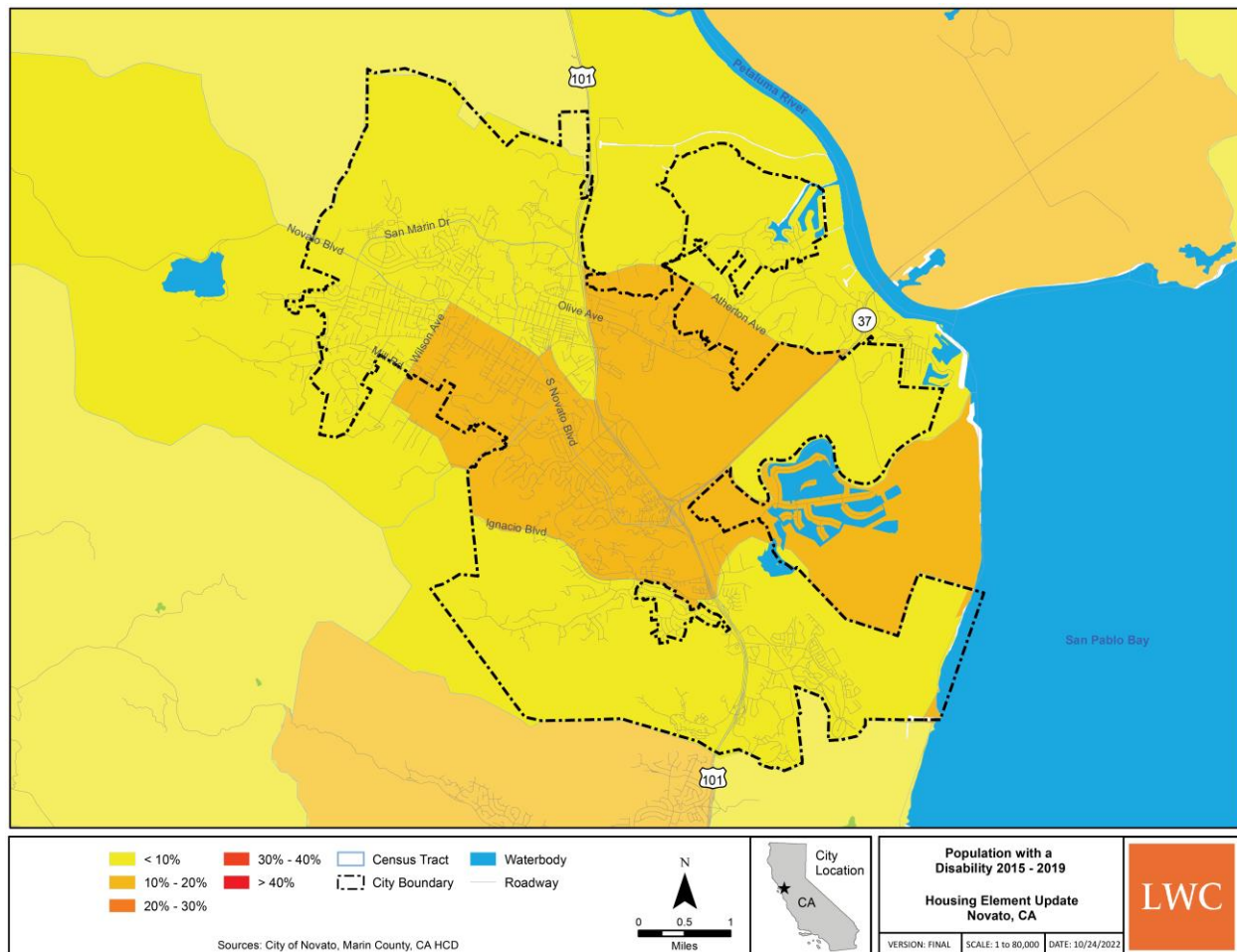
	Novato	Marin County	Bay Area
<b>Number of Individuals</b>	5,532	23,346	735,533
<b>Percent of Population</b>	10%	9%	10%

*Source: ACS 2019 5-Year Estimates, Table S1810*

**Figure F-5: Population with a Disability by Tract (2014)**



**Figure F-6: Population with a Disability by Tract (2019)**



In Novato, there are differences in disability status by race and ethnicity (Table F-2). White, Native American, and individuals of two or more races are more likely to have disabilities than those of other ethnicities. It is likely that disparities in median age (which is highly correlated with disability status) explains much of the disparity, but it is unclear why the population of individuals of two or more races (with a median age of 24.1) has such a high incidence of disability at nine percent.

### **Patterns and Trends – Persons with Disabilities**

The observed increase in the proportion of Novato's population with a disability between 2014 and 2019 is likely (though not definitively) due to aging. As shown in Appendix A, Section A.2.2 (Age), Novato's median age has increased significantly in the past two decades, reaching 47 years as of 2019. Older adults are generally more likely to be recorded as living with some type of disability, thus the need for additional senior housing as the City ages.

There has also been a notable geographic shift from 2014 to 2019 in Census tracts where the proportion of the population with a disability reaches the 10 to 20 percent level. In 2014 these tracts were predominantly in single-family neighborhoods in the City's northwest and northeast. By 2019, these tracts were recorded more towards the City's center. This may be due in part to

the construction and opening of additional senior housing, assisted living communities, etc. This trend is generally positive, as these more central tracts are closer to essential services which support independent living and prompt medical care. Table F-2 below shows the incidence of disability by race and ethnicity.

**Table F-2: Disability Status by Race and Ethnicity (2019)**

Race or Ethnicity	Total Population	Median Age	Number with a Disability	% with a Disability
White Alone, Not Hispanic or Latino	35,139	51.5	4,312	12%
Black or African American Alone	2,066	39.1	152	7%
American Indian and Alaska Native	82	42.5	9	11%
Asian Alone	4,288	45.6	127	3%
Native Hawaiian and Other Pacific Islander	62	27.2	0	0%
Some Other Race	5,987	27.7	311	5%
Two or More Races	2,966	24.1	277	9%
Hispanic or Latino (of any race)	10,522	31.3	740	7%

*Source: ACS 2019 5-Year Estimates, Tables B18101 and B01002*

Input during the Housing Element process included that housing stock should accommodate the aging population and prioritize people with disabilities, as well as young families and low-income households.

## Familial Status

Familial status protection covers households in which one or more minor children live with: a parent, a person who has legal custody (including guardianship) of a minor child or children, or the designee of a parent or legal custodian, with the written permission of the parent or legal custodian. Examples of familial status discrimination include refusal to rent to families with children, eviction of families once a child joins, and confinement of families to specific floors of a building.

According to 2019 ACS data, 27.5 percent of all households in Novato have one or more children under the age of 18 present, a slightly lower proportion than 28.6 percent in the County and 32 percent in the Bay Area (Table F-3). Figure F-7 shows the percentage of children living in married couple households in 2019 by Census tract. The percentage of children living in married couple households is uniformly high across the City's peripheral Census tracts, exceeding 80 percent with the exception of two southern tracts in the 40 to 60 percent range. In the City's center, three tracts show children living in married couple households in the 60 to 80 percent range. Looking back at 2010 ACS data in Novato, the percentage of households with children present has



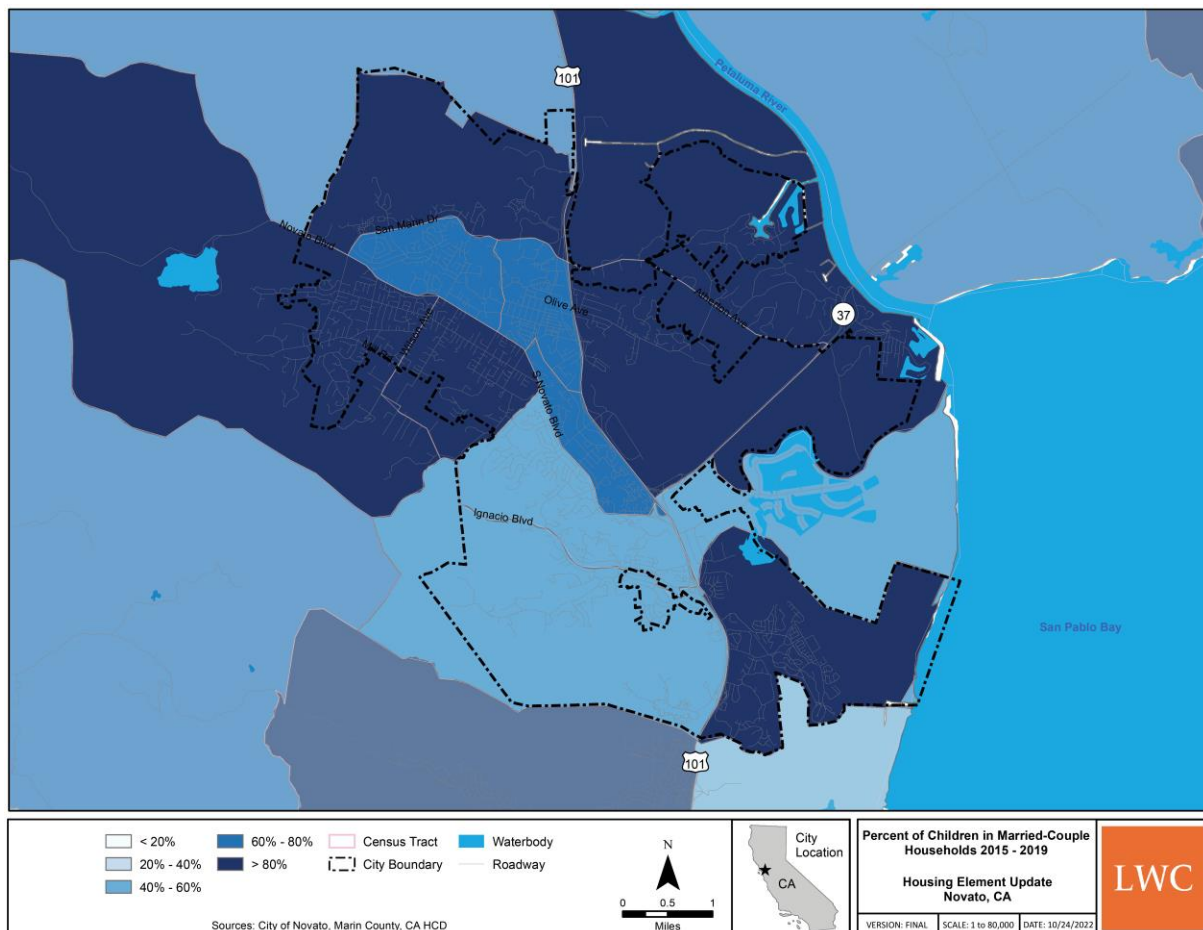
decreased slightly from 31 percent.<sup>26</sup> Comments received during the Housing Element process identified the availability of housing for young families as an important issue.

**Table F-3: Households with Children Under the Age of 18 Present (2019)**

	Novato	Marin County	Bay Area
<b>Number of Households</b>	6,147	30,171	873,704
<b>Percent of Population</b>	27.5%	28.6%	32%

Source: ACS 2019 5-Year Estimates, Table S1810

**Figure F-7: Children in Married-Couple Households by Tract (2019)**

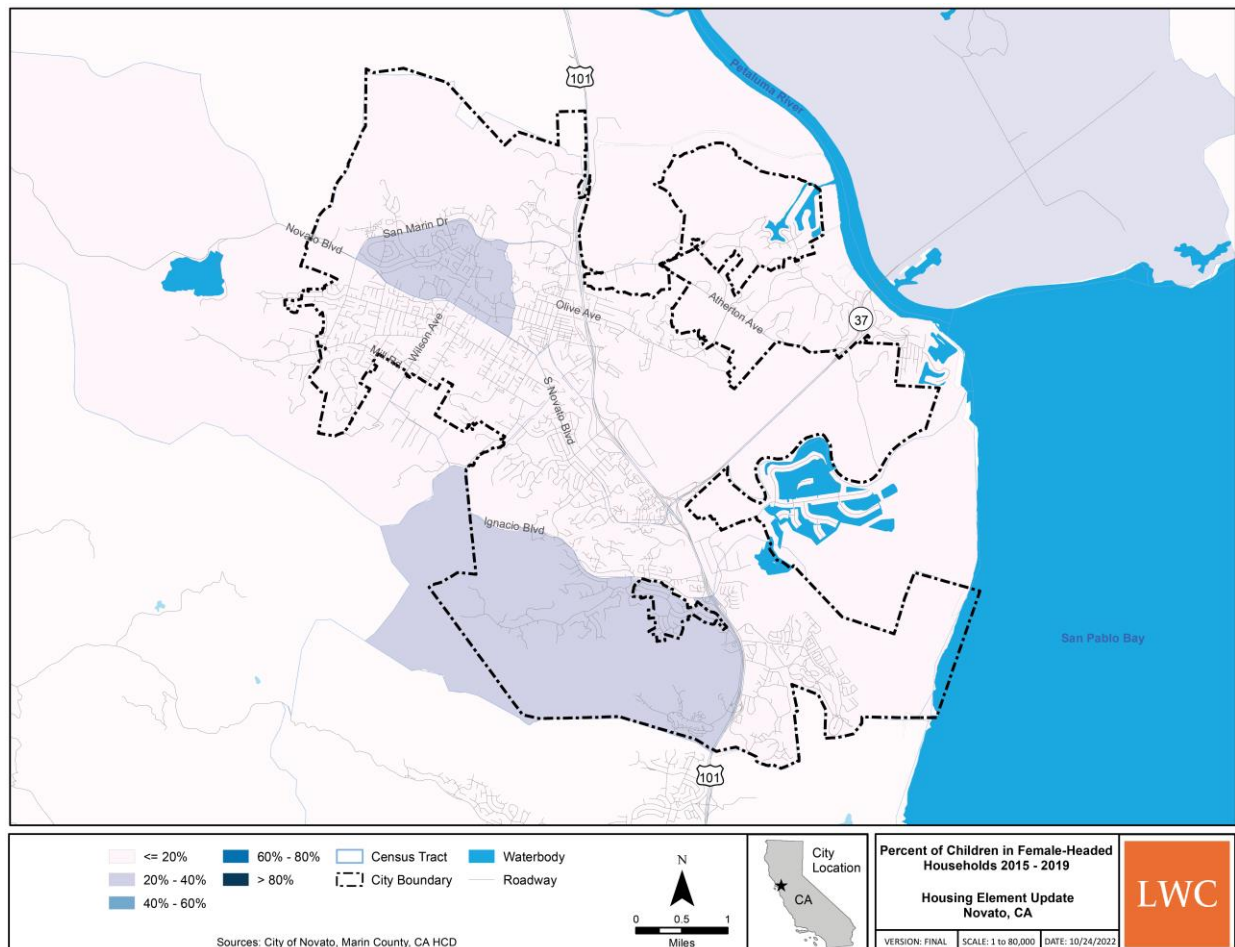


Single-parent households are also a fair housing protected class. Female-headed households in particular are more likely to experience greater housing affordability challenges due to typically lower household incomes compared to two-parent households. According to 2019 ACS data,

<sup>26</sup> ACS 2010 5-Year Estimates, Table DP02.

there are 1,788 female-headed family households in Novato, 906 of which have children present, meaning 14.7 percent of households with children present are those of single mothers. Of the 906 female-headed households with children present, 221 (or 3.6 percent of all households with children present) are below the poverty level. As shown in Figure F-8, children in female-headed households make up 20 to 40 percent of all children in two Novato tracts. Looking back to 2010 ACS data, the number of female-headed households with children present below the poverty level has decreased from 350 (or 5.4 percent of all households with children present).<sup>27</sup>

**Figure F-8: Children in Female-Headed Households by Tract (2019)**



## Patterns and Trends – Familial Status

No clear patterns and trends of disproportionate incomes or housing conditions were identified in Novato or in the surrounding area in relation to other analyses in this Appendix.

<sup>27</sup> ACS 2010 5-Year Estimates, Table B17012.

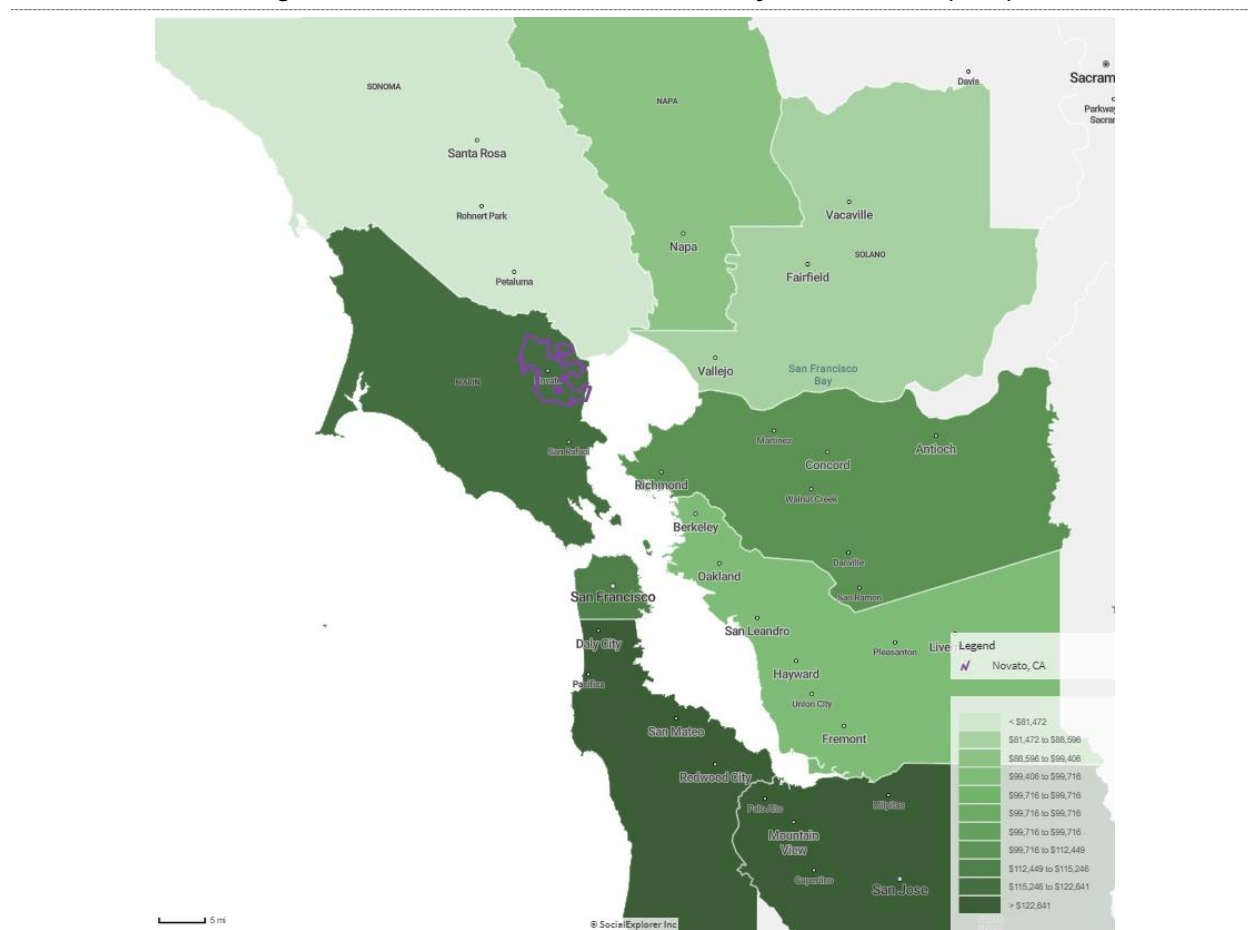


## Income

Despite the economic and job growth experienced throughout the region since 1990, California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State. The geography of income inequality in the Bay Area is nuanced and is best discussed at multiple geographic scales.

Due in large part to the relationship between race, wealth, and land use policy described above in Section F.2.1, Marin County has historically been wealthier and less racially diverse compared to the Bay Area as a whole. Figure F-9 displays the estimated median household income of Bay Area counties in 2019, with Novato outlined in purple. Though slightly less wealthy, on average, than the tech hubs of San Mateo and Santa Clara counties, Marin County is still defined by historical patterns of suburban development, exclusionary zoning, and the physical constraints of its geography.

**Figure F-9: Median Household Income of Bay Area Counties (2019)**



Source: Social Explorer; U.S. Census Bureau, 2019 ACS 5-Year Estimates, Table 14006

The City of Novato is distinct when compared to the Bay Area as a whole and in the context of its County – more affluent than the communities east across the Bay, but less than communities in southern Marin. In 2019, the median household income in Novato was estimated at \$101,342, 12.1 percent lower than the County’s median income of \$115,246 and 32.8 percent higher than the Bay Area’s median income of \$72,766 (Table F-4). The mean income in Novato was \$133,368, 24.3 percent lower than the County’s mean income of \$176,109.

**Table F-4: Median Household Income (2019)**

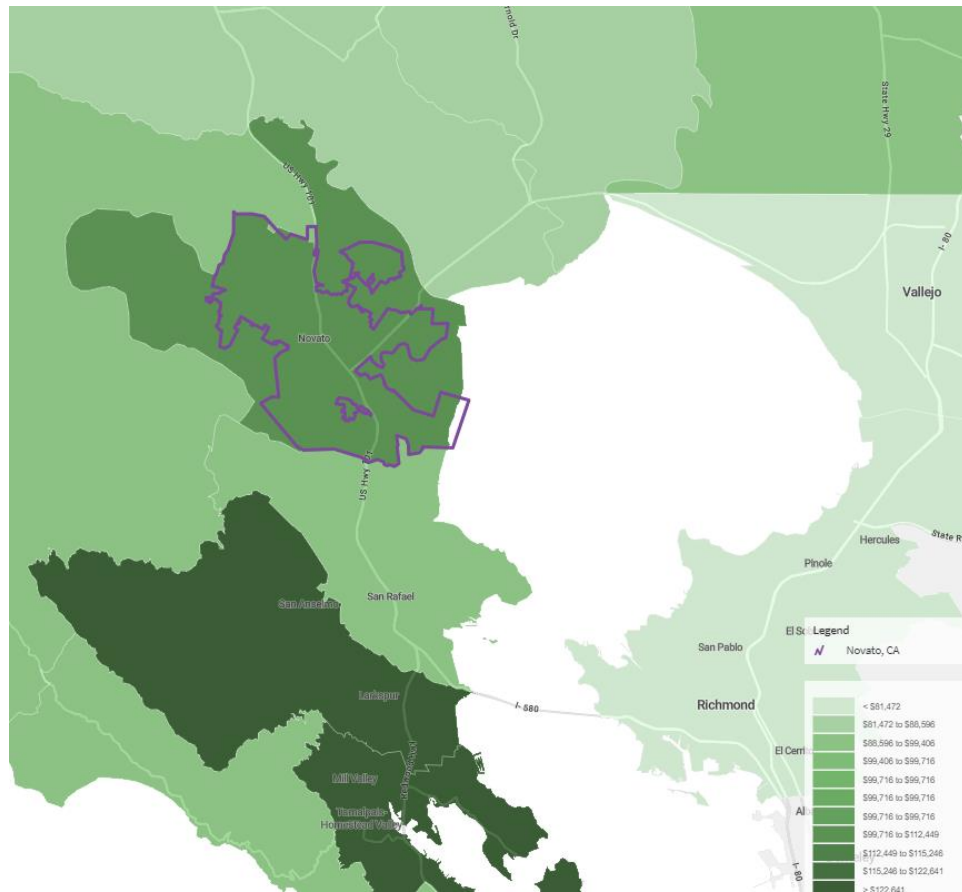
	Novato	Marin County	Bay Area
<b>Median Income</b>	\$101,342	\$115,246	\$72,766
<b>Mean Income</b>	\$133,368	\$176,109	–

*Source: ACS 2019 5-Year Estimates, Table S1901; [Bay Area Equity Atlas](#)*

Figure F-10 displays the estimated median household income of county subdivisions surrounding Novato, with the City outlined in purple and within the polygon representing the Novato Census County Division (CCD). Due to Novato’s affluence relative to the Bay Area and Marin County, various programs encourage housing mobility and promote new affordable housing opportunities. These include:

- Program 1.A: Rezone for RHNA Shortfall;
- Program 1.B: Streamline the production of Accessory Dwelling Units (ADUs).
- Program 2.G: Amend and monitor Inclusionary Housing Ordinance.
- Program 6.E: Housing mobility.

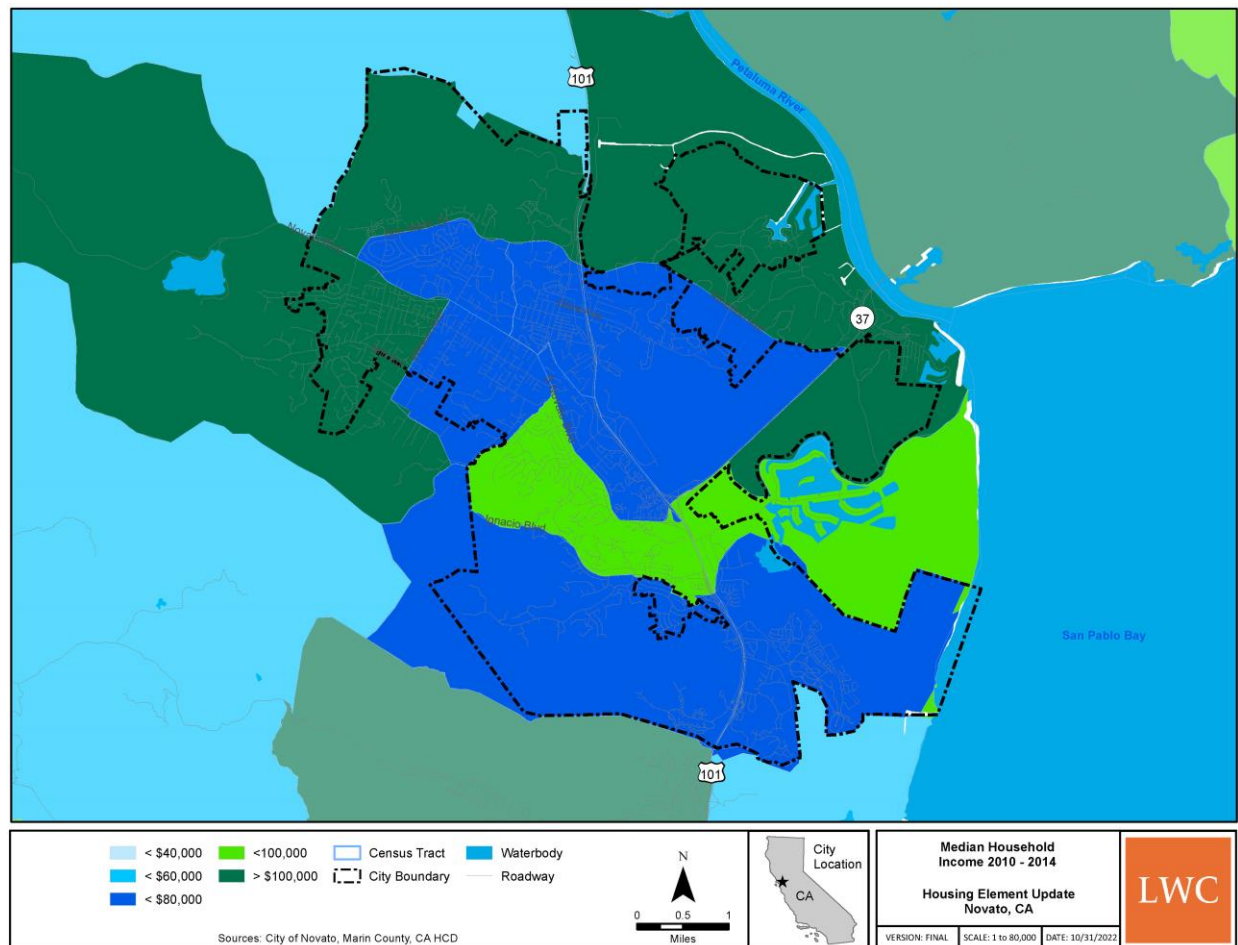
**Figure F-10: Median Household Income County Subdivisions, North Bay Region (2019)**



Source: Social Explorer; U.S. Census Bureau, 2019 ACS 5-Year Estimates, Table 14006

Figure F-11 displays the distribution of median household income by Census tract in Novato in 2014, the earliest year provided as part of HCD's Geospatial Data. Households earning over \$100,000 per year were concentrated in the City's northern periphery, with all other tracts predominantly populated by households earning between \$60,000 to \$100,000 per year.

**Figure F-11: Median Household Income by Tract (2014)**



The 2019 ACS recorded median household income differently, reporting figures by block group and slightly different income categories, as shown in Figure F-12. This smaller geographic scale also allows for more exact identification of higher- and lower-income neighborhoods. Higher-income households earning over \$125,000 per year continued to be concentrated in the City's northern neighborhoods, as well as two eastern bayside Census tracts (one encompassing unincorporated Bel Marin Keys, the other containing the redeveloped Hamilton Air Force Base) and one containing parts of unincorporated Ignacio. All other tracts were populated predominantly by households earning incomes between \$55,000 to \$125,000 per year, with lower-income households concentrated near Downtown and along the southern extent of the Highway 101 corridor.

Figure F-12: Median Household Income by Block Group (2019)

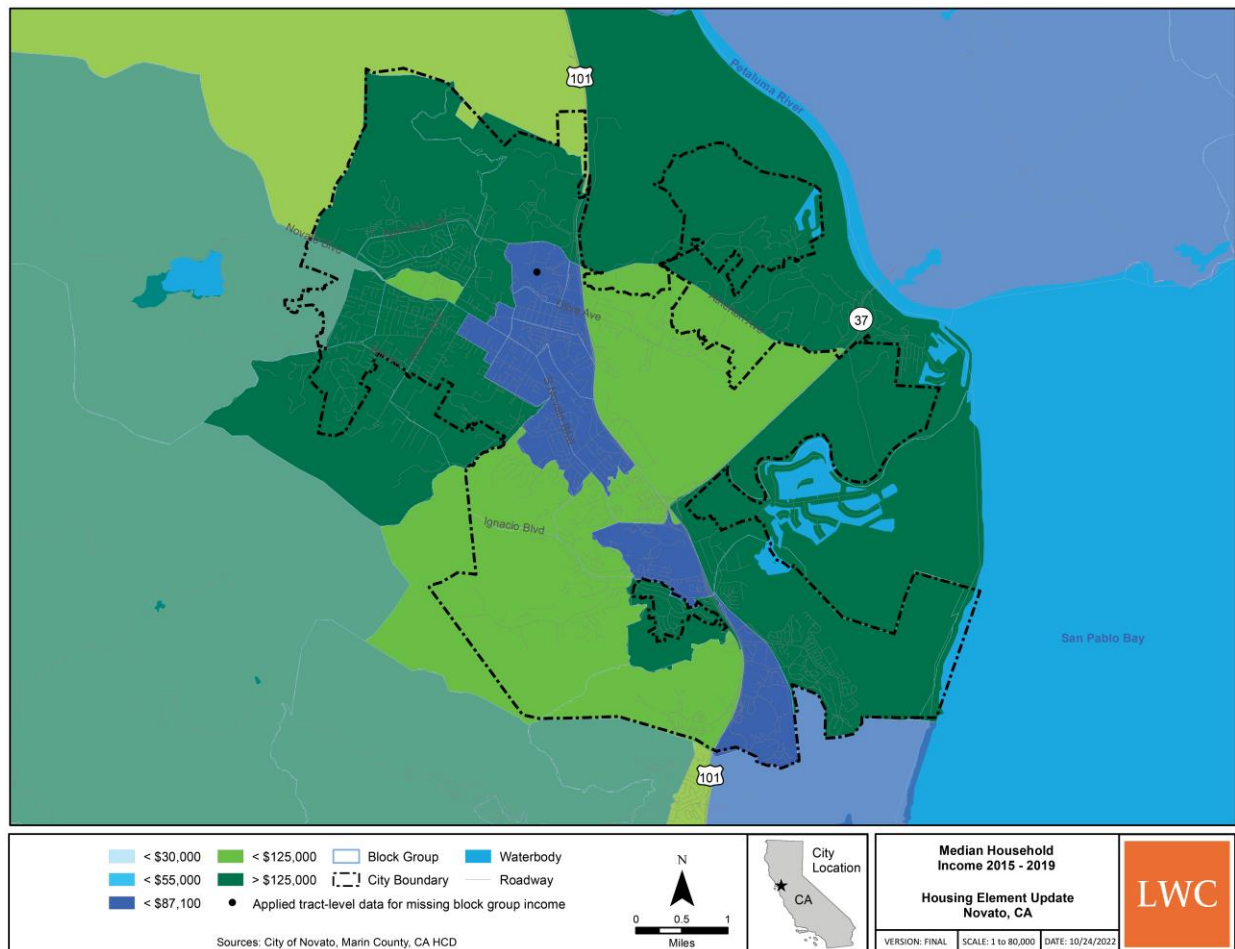
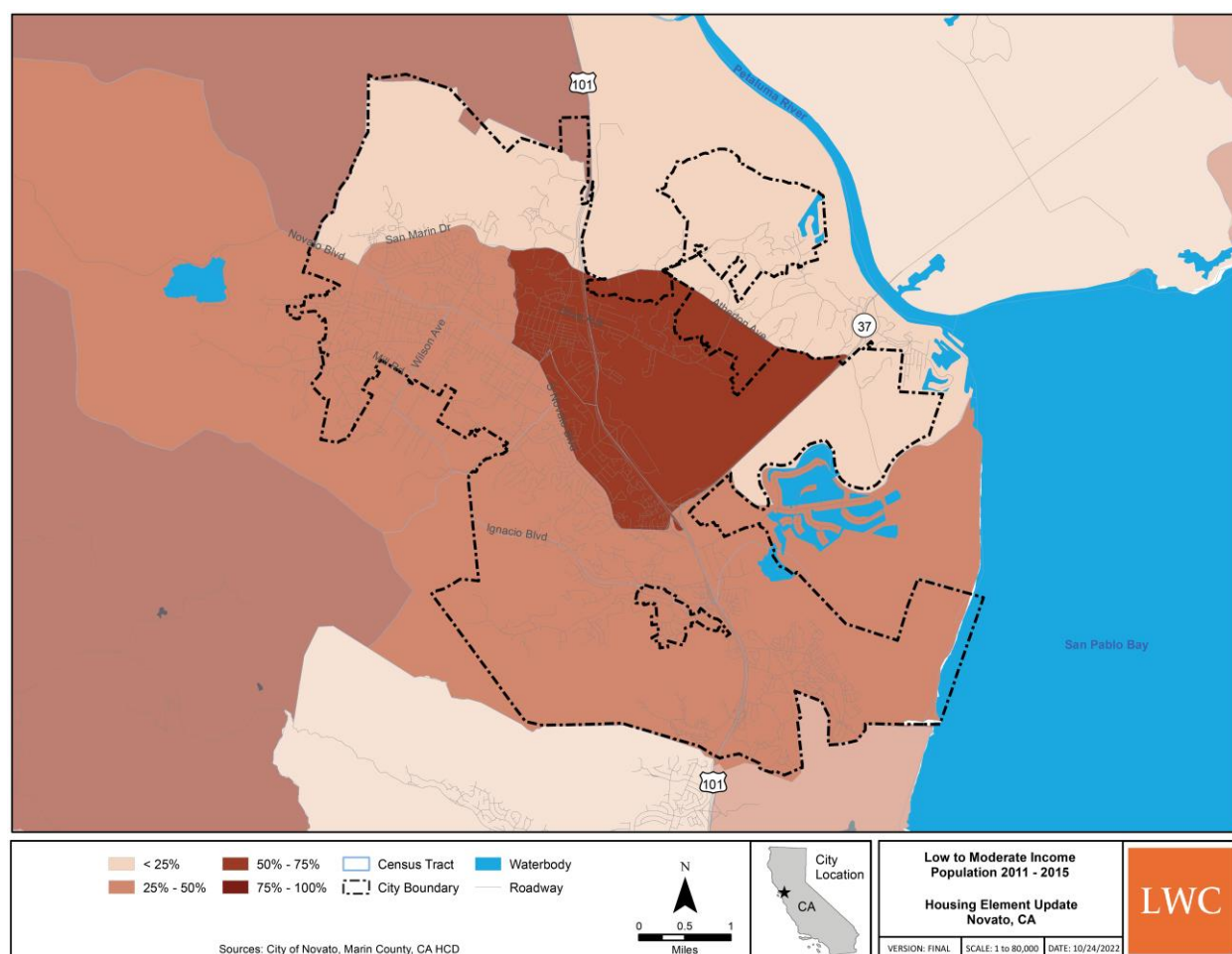


Figure F-13 presents the distribution of low- to moderate-income (LMI) households in the City in 2015, the earliest year provided as part of HCD's Geospatial Data. The LMI income designation is designed for the purposes of distributing Community Development Block Grant (CDBG) funding, which requires that the activities it funds principally benefit households making below 120 percent of area median income (AMI). In Novato, LMI households are distributed in a regular pattern across the City, with the lowest concentration in the northern periphery, the highest (50 to 75 percent) in central tracts (including Downtown), and moderate concentrations (25 to 50 percent) in all remaining tracts.

**Figure F-13: Low- to Moderate-Income (LMI) Population by Tract (2015)**



Income can also be disaggregated by race and ethnicity to further understand local patterns of segregation and integration. Table F-5 presents household income distribution by race (using 2013-2017 CHAS data) and poverty levels by race (using 2014-2019 ACS data). The former indicates that an estimated 15.2 percent of Novato housing units contain households which make zero to 30 percent of AMI. Within this income bracket, 70 percent of housing units were home to white residents alone. However, as shown in 2019 ACS data, Black, Asian, and individuals from other or multiple races experience poverty at higher rates than their portion of the City's total population and are concentrated in the Downtown area and along Highway 101 on the western and eastern Census tracts.

Though comparisons between these measurements are imperfect due to differences between the datasets (year, population) and regional AMI vs. federal poverty level, their results broadly concur. For example, per 2017 CHAS data, 13.2 percent of Hispanic or Latino households (675 housing units) are estimated to be in the zero to 30 percent AMI bracket. Per 2019 ACS data, Novato's Latino population had an 11 percent poverty rate. In both cases, Hispanic or Latino residents experienced low-income/poverty status at lower rates relative to their share of the population (18.9



percent). For further analysis, see Appendix A, Section A.3.4 (Residents Living Below the Poverty Level).

**Table F-5: Household Income and Poverty Rate by Race/Ethnicity**

Racial/ Ethnic Group	Housing Units by % AMI (2017)					Poverty Rate (2019)	% Total Population (2019)
	0-30%	31-50%	51-80%	81-100%	> 100%		
Below Poverty Level Estimate						6.4%	
White alone	2,330	2,160	2,645	1,590	7,685	4.6%	63.5%
Black or African American alone	95	99	40	65	90	13.5%	3.4%
American Indian and Alaska Native alone	0	15	0	20	40	8.6%	0.2%
Asian alone	160	135	335	105	680	12.6%	7.8%
Other race or multiple races	65	100	85	30	164	11.9%	6.2%
Hispanic or Latino origin (of any race)	675	845	485	310	770	11.0%	18.9%
Total	3,325	3,354	3,590	2,120	9,429		

Source: HUD CHAS ACS Tabulation (2017); ACS 2019 5-Year Estimates, Table B17001 (A-I)

## Patterns and Trends – Income

Between 2014 to 2019, Novato’s median household income increased, significantly increased, or remained consistent in nearly all Census tracts. While part of this reason may be attributed to the transition from ACS data being reported at the block group level rather than the Census tract level, a trend towards higher incomes persisted between 2014 and 2019 (Figures F-11 and F-12). However, in Downtown Novato and along the northern and southern block groups adjacent to the western section of Highway 101, median household income remained nearly the same during this time period. Furthermore, the Downtown Novato and northern Census tracts adjacent to Highway 101 held the highest percentage of low- to moderate-income residents in 2015 (Figure F-13). These figures indicate that while Novato experienced increased incomes in nearly all Census tracts between 2014 to 2019, this increase was not distributed across the entire City. Instead, Downtown Novato and the northern and southern block groups adjacent to Highway 101 saw stagnant changes in income. These block groups are also home to larger percentages of non-white residents. Thus, on the whole, the increase in median household income disproportionately benefited white households in Novato.

## Segregation Report

The AFFH Segregation Report for Novato has been prepared by the University of California Merced Urban Policy Lab in cooperation with ABAG and MTC. The key findings from the report include observations that white residents are the most segregated compared to other racial groups, but that they have become less segregated from 2000 to 2020. According to one measurement, neighborhood racial segregation increased overall from 2010 to 2020. In terms of



economic segregation, very low-income households are the most segregated compared to other income groups, and they became more segregated between 2010 to 2015. According to one measurement, income segregation between lower-income households and other residents was lower than average value for Bay Area jurisdictions. These findings are consistent with figures provided in this section.

#### **F.2.4 Racially or Ethnically Concentrated Areas of Poverty**

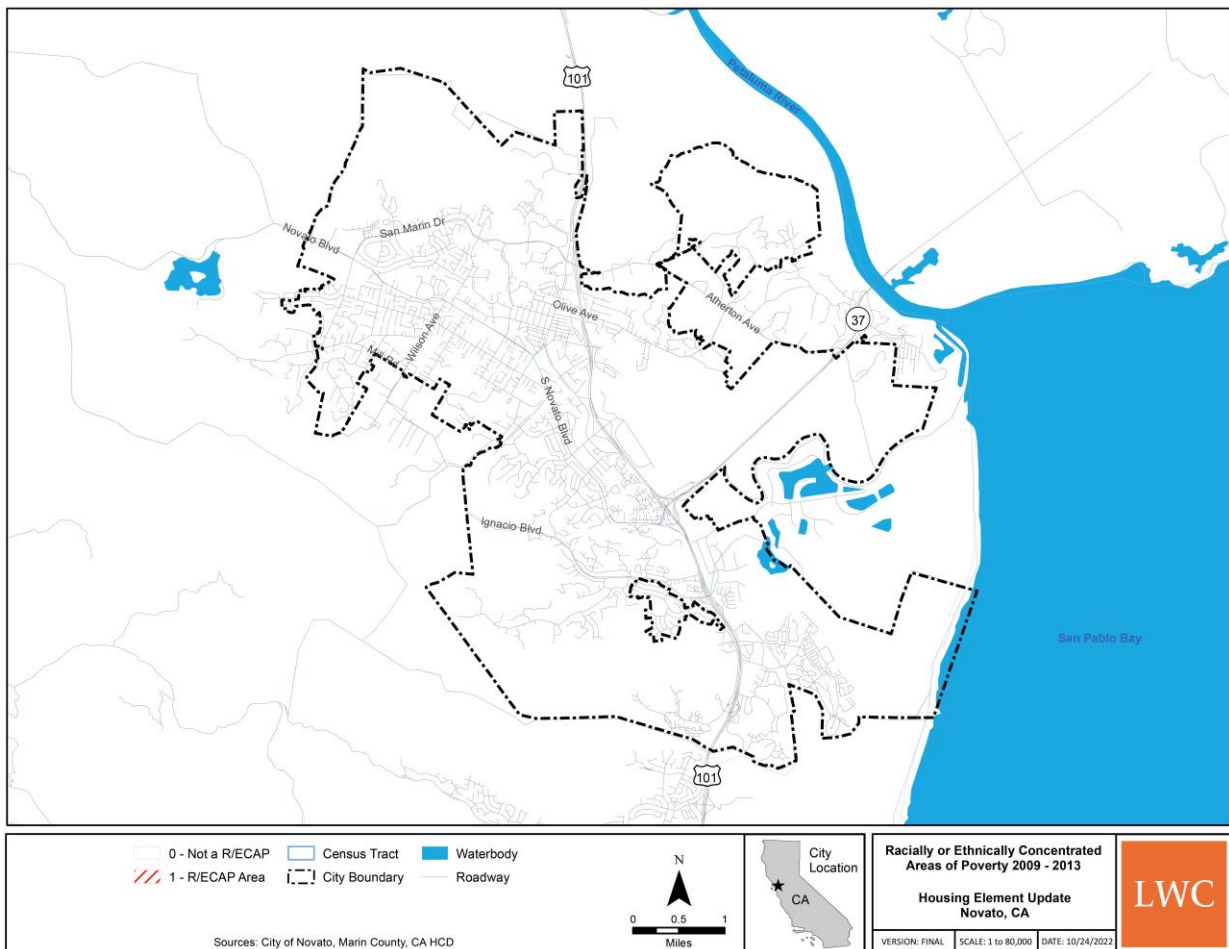
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##### **Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs)**

Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) are areas that exhibit both high racial/ethnic concentrations and high poverty rates. HUD defines R/ECAPs as Census tracts with a majority non-white population (50 percent or more) and a poverty rate that exceeds 40 percent or is three times the average poverty rate for the county, whichever is lower.

R/ECAPs may indicate the presence of disadvantaged households facing housing insecurity and need. They identify areas whose residents may have faced historical discrimination and who continue to experience economic hardship, furthering entrenched inequities in these communities. As shown in Figure F-14, no R/ECAPs have been identified in Novato or in the surrounding area.

**Figure F-14: Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) (2013)**



### Patterns and Trends – R/ECAPS

As indicated above, no patterns and trends related to R/ECAPS are identified in Novato or in the surrounding area.

### Racially or Ethnically Concentrated Areas of Affluence (RCAs)

Racially or Ethnically Concentrated Areas of Affluence (RCAs) are neighborhoods in which there are both high concentrations of non-Hispanic white households and high household income rates. Based on research from the University of Minnesota Humphrey School of Public Affairs, RCAs are defined as Census tracts where 80 percent or more of the population is white, and the median household income is \$125,000 or greater (which is slightly more than double the national median household income in 2016). However, HCD adjusted the RCA methodology to track more closely with California's higher levels of diversity by setting the white population threshold to 50 percent.

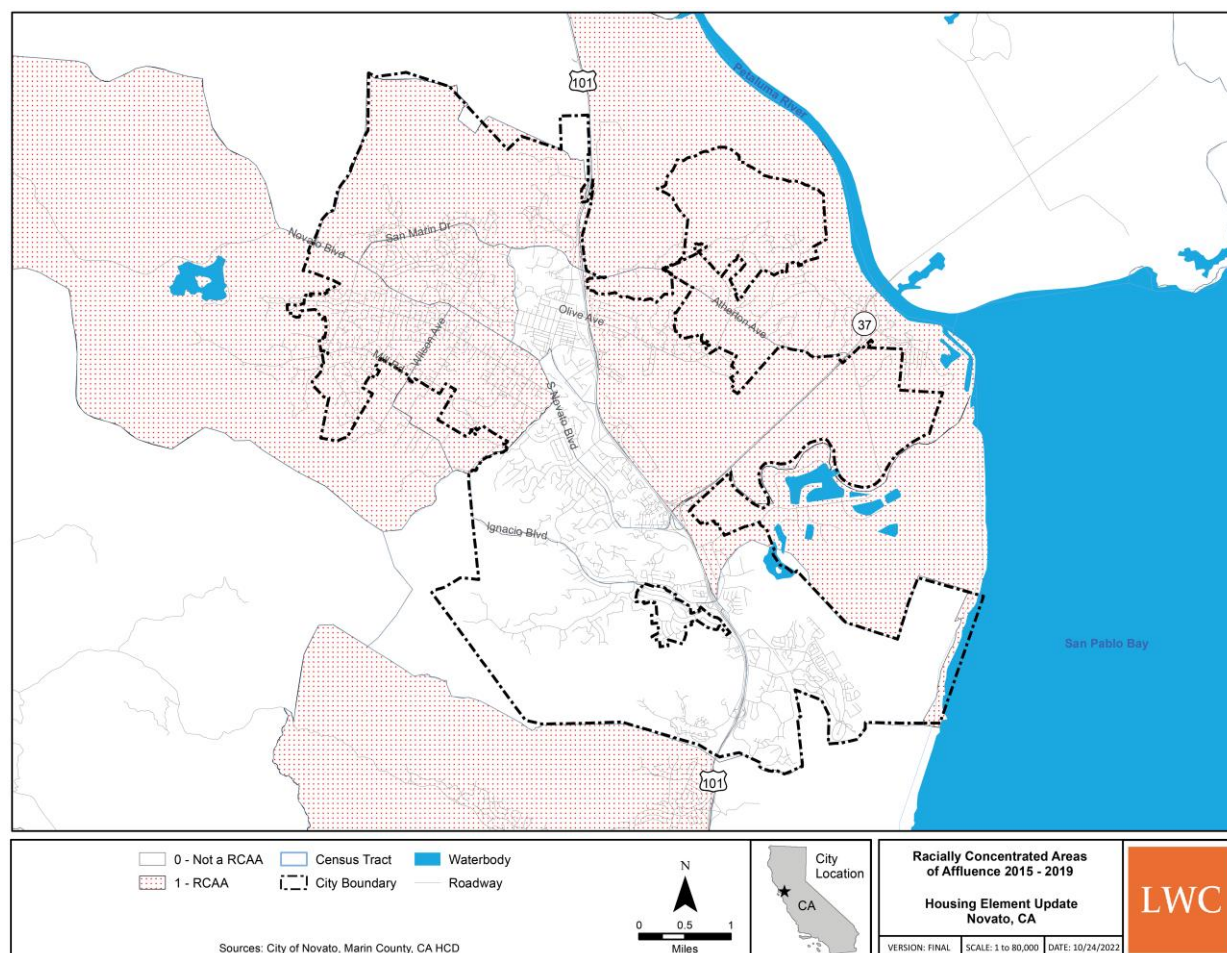
According to 2019 data available from HCD (Figure F-15), seven of Novato's 12 Census tracts were considered RCAs. This finding aligns with others summarized in this Appendix, including

the observation that Novato's non-white residents are concentrated in block groups adjacent to Highway 101 (Figure F-4) and that northern/shoreline tracts are home to predominantly higher-income households (Figure F-12). This observation from Figure F-4 corresponds to the history of residential growth by non-white residents to the Bay Area as discussed in Section F.2.1 (History of Fair Housing Issues). As discussed in Section F.2.1, the construction of Highway 101 in 1974 and mobility of non-white residents saw population growth in Novato and across the Bay Area. While Novato and the Bay Area overall has a low percentage of non-white residents, the period of the late 1970's and early 1980's of population growth provided concentrated housing opportunities around Highway 101. The legacy of economic, education, and environmental factors contribute to segregation patterns and practices and causes disproportionate impacts across non-white populations to receive opportunities for mobility in Novato and the Bay Area.

RCAAs are not only correlated to fair housing factors such as race and highest resource areas (based on economic, educational, and environmental factors) such as in the case of Novato (see Section F.2.5 below), but RCAAs often exist given a lack of zoning for multi-family housing and a lack of publicly assisted housing. The City's current efforts in this Housing Element to adopt intentional housing mobility strategies (i.e., to remove barriers to housing and strategically enhance housing access at all income levels), as well as to actively provide a diversity of new housing choices and affordability (i.e., to promote housing supply diversity, more choices for owners and renters, and improve affordability for people who live and work in and near Novato) include several programs targeting housing for lower- and moderate-income households such as:

- Program 2.B: Maintain long-term housing affordability controls
- Program 2.C: Maintain and develop local sources of funding for affordable housing
- Program 2.D: Seek outside funding for affordable housing that leverages local resources
- Program 5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units
- Program 5.K: Continue to assist in the rehabilitation and production of housing for lower-income households

**Figure F-15: Racially Concentrated Areas of Affluence (RCAA) by Tract (2019)**



## Patterns and Trends – RCAAs

As discussed above, the findings that the seven Census tracts in Novato are considered RCAAs as of 2019 align with the observations discussed in Sections F.2.3 and F.2.4. These Census tracts are found at both the Census tract and block group levels to be home to a higher percentage of non-white residents and high-income household. In Section F.2.5, economic, educational, and environmental factors, and proximity to jobs will be discussed to further demonstrate implications of segregation found present in Novato.

### F.2.5 Access to Opportunity

One important component of fair housing is a neighborhood's access to opportunity, which correlates relative place-based characteristics of an area, such as education, employment, safety, and the environment, with critical life outcomes, such as health, wealth, and life expectancy. Ensuring access to opportunity means both investing in existing low-income and underserved communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

In February 2017, the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task Force to provide research and evidence-based policy recommendations to further HCD's fair housing goals of (1) avoiding further segregation and concentration of poverty, and (2) encouraging access to opportunity through land use policy and affordable housing, program design, and implementation. HCD and TCAC prepared opportunity maps to identify Census tracts with the highest and lowest concentration of resources.

High resource areas are areas with high index scores for a variety of opportunity indicators, including high employment rates, low poverty rates, proximity to jobs, high educational proficiency, and limited exposure to environmental health hazards. High resources tracts are areas that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health. Census tracts in the City that are categorized as moderate resource areas have access to many of the same resources as the high resource areas, but may have fewer job opportunities, lower performing schools, lower median home values, or other factors that lower their index scores across the various economic, educational, and environmental indicators. Low resources areas are characterized as having fewer opportunities for employment and education, or a lower index for other economic, environmental, and educational indicators. These areas have greater quality of life needs and should be prioritized for future investment to improve opportunities for current and future residents.

The opportunity maps inform TCAC, which oversees the Low-Income Housing Tax Credit (LIHTC) Program, to distribute funding more equitably for affordable housing in areas with the highest opportunity. The analysis evaluates total access to opportunity (e.g., high, moderate, low), but also individually assesses opportunity access across more specific indicators, such as education, transportation, economic development, and environment.

### **TCAC Opportunity Areas – Composite Score**

The 2022 TCAC Opportunity Areas Composite Score provides an aggregate index of three domains: economic, education, and environmental. Census tracts with higher composite scores indicate higher resource areas overall. As shown in Figure F-16, nearly all tracts in Novato are considered Moderate Resource, with the exception of three High Resources tracts in the northwest. Outside the City (in unincorporated Marin County), one adjacent northern tract is categorized as displaying high segregation and poverty, while another to the south is categorized as being exceptionally Highest Resource.

Figure F-16: TCAC Opportunity Areas – Composite Score by Tract (2022)

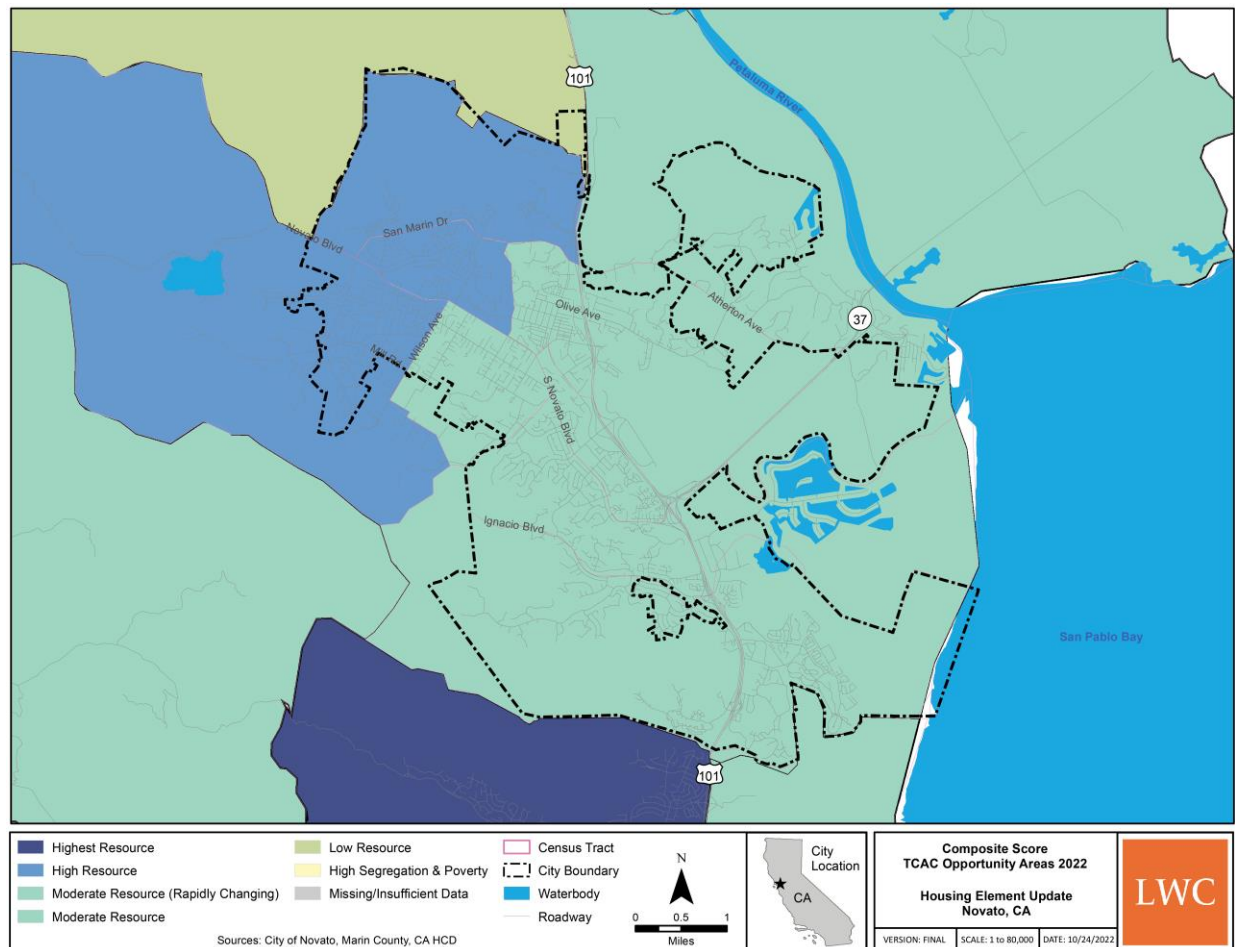
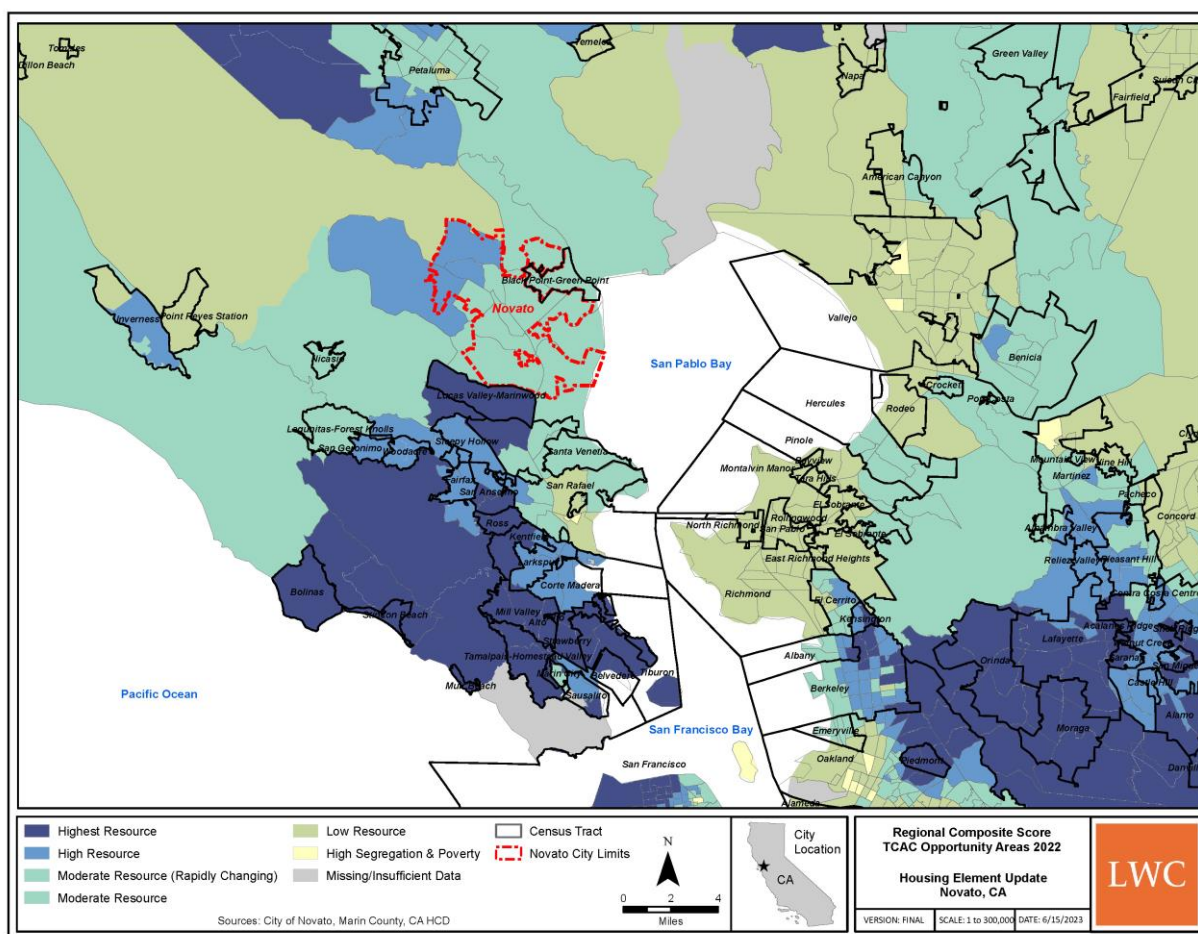


Figure F-17 displays the TCAC Composite Scores for Novato and the wider North Bay region. As noted previously when discussing income, the City of Novato is unique in that it is more affluent than many other Bay Area communities, but less so than other communities within Marin County. In terms of TCAC Composite Scores, Novato's predominantly Moderate Resource tracts indicate a greater similarity with nearby rural unincorporated Marin/Sonoma County or (across the Bay) with Benicia. By contrast, most Census tracts in southern Marin County are classified as High or Highest Resource.



**Figure F-17: Regional TCAC Opportunity Areas – Composite Score by Tract (2022)**



## Patterns and Trends – TCAC Opportunity Areas

The three High Resource Census tracts correlate with having somewhat lower percentages of non-white households by block groups as of 2018 (Figure F-4). Additionally, the three High Resource Census tracts do not include the Census tract with the lowest TCAC Economic Score (Figure F-18). This indicates that even though Novato is generally a higher resource community, non-white and lower-income households are less likely to be located in the higher resource Census tracts, potentially limiting access to economic, educational, and environmental resources which may alleviate disparities across populations.

## Economic Score

The 2022 TCAC Opportunity Areas Economic Score for a Census tract is based on poverty, adult education, employment, job proximity, and median home value indicators. The score is broken up by quartiles, with the highest quartile indicating more positive economic outcomes and the lowest score indicating least positive outcomes. As shown in Figure F-18, the majority of the City's



Census tracts have a lower economic score in the 0.25 to 0.50 range, with the tract encompassing Downtown having the lowest score and one northern hillside tract having the highest.

Economic scores in nearby unincorporated Marin County are generally similar to Novato. Economic scores generally decrease in the eastern area and increase or remain the same in the north and west areas. The Census tracts that have the lower economic score in the 0.25 to 0.50 range also score in the mid-range for the Jobs Proximity Index compared to the rest of the City (see Figure F-24).

**Figure F-18: TCAC Opportunity Areas – Economic Score by Tract (2022)**

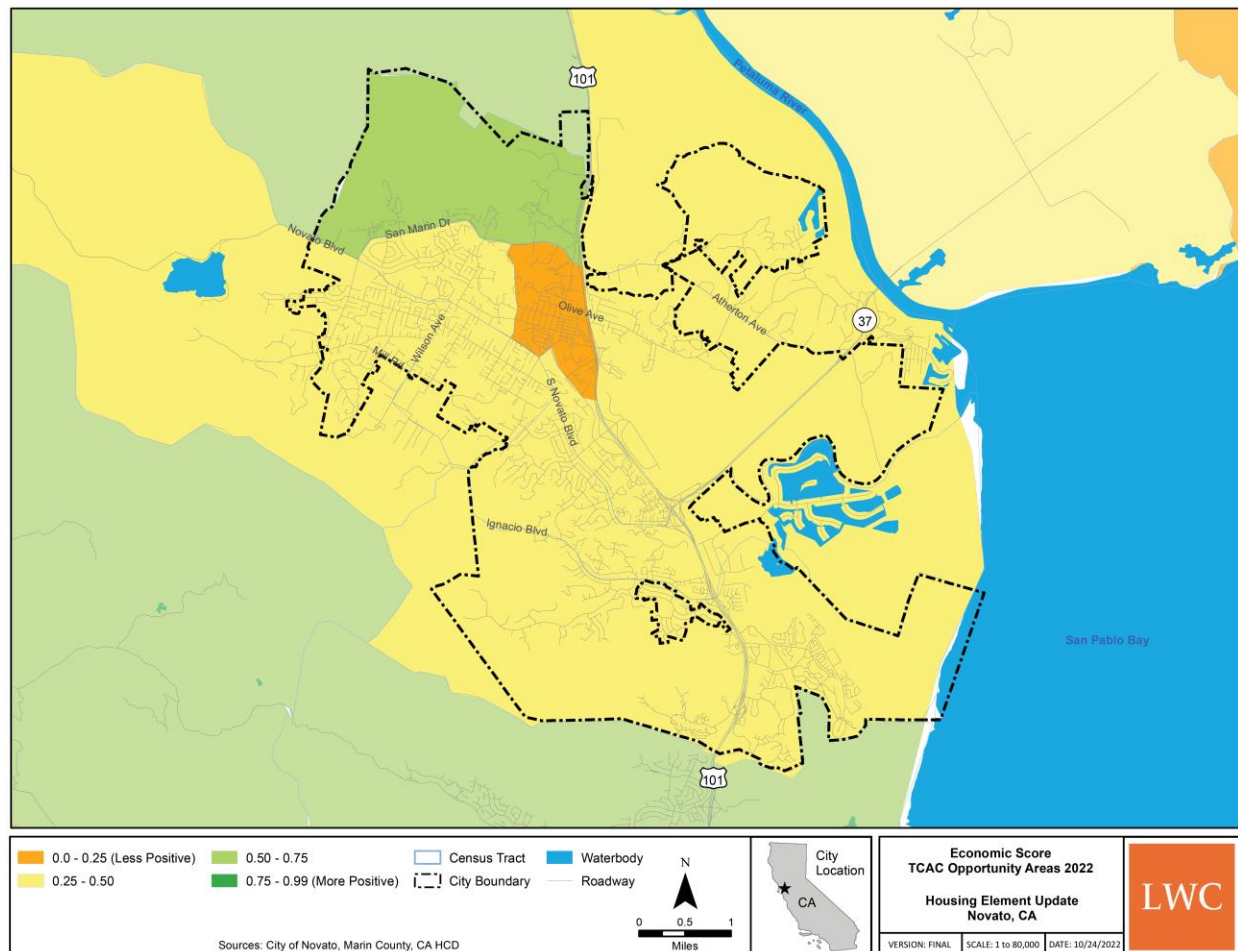
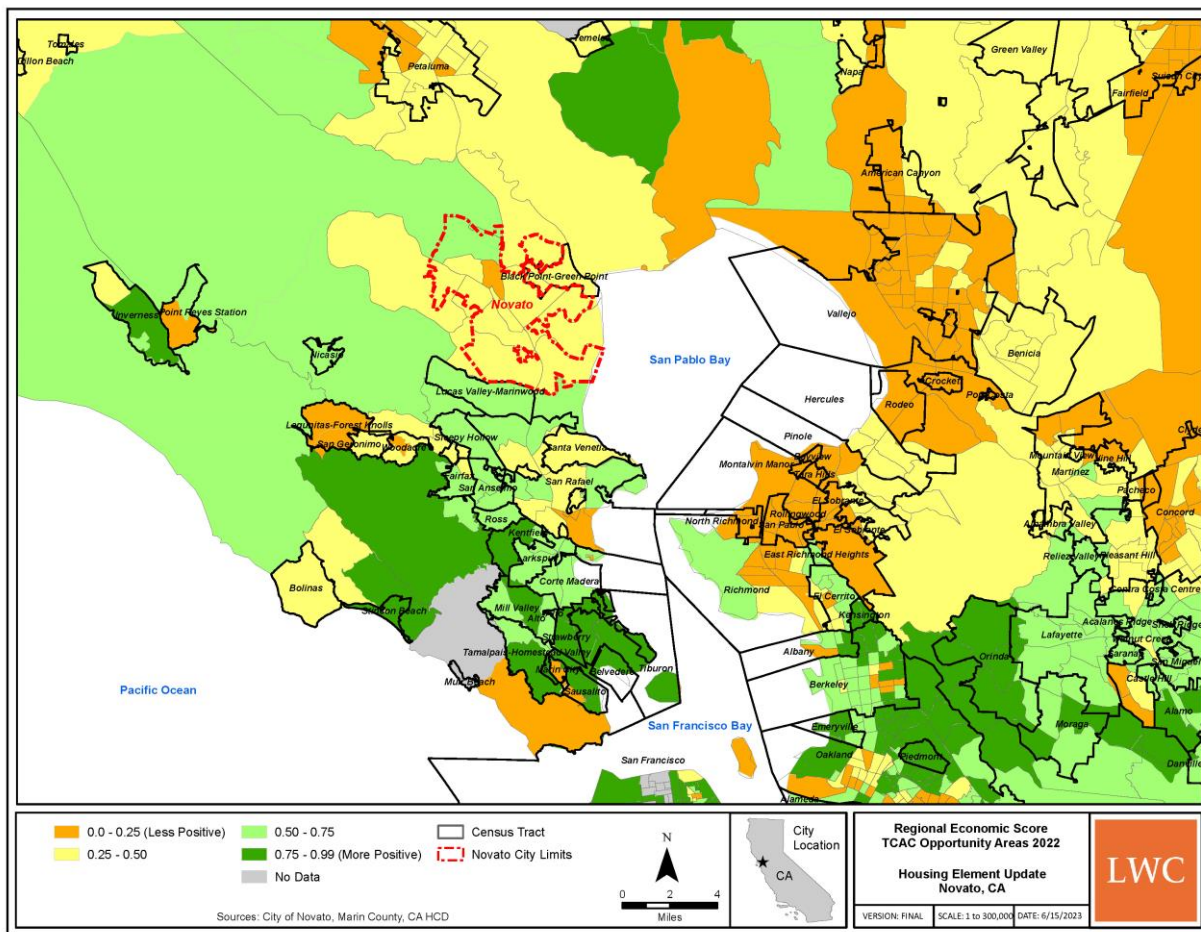


Figure F-19 displays the TCAC Economic Scores for Novato and the wider North Bay region. At this scale, Novato again contrasts with southern Marin County communities and cities like Vallejo east across San Pablo Bay. One visible pattern is Novato’s similarity to Petaluma and San Rafael; all three cities have multiple “core” Census tracts classified in the 0.25 to 0.50 range and distinct neighborhoods where economic outcomes are less positive (0.0 to 0.25). Elsewhere in Marin County, Economic Scores of 0.50 or above are more common.

Figure F-19: Regional TCAC Opportunity Areas – Economic Score by Tract (2022)



## Patterns and Trends – Economic Score

The Census tract in Downtown with the lowest Economic Score correlates to the block groups with the highest percentage of non-white households in Novato (Figure F-14). This indicates further evidence that non-white households in Novato are more likely to be lower-income households.

## Education Score

The 2022 TCAC Opportunity Areas Education Score for a Census tract is based on math and reading proficiency, high school graduation rate, and student poverty rate indicators. The score is broken up by quartiles, with the highest quartile indicating more positive education outcomes and the lowest quartile signifying fewer positive outcomes. The Novato Unified School District's enrollment zone encompasses the entirety of the City, including a portion of the unincorporated areas immediately to the City's north and west. As shown in Figure F-20, five of Novato's Census tracts have education scores between 0.50 and 0.75, with all other tracts in the 0.25 to 0.50 range.

Figure F-20: TCAC Opportunity Areas – Education Score by Tract (2022)

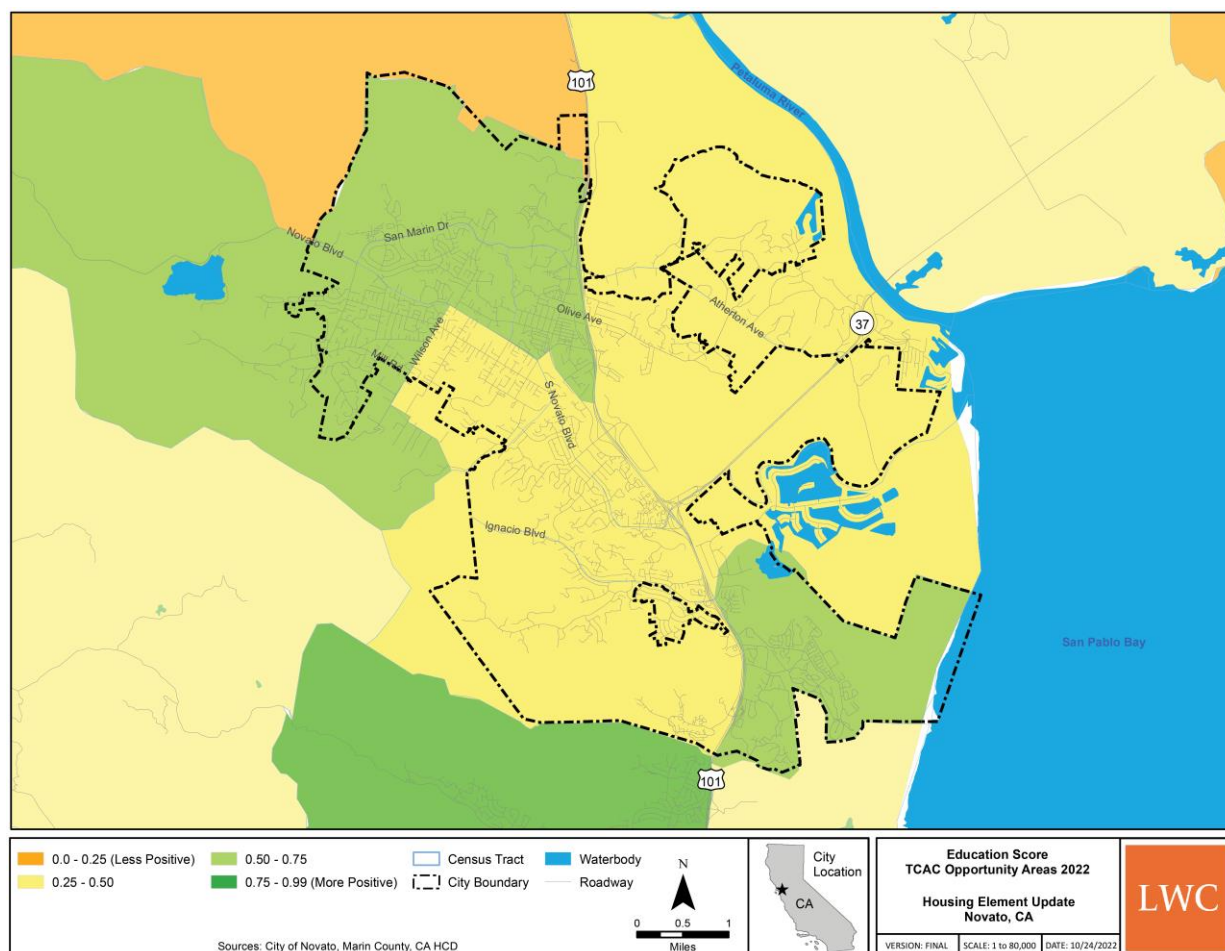
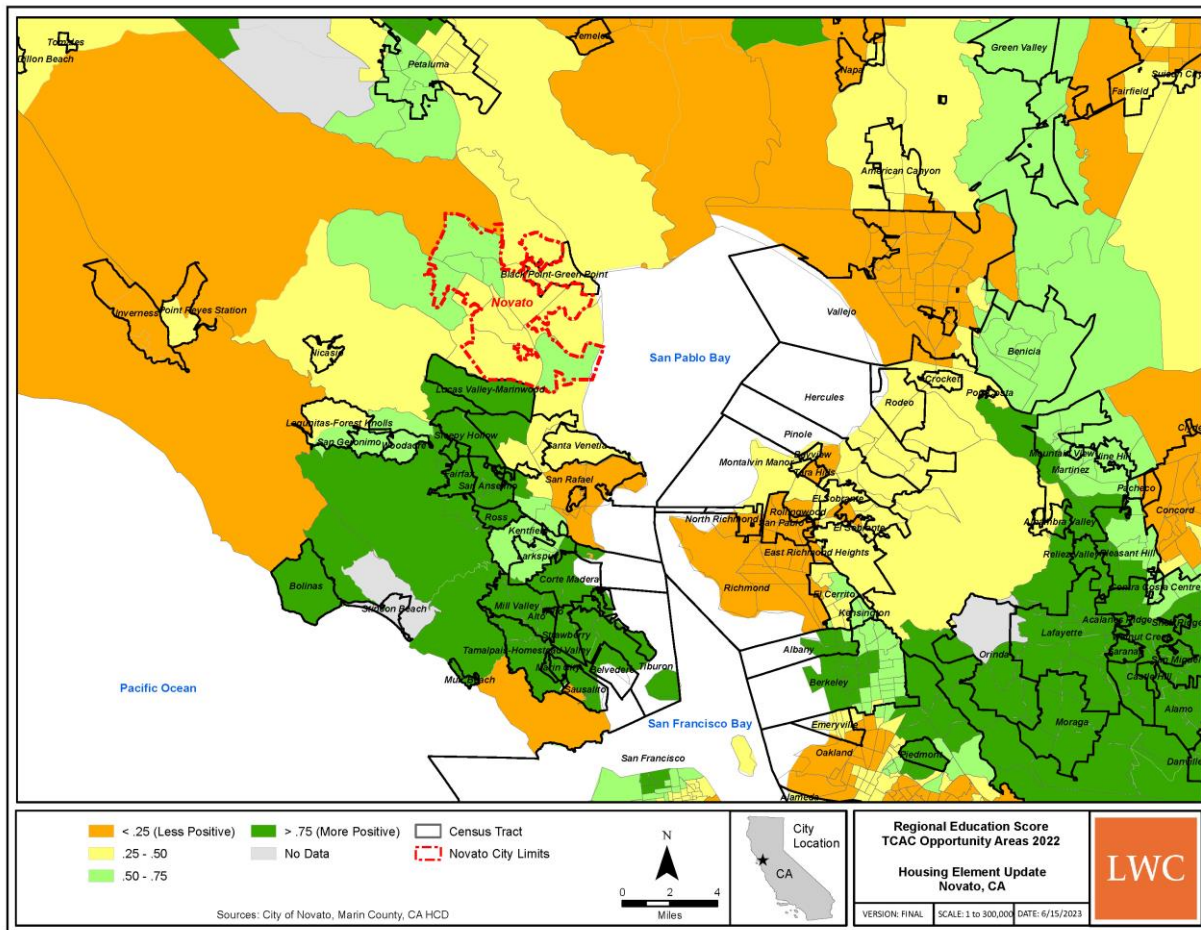


Figure F-21 displays the TCAC Education Scores for Novato and the wider North Bay region. At this scale, Novato appears most similar to Petaluma, with a mix of tracts with Education Scores ranging from 0.25 to 0.75. Education outcomes are, like economic outcomes, more positive farther south in Marin County, with the exception of portions of San Rafael.



**Figure F-21: Regional TCAC Opportunity Areas – Education Score by Tract (2022)**



## Patterns and Trends – Education Score

As shown in Figure F-20 above, the northern Census tracts correlate with the High Resource TCAC Opportunity Area Composite Score (Figure F-16) and the Census tracts with the entirety of both the highest and lowest Economic Score (Figure F-18) in Novato. The northern Census tracts scoring in Novato’s highest Education Score (Figure F-20) indicate the educational system serving these Census tracts provides resources lower-income households may not otherwise receive in the City. All other Census tracts in Novato attain the Education Score of 0.25 to 0.50 (Figure F-20). Consequently, all other Census tracts would benefit from better-serving education institutions and increased resources for students.

## Environmental Score

The environmental score for a Census tract is based on indicators used in the California Office of Environmental Health Hazard Assessment (OEHHA)’s CalEnviroScreen 4.0 tool. These indicators include the “exposures” and “environmental effect” subcomponents of the tool’s “pollution burden” domain. To mirror the CalEnviroScreen 4.0 approach to calculating pollution

burden scores, the exposure indicators are weighed twice as heavily as the environmental effects burden indicators because they are considered to have more of an impact on pollution burden. Examples of exposure indicators include ozone concentrations, traffic density, and drinking water contaminants. Examples of environmental effects indicators include groundwater threats and cleanup sites. The environmental score ranges from 0.0 to 1.0, where a higher score indicates more positive environmental outcomes.

As shown in Figure F-22, the Census tract on the City's southeast (encompassing the redeveloped Hamilton Airforce Base) has the lowest environmental score in the 0.0 to 0.25 range, indicating poor environmental conditions for residents. Investigating CalEnviroScreen 4.0's [Indicator Maps](#) directly reveals the tract's low score is predominantly attributed to its legacy as a military base (including sites of ongoing environmental remediation and potential groundwater threats from underground storage tanks) and biotechnology companies in the Novato Industrial Park being classified as hazardous waste generators. Though this pollution burden should not be dismissed, the former Hamilton Airforce Base has been safely redeveloped as a residential neighborhood in recent decades and does not represent an acutely environmentally-burdened community.

All other Census tracts in Novato have TCAC environmental scores between 0.25 and 1.0. Contributors to lower scores include other "pollution burden" indicators, such as adjacency to Highway 101 (diesel particulate matter), concentrations of older homes Downtown (lead exposure), proximity to agriculture on the City's southwestern border (pesticide use), and proximity to environmentally hazardous sites (as in the tract discussed above). Compared to the surrounding Marin County area, Novato has a higher environmental score concentrated around Highway 101 and in the central area of the City. The environmental score generally decreases from this area, though remains higher in the southeast area by the San Pablo Bay.

**Figure F-22: TCAC Opportunity Areas – Environmental Score by Tract (2022)**

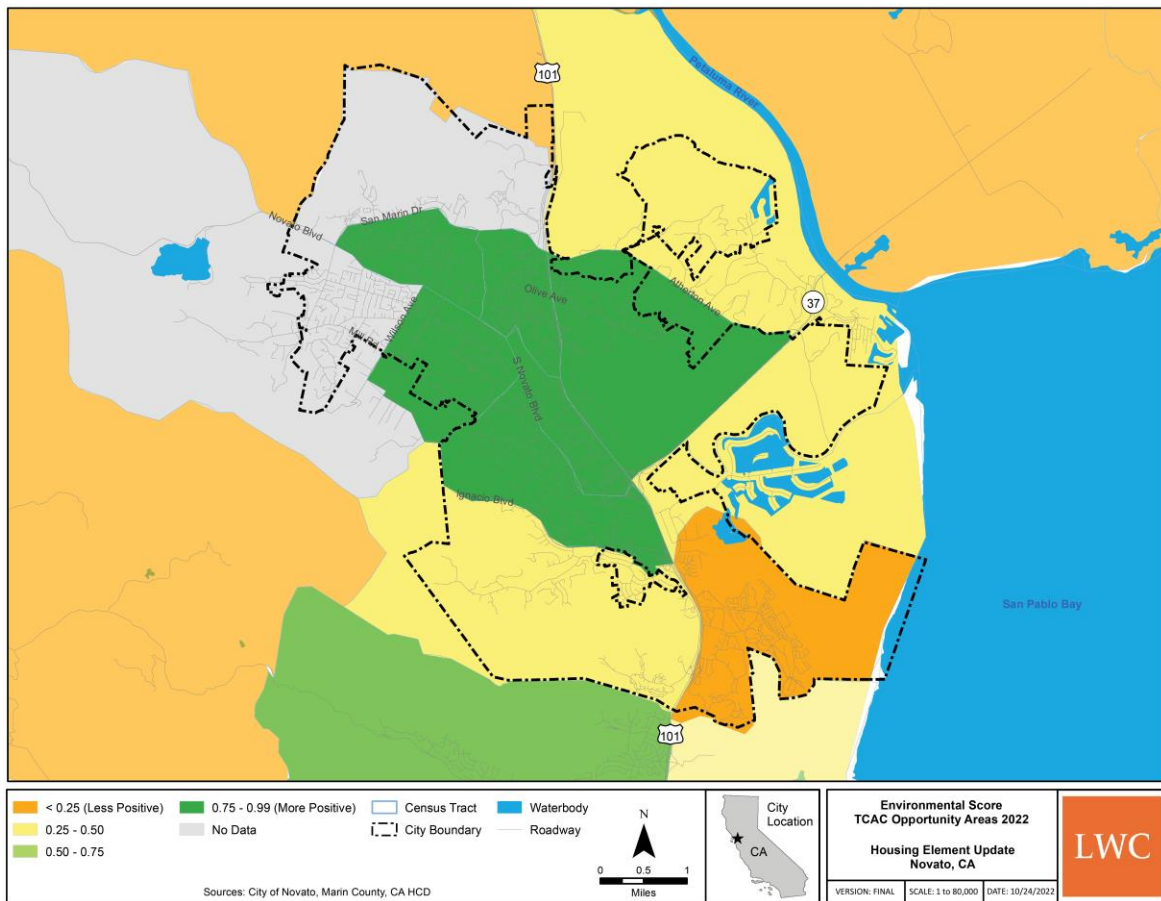
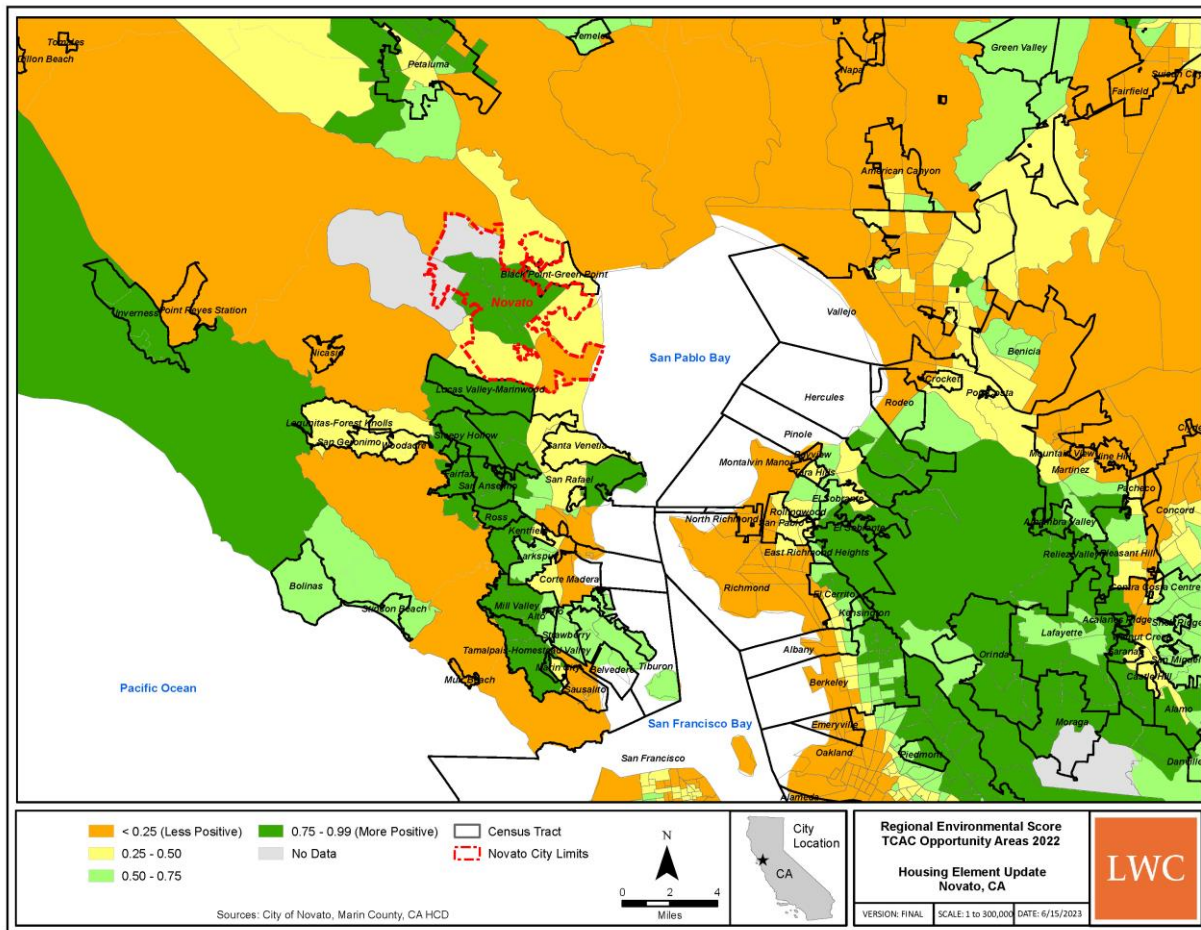


Figure-23 displays the TCAC Environmental Scores for Novato and the wider North Bay region. Lower Environmental Scores observed on Novato’s eastern side appear to be part of a pattern for many Bayshore tracts in both southern Marin County (e.g., San Rafael, Corte Madera) and along the northern and eastern edge of San Pablo Bay. Unlike other TCAC indicators, central Novato has more in common with fellow Marin County communities to its south with Environmental Scores in the highest range (0.75 to 0.99).

**Figure F-23: Regional TCAC Opportunity Areas – Environmental Score by Tract (2022)**



### Patterns and Trends – Environmental Score

As shown in Figure F-22 above, the southeastern Census tract correlates with the lowest environmental score of less than 0.25 in Novato. The northeastern, central eastern, and southwestern Census tracts score in the middle to lowest category with an environmental score of 0.25 to 0.50, while the centermost Census tracts have the highest possible environmental score of 0.75 to 0.99.

As discussed above, the southeastern Census tract with the 0.25 or lower score encompasses the site of the redeveloped Hamilton Airforce Base, which has had sufficient environmental remediation programs. However, the southeastern Census tract with the lowest environmental score has a moderately high percentage of non-white residents (Figure F-4) and a moderate percentage of low- to moderate-income residents as of 2015 who may also experience higher rates of overpayment (Figures F-13 and F-27). There are no clear patterns or trends of fair housing issues currently identified in the southeastern Census tract given the environmental remediation activities in the area.



Regionally, Novato follows a pattern present across Marin County in which more inland communities and Census tracts are calculated at higher TCAC Environmental Score levels than those closer to the Bay. However, this does not clearly track with median household income (Figure F-10) or RCAA status (Figure F-15), possibly due to the value and desirability of waterfront homes.

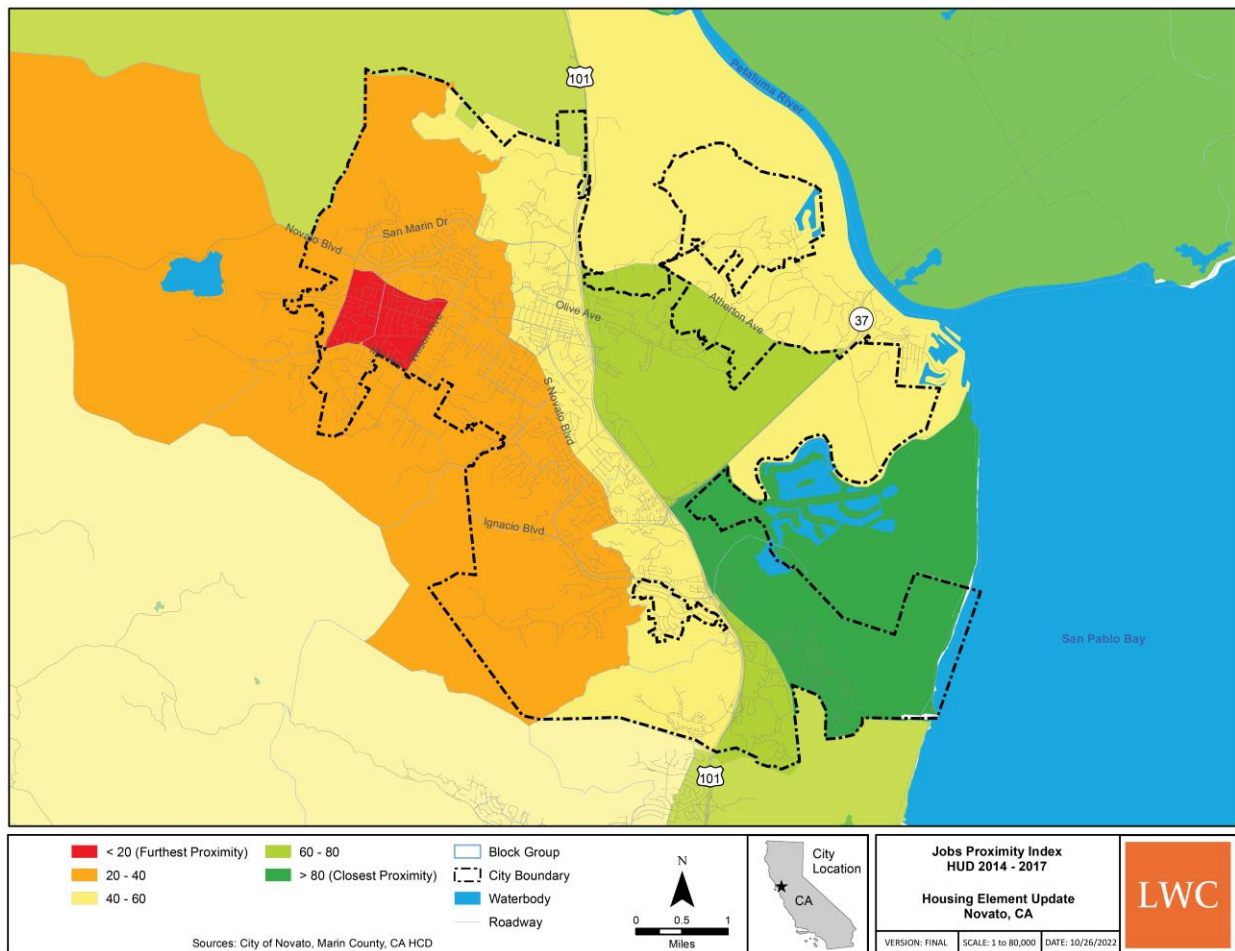
### **Jobs Proximity Index**

HUD's Jobs Proximity Index quantifies the accessibility of a given residential neighborhood (at the block group level) to all job locations in its region, with larger employment centers weighted more heavily. This index can be used as a proxy to indicate relative transportation needs in a community. The score ranges from 0 to 100, with higher scores representing closer proximity to job centers.

As shown in Figure F-24, Novato neighborhoods on the east side of Highway 101 have the highest scores (in the 60 to 80+ range), likely due to their proximity to large auto-oriented commercial developments, biotech/pharmaceutical firms, and institutional employers. Scores are consistently lower the farther block groups are from these employment centers, with predominantly residential neighborhoods on the City's east side having the lowest scores in the 0 to 20 range.

According to 2019 ACS data, approximately 18.6 percent of residents are both employed and live in Novato. The onset of the Covid-19 pandemic may have increased this percentage based on remote work capabilities. For further analysis, see Appendix A, Section A.2.4 (Employment).

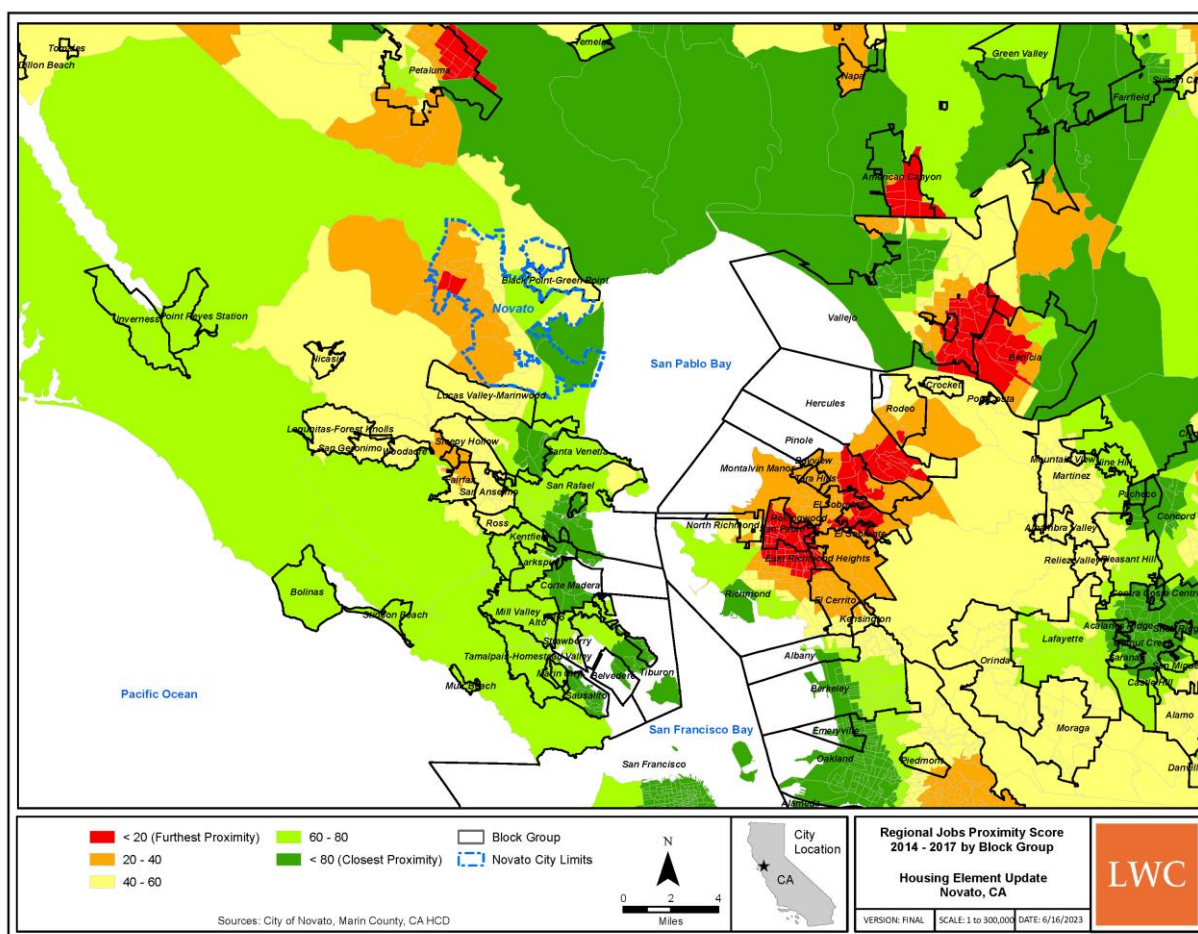
Figure F-24: Jobs Proximity Index (2017)



The land use pattern of downtowns and commercial centers clustering along the north-south Highway 101 corridor is common throughout Marin County, with lower-density neighborhoods extending westward into the foothills of Mount Tamalpais and the wider Coastal Ranges. In many cases, this greater distance from activity centers is the appeal of many suburban Marin County neighborhoods, but as noted elsewhere in this Appendix, the region's overall land use pattern is in a state of change as communities address fair housing concerns, climate change, etc.

However, a regional view of the Jobs Proximity Index (Figure F-25) does not indicate this land use pattern impacts other portions of Marin County as acutely as it does western Novato. Lower scores in 0 to 40 range are not as common elsewhere in Marin County, even in communities with similarly suburban land use patterns. Comparatively, these scores are more similar to portions of Petaluma or communities on the eastern side of San Pablo Bay.

**Figure F-25: Regional Jobs Proximity Index (2017)**



## Patterns and Trends – Jobs Proximity Index

No clear patterns and trends of HUD's Jobs Proximity Index are identified in Novato or in the surrounding area in relation to other analyses in this Appendix.

## Disparities in Access to Opportunity for Persons with Disabilities

People with disabilities often experience challenges with accessibility, discrimination, and housing choice that make it difficult to find suitable housing to meet their needs. According to the Needs Assessment (Appendix A, Figure A-24), the most common types of disabilities in Novato in 2019 were ambulatory disabilities, followed by independent living and cognitive disabilities.

The California Department of Developmental Services (DDS) currently provides community-based services to approximately 350,000 persons with developmental disabilities and their families through a statewide system of regional centers, developmental centers, and community-based facilities. The Golden Gate Regional Center serves individuals and families in Marin, San Francisco, and San Mateo counties. DDS provides data on developmental disabilities by age and type of residence. According to DDS and as shown in the Needs Assessment (Appendix A, Table

A-8), there are about 460 residents with a development disability in Novato, with most of them (228) able to live in a home with their parent or guardian.

There are a variety of housing types appropriate for people with disabilities, such as licensed and unlicensed single-family homes, group homes, and transitional and supportive housing. The design of housing-accessibility modifications, proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group. The Housing Constraints Appendix (Appendix C) discusses how the City permits various housing types, including the allowance for reasonable accommodations.

Additionally, the Marin County Health and Human Services agency operates the In-Home Supportive Services (IHSS) program for low-income seniors or people with disabilities. This program provides support for individuals such as meal preparation, laundry, house cleaning, and personal care to enable them to live at home.

### **Patterns and Trends – Disparities in Access to Opportunity for Persons with Disabilities**

As shown in Figure F-6, the population of Novato residents with a disability is distributed in the central Census tracts of the City. When considering HUD's Job Proximity Index (Figure F-24), Novato residents living in the westernmost and central Census tracts are located in areas further away from job centers. This indicates for those Novato residents with a disability either working or seeking a job, there can be a disparity in access to opportunity for job access compared to other residents.

### **Disparities in Access to Transportation Opportunities**

The HUD Low Transportation Cost Index is based on estimates of transportation costs for a family that meets the following description: a three-person single-parent family with income at 50 percent of the median income for renters for the region. These estimates originate from the Location Affordability Index (LAI). Transportation costs are modeled for Census tracts as a percentage of income for renters in these households. Index values are inverted, and percentile ranked nationally, with values ranging from 0 to 100. Higher index values indicate lower transportation costs in that neighborhood. Transportation costs may be low within a tract for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in that area.

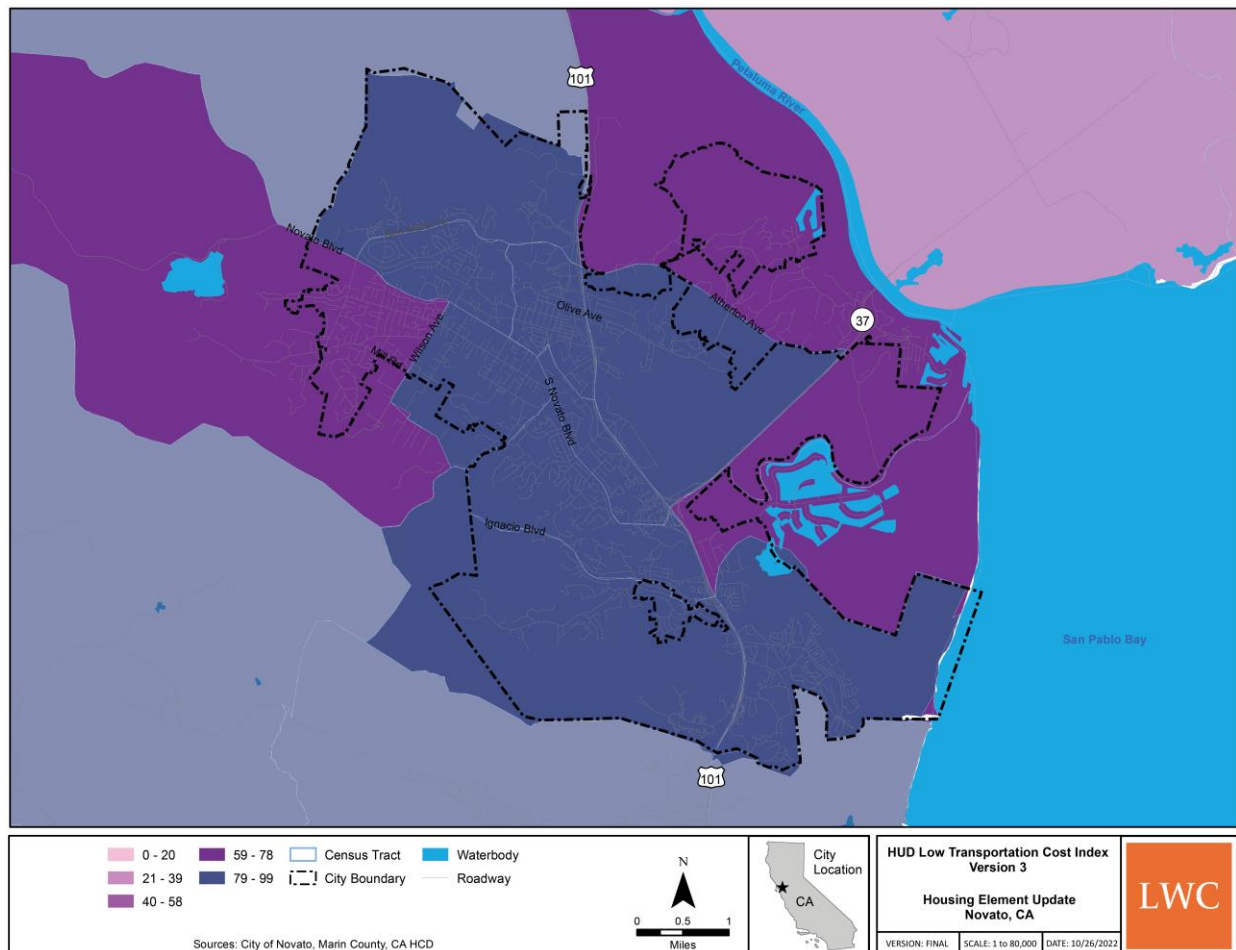
Figure F-26 displays the Transportation Cost Index ranges in Novato. The index values are in the 59 to 99 range for all Census tracts, indicating that Novato has lower transportation costs than the national average. Residents have access to a variety of transportation options, including 33 miles of bike paths connecting the community internally and to surrounding jurisdictions. The City participates in Marin County's Safe Routes to Schools program and has 11 public and private schools participating. Marin Transit is the regional agency providing local transit service, with 134 bus stops located within the City. Novato is also served by three Sonoma-Marín Area Rail Transit (SMART) stations.

The transportation cost index values in the westernmost and easternmost areas of the City (59 to 78) are lower than the remaining parts of the more central area of the City (Figure F-26). Novato in the top Transportation Cost Index range for areas not considered RCAAs in the City and areas with the lowest economic scores, suggesting the City provides low transportation cost options for residents of different backgrounds and incomes (Figure F-15; Figure F-18).

### Patterns and Trends – Disparities in Access to Transportation Opportunities

No clear patterns and trends of disparities in access to transportation opportunities are identified in Novato or in the surrounding area. This conclusion is based on Figures F-13 and F-26, demonstrating that the top Transportation Cost Index range indicating fair transportation costs are in the same Census tracts of households earning low to moderate-incomes. Thus, it is concluded lower-income households in Novato generally have good access to low-cost transportation options.

**Figure F-26: HUD Low Transportation Cost Index by Tract**





## F.2.6 Disproportionate Housing Needs

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### Overpayment

HUD defines overpayment, or “housing cost burden,” as households paying 30 percent or more of their gross income on housing expenses, including rent or mortgage payments and utilities. Housing cost burden is considered a housing need because households that overpay for housing costs may have difficulty affording other necessary expenses, such as childcare, transportation, and medical costs. Spending large portions of income on housing places low-income households at higher risk of displacement, eviction, and homelessness.

In Novato, 22 percent of households are cost-burdened, and 19 percent are severely cost-burdened, a total of 41 percent of total households experiencing some level of overpayment (See Appendix A, Figure A-45). These rates are only one percent higher compared to rates of overpayment in Marin County (18 and 21 percent, respectively), though several percent higher compared to the Bay Area as a whole (16 and 20 percent, respectively).

When evaluating overpayment by household tenure, 54 percent of renters are cost-burdened (26 percent) and severely cost-burdened (29 percent) compared to 35 percent of homeowners being cost-burdened (20 percent) and severely cost-burdened (15 percent) (See Appendix A, Figure A-46).

When evaluating overpayment among lower-income households in Novato, 30 percent of low-income households (earning 50-80% of AMI) are cost-burdened and 10 percent are severely cost-burdened (total of 40 percent), 28 percent of very-low income households (earning 30-50% of AMI) are cost-burdened and 38 percent are severely cost-burdened (total of 56 percent), and 16 percent of extremely-low income households (earning 0-30% of AMI) are cost-burdened and 58 percent are severely cost-burdened (total of 74 percent) (See Appendix A, Figure A-50). This indicates that as household income decreases in Novato, households are more likely to experience overpayment.

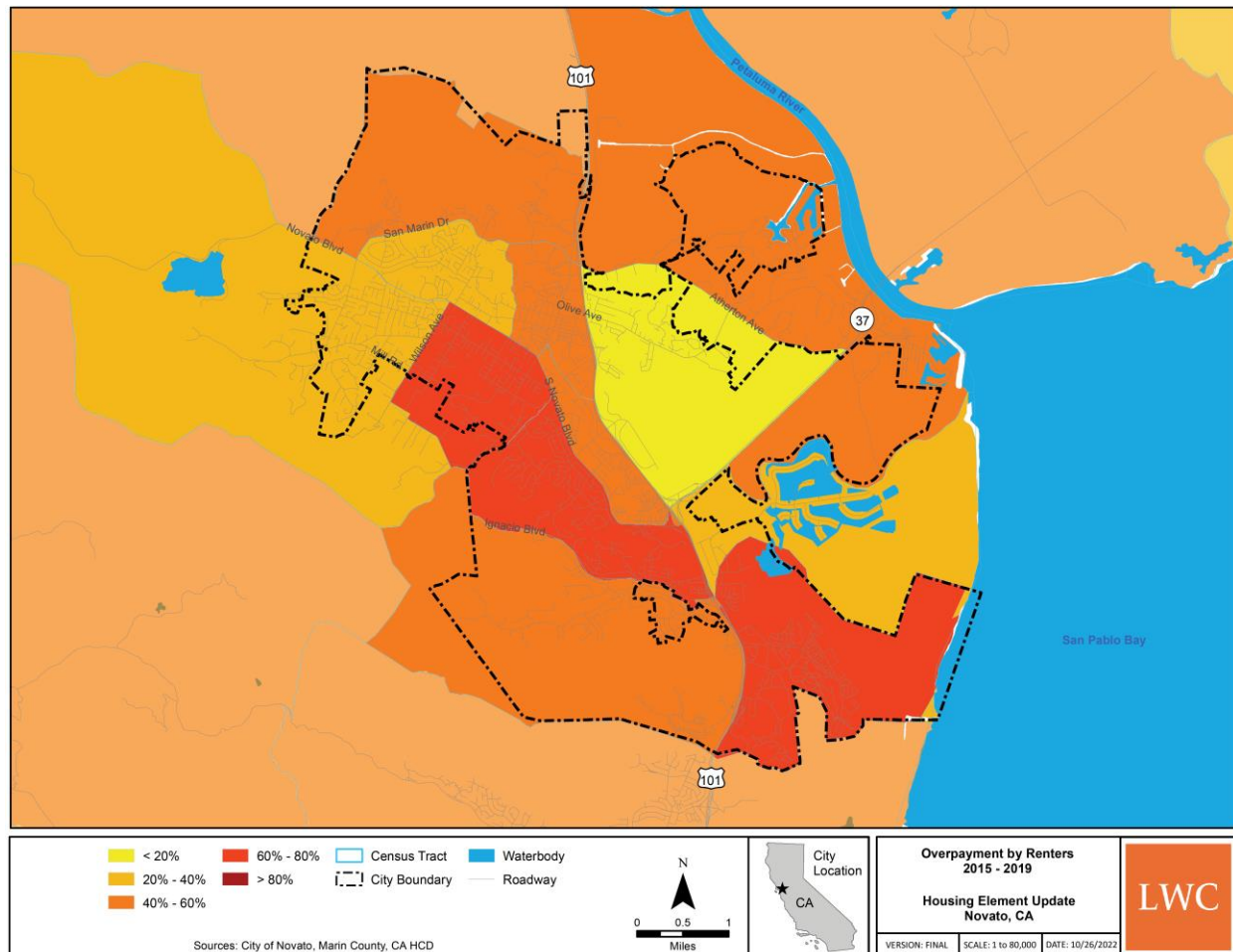
When evaluating overpayment by household size in Novato, 17 percent of larger families (5 or more persons) are cost-burdened compared to 21 percent of all other household types, and 20 percent of households for both household size categories are severely cost-burdened (See Appendix A, Figure A-49). Some stakeholders shared during the community outreach process that rent increases are unsustainable for families already experiencing a housing cost-burden because they cannot address other essential needs, such as food insecurity. During the COVID-19 pandemic, some non-profit social service providers shared that they experienced an increase in program applicants who qualified as housing cost-burdened (Public Participation Summaries, Appendix E, Section E.2.2) The disproportionate experience of Novato residents experiencing overpayment for housing limits the ability for upward economic mobility for households. This data points to the need for more affordable housing units in Novato to meet the needs of lower-income households. As discussed above, renters are typically more likely to overpay for housing costs than homeowners (see Appendix A, Figure A-43). While the housing market has resulted in home

prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. According to 2019 ACS data, the percentage of renter households experiencing a cost burden varies across the City (Figure F-27), with the highest renter overpayment percentage between 60 to 80 percent in the central western and southeastern Census tracts of the City. Figure F-13 above provides the low-to moderate income population by Census tract for both renters and homeowners combined. As shown in Figure F-13, the highest concentration of low- to moderate-income households in the 50 to 75 percent of the population range do not live in the two Census tracts in Figure F-27 below showing overpayment by renter households. Overpayment in these two Census tracts do not indicate any obvious patterns by renters in Novato.

The remaining higher rate of renters experiencing overpayment is found in Downtown Novato, in the central area of Highway 101 in the City, and in the northernmost, easternmost, and southwestern most Census tracts. Of these Census tracts, part of Downtown Novato has the highest non-white population in the City at the block group level, and part of the Census tract has a lower percentage of overpayment by renters at 20 to 40 percent of the population (Figure F-4). This data indicates that at least part of the geographic area of Novato is home to a higher percentage of non-white renters experiencing overpayment at higher rates than other areas of the City. The central western area provides a mix of residential and commercial uses, and the southeastern area of the City is zoned as a planned development.

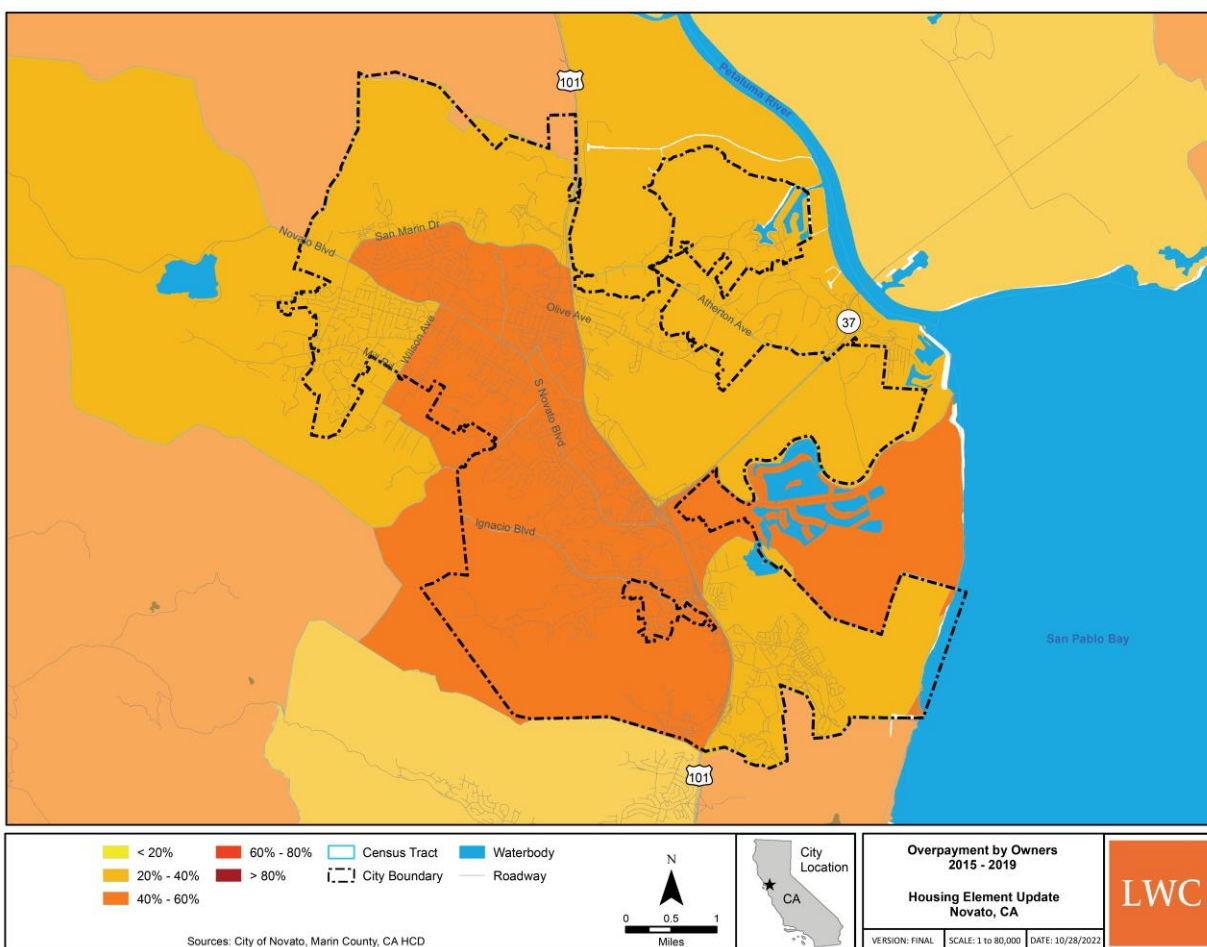


Figure F-27: Overpayment by Renters by Tract (2019)



In contrast to renter overpayment, homeowners experience a lower rate of cost burden than renters in Novato (See Appendix A, Figure A-43). Figure F-28 shows the percentages of homeowners experiencing overpayment according to 2019 ACS data. Homeowners experiencing a cost burden range from approximately 20 percent to 60 percent across the City, indicating Novato homeowners are relatively less cost burdened than renters. Overpayment by homeowners is experienced in approximately half of the same Census tracts as renters experiencing overpayment. This may indicate that generally the cost of housing exceeds household income in the areas where both a high percentage of renters and homeowners experience overpayment.

**Figure F-28: Overpayment by Owners by Tract (2019)**



## Patterns and Trends – Overpayment

Although Novato has a slightly lower proportion of cost-burdened households compared to the county and the Bay Area (Housing Needs Assessment, Appendix A, Section A.5.3), housing affordability was a key issue raised throughout the Housing Element update process. Housing in Novato is unaffordable to many households, including essential workers (e.g., teachers, firefighters, service industries, etc.), and not just lower income households. This was also reflected in responses to the community feedback form/questionnaire distributed to non-profit social service providers, where limited availability of affordable units and a lack of resources to find affordable housing were identified as barriers.

According to community feedback and the experience of City staff, Novato has historically been considered a relatively affordable community in Marin County, with median home prices and household incomes generally increasing regionally from south to north. However, as shown in the

2020 County of Marin Analysis of Impediments to Fair House Choice (Marin County AI)<sup>28</sup>, the annual wage needed to rent an average housing unit in the County was \$184,000 in 2017, a figure that is unaffordable compared to median household income for both Novato and the County as a whole.

## Overcrowding

Overcrowding is defined by the Census as a unit in which more than one person occupies a room (excluding bathrooms and kitchens), while severe overcrowding occurs when more than 1.5 people occupy a room. Overcrowding is often related to the cost of housing and can occur when demand in a City or region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. Overcrowded households are an indicator of housing needs, as lower income families or individuals may choose to live together in smaller spaces to save money on housing costs. In addition to the strain on residents' mental and physical health, overcrowding can also lead to more rapid deterioration of the property due to increased usage.

As shown in Table F-6, in Novato, one percent of owner-occupied households experienced overcrowding and 0.5 percent experienced severe overcrowding according to ACS 2019 data. For Novato renter-occupied households, 9.8 percent experienced overcrowding and 3.7 percent experienced severe overcrowding. In Novato, the overcrowding and severe overcrowding rates for renter households were significantly higher than those for homeowners. Novato has a significantly higher percentage of total households experiencing overcrowding (10.8 percent) than Marin County (2.6 percent), and a slightly higher percentage of total households experiencing overcrowding (4.2 percent) compared to Marin County (2 percent).

In Novato, the distribution of overcrowding by income level and severity is distributed relatively evenly across income levels and severity (See Appendix A, Figure A-14). For further analysis, see Appendix A, Section A.3.2 (Overcrowding).

**Table F-6: Overcrowding and Severe Overcrowding Rates**

Tenure	Novato		Marin County	
	1.01 – 1.5 Occupants/Room	1.5+ Occupants/Room	Total % 1.01 – 1.5 Occupants/Room	Total % 1.5+ Occupants/Room
Owner Occupied	1.0%	0.5%	2.6%	2.0%
Renter Occupied	9.8%	3.7%		

Source: ACS 2019 5-Year Estimates, Table DP04

<sup>28</sup> County of Marin, [Analysis of Impediments to Fair Housing Choice](#) (January 2020).

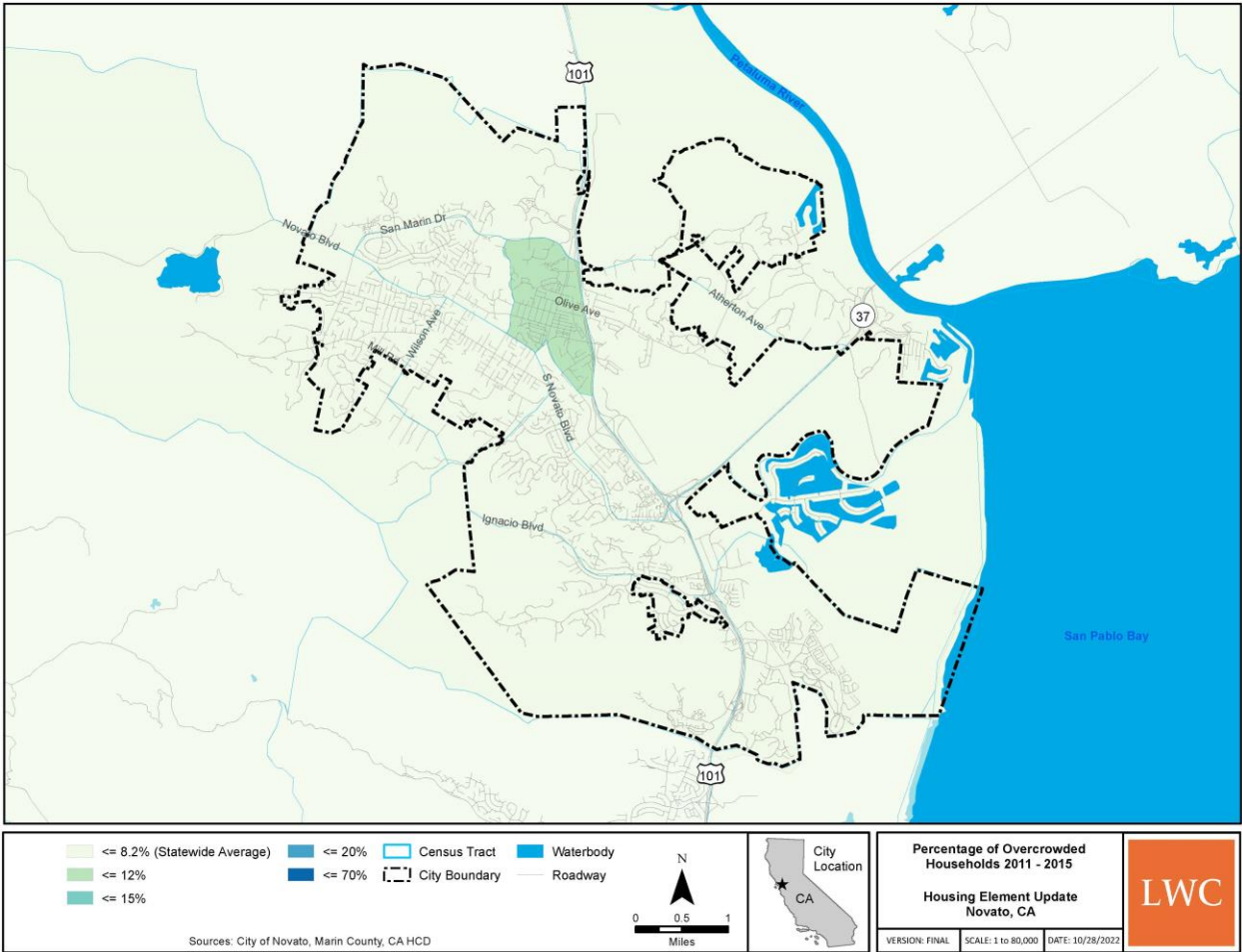
To meet the needs of larger (and potentially overcrowded) families in Novato, 66 percent of all units in the City have three or more bedrooms (see Appendix A, Figure A-20). Approximately 85.4 percent of these larger units are owner-occupied, comprising 82.6 percent of all owned homes. Of the total rental stock in Novato, 30.3 percent of the units have three or more bedrooms, which is 14.6 percent of total larger units in the city. Compared to the number of large households, the housing mix of Novato is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a potential constraint on the alleviation of overcrowding, underscoring the need for multifamily housing with a variety of unit sizes.

### **Patterns and Trends – Overcrowding**

Estimated percentages of overcrowded households in Novato by Census tract are shown in Figure F-29. Only one tract is estimated to experience overcrowding higher than the State average (8.2 percent), located in the residential areas surrounding Downtown. All other tracts have 8.2 percent or less of their residents living in overcrowded households, and overcrowding levels in adjacent areas are similar to the City. The Census tract that experiences overcrowding higher than the State average includes part of the block groups where 61 to 80 percent of the population is home to non-white residents (Figure F-4). This Census tract also includes block groups where the non-white population is comprised of 21 to 40 percent and 41 to 60 percent of the population. The Census tract with the highest rate of overcrowding in Novato includes the block group category with the lowest median household income in the City (Figure F-12). Households experiencing overcrowding in Novato are more likely to be home to non-white and lower-income residents, which may exacerbate the risk for displacement.

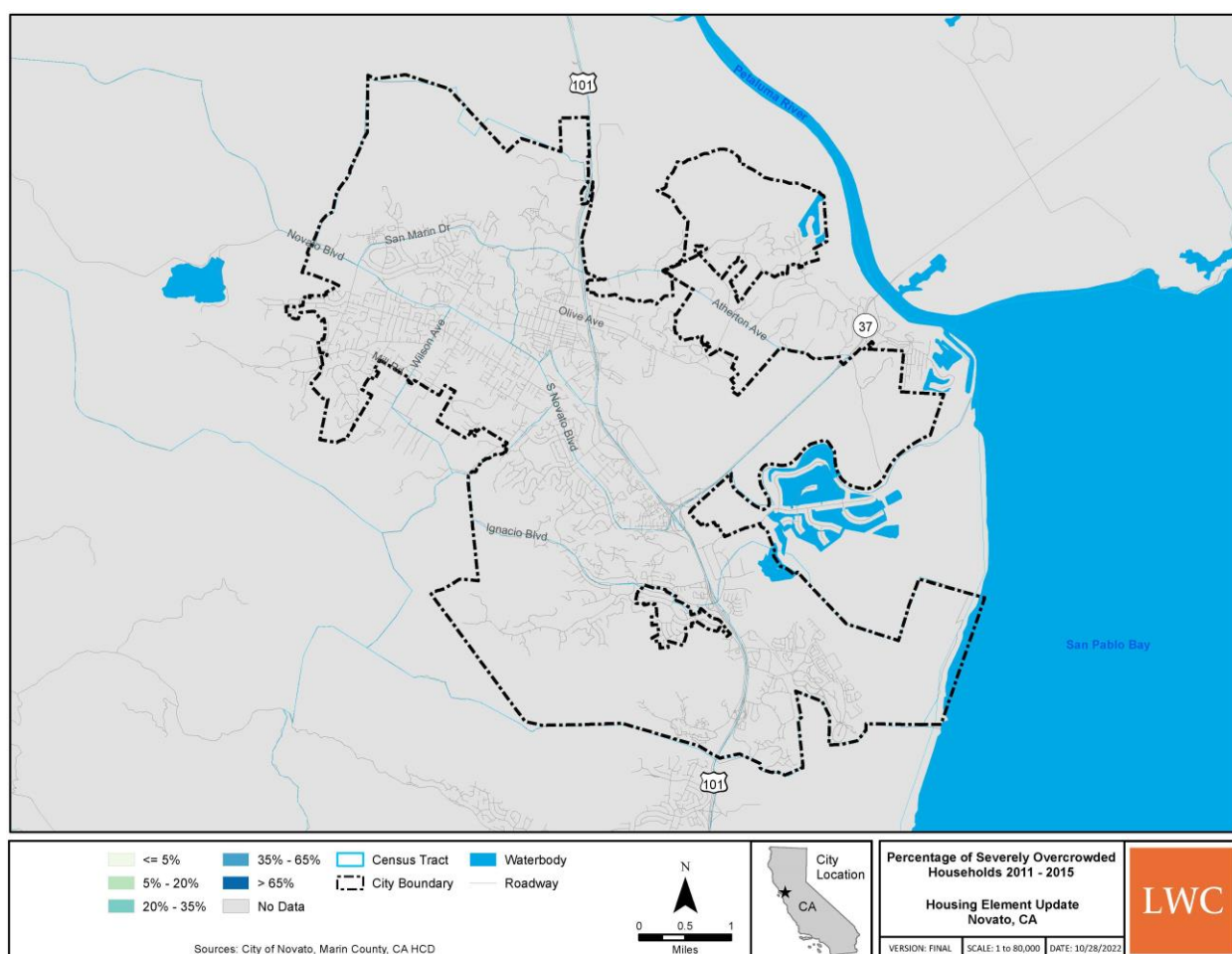
Statewide spatial data for severe overcrowding did not contain any values in the vicinity of Novato, as shown in Figure F-30.

Figure F-29: Overcrowded Households (2015)





**Figure F-30: Severely Overcrowded Households (2015)**



In Novato, rates of overcrowding are disproportionately highest for Hispanic or Latino households, followed by those of other/multiple races (regardless of Hispanic heritage) (Table F-7). As with disability status, age likely plays a role in explaining racial and ethnic disparities in overcrowding. Relatively younger adults, around the age of the median-age Hispanic households, are more likely to have minor children in their households, which in turn increases the likelihood of overcrowding. Conversely, older adults, closer to the median age of white households, are more likely to reside in one- or two-person households.

A small percentage of overcrowded units is not uncommon, and often includes families with children who share rooms or multi-generational households. However, higher rates of overcrowding identified for specific populations may indicate a fair housing issue resulting from situations such as two families or households occupying one unit to reduce housing costs (sometimes referred to as “doubling up”). Situations such as this may indicate a shortage of appropriately sized and affordable housing units as overcrowding is often related to the cost and availability of housing and can occur when demand in a jurisdiction or region is high.

In Novato, it is evident Hispanic or Latino households and households of other/multiple races (regardless of Hispanic heritage) face an overcrowding rate which may be deemed a fair housing issue. These quantitative findings corroborate what was heard during outreach to local social service providers during this Housing Element update process. As noted above, rates of overpayment are particularly high amongst renters, who are also disproportionately Hispanic or Latino and lower-income. Some social service providers reported that in an effort to avoid disruption to their livelihood and community connection, lower-income Hispanic or Latino households will choose to live in more overcrowded conditions rather than move outside Marin County or the Bay Area altogether. This underscores the need for appropriately-sized affordable housing, as well as culturally-sensitive outreach to these households to connect them with available resources.

**Table F-7: Overcrowding Rates in Novato**

Race or Ethnicity	% in Overcrowded Units*
White Alone, Not Hispanic or Latino	2.1%
White (Hispanic and Non-Hispanic)	0.9%
Black or African American Alone	8.1%
Asian Alone	9.3%
Hispanic or Latino (of any race)	29.2%
Other Races or Multiple Races (Hispanic and Non-Hispanic)	28.9%
* Overcrowded units defined as 1.01 or more occupants per room.	

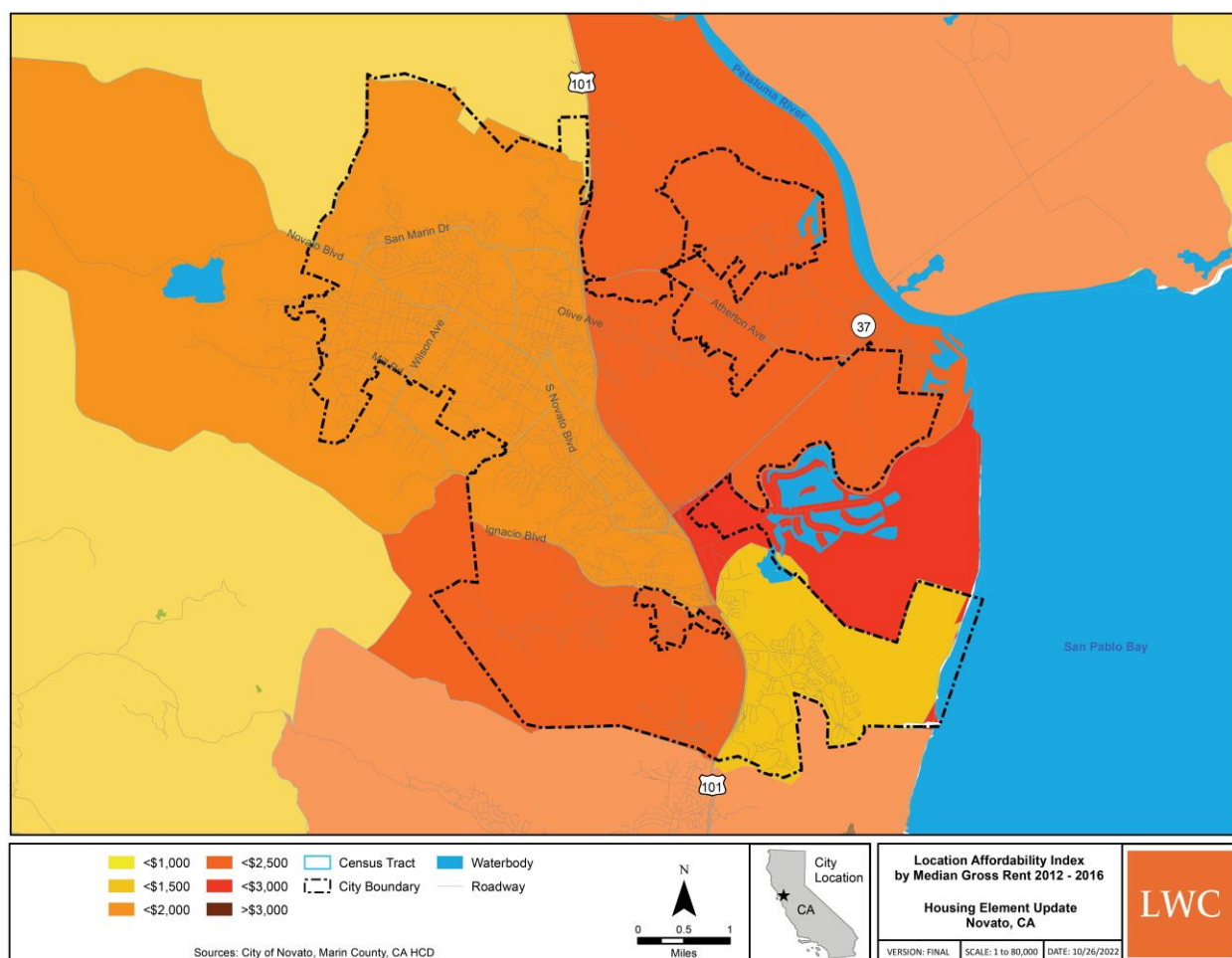
*Source: ACS 2019 5-Year Estimates (2015-2019)*

## Location Affordability Index

Figure F-31 shows the median gross rent across Novato per HUD's Location Affordability Index using 2016 ACS data, which estimates household housing and transportation costs on a neighborhood scale. The least affordable tract is predominantly outside City limits, encompassing unincorporated Bel Marin Keys, likely due to the car-dependent nature of the planned community, lack of public transportation access, and few renter households. Tracts covering Novato's core fall within the middle range of the Index, indicating moderate housing and transportation costs. The most affordable tract was located in the City's southeast, possibly due to higher-than-average public transportation access and greater housing density due to the redevelopment of Hamilton Air Force Base. Overall, this range concurs with Appendix A, Section A.5.2 (Rental Costs), which shows the median monthly rent paid in Novato in 2019 was \$1,950, a 25.1 percent increase from 2009. These rents are primarily affordable to moderate-income households but would be considered a cost burden for many lower-income households.



**Figure F-31: Location Affordability Index by Median Gross Rent by Tract (2016)**



## Patterns and Trends – Location Affordability Index

No clear patterns and trends of HUD's Location Affordability Index are identified in Novato or in the surrounding area in relation to other analyses in this Appendix. For example, the westernmost Census tract where a small fragment of Novato is experiencing the highest location affordability index also has the highest scoring Census tract for HUD's Jobs Proximity Index (Figure F-24). Presumably, this Census tract should have these two indexes receiving similar scores.

## Substandard Housing

Incomplete plumbing or kitchen facilities can be used as a proxy to indicate substandard housing conditions. According to 2019 ACS data, 3.4 percent of renter-occupied households in Novato lacked complete kitchen facilities and 0.3 percent lacked complete plumbing facilities, relatively higher than that of owner-occupied households (see Appendix A, Section A.4.5). In Novato, since non-white residents and younger residents are a higher share of renter-occupied units (Table A-17; Figure A-36), it is likely non-white residents and younger residents experience substandard housing conditions at a higher rate than white and older residents.

**Table F-8: Substandard Housing Rates**

	Renters	Owners
Substandard Condition	Percent of Occupied Housing Units	
Lacking complete plumbing facilities	0.3%	0.1%
Lacking complete kitchen facilities	3.4%	0.1%

*Source: ACS 5-Year Estimates (2015-2019), Table DP04*

The age of housing stock can also be an indicator of substandard housing. As homes get older, there is a greater need for maintenance and repair. If not properly addressed, an aging housing stock can result in poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

According to Appendix A, Section A.4.4 (Housing Age and Condition), Novato's housing stock is relatively new compared to Marin County, with 24.1 percent of all units in Novato older than 60 years old compared to 37.9 percent of units in Marin County. The greatest share of Novato's housing units was built between 1960 to 1979, which is consistent with Marin County. In Novato, only 0.8 percent of the total housing stock was built after 2010, compared to 1.4 percent throughout Marin County.

Generally, property owners are motivated to keep housing in good condition because of the high value of houses and rents, and minor to extensive remodeling is common throughout the City. Additionally, City Code Enforcement staff conduct the Multi-Family Inspection program for all properties consisting of three units or more; recent experience indicates that substandard conditions in renter-occupied housing units are quickly identified and addressed. Furthermore, a windshield survey conducted in May 2023 did not identify any one neighborhood with chronic substandard housing issues, a finding corroborated by the local knowledge of City staff.

## **Displacement Risk**

UC Berkeley's Urban Displacement Project (UDP) uses data-driven research to produce maps identifying sensitive communities that are at-risk of displacement. UDP defines sensitive communities as currently having "populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost." Vulnerability was determined based on the following characteristics:

- The share of very low-income residents is above 20 percent; and,
- The tract meets two of the following criteria:
  - Share of renters is above 40 percent
  - Share of people of color is above 50 percent
  - Share of very low-income households that are severely rent burdened households is above the county median

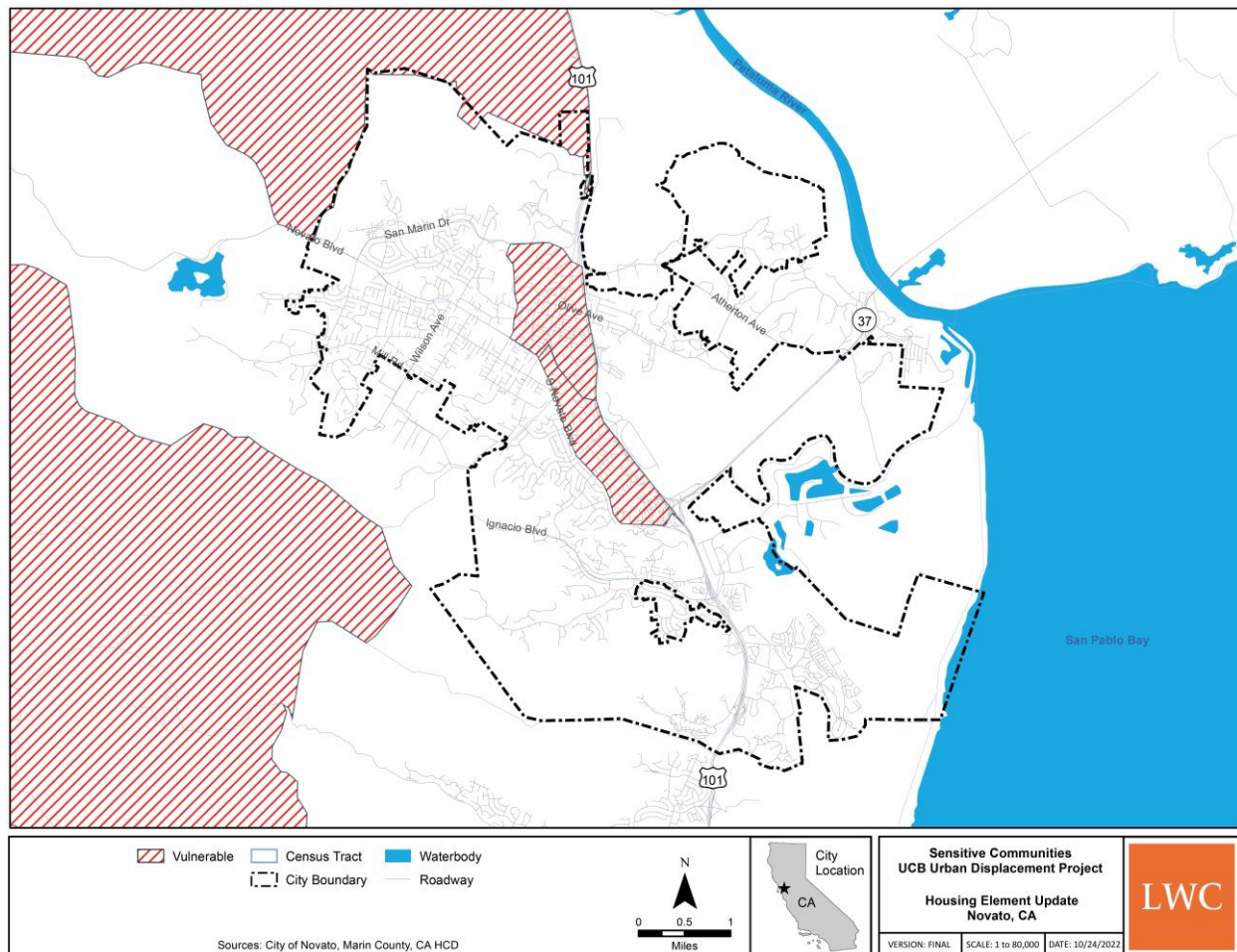
- Percent change in rent is above county median rent increase
- Rent gap, which is the difference between tract median rent and median rent for surrounding areas

UDP has identified vulnerable communities in two Census tracts in the central portion of the City, located west of and adjacent to Highway 101 (Figure F-32). These vulnerable tracts have higher concentrations of LMI households and are more racially diverse. The northern tract is also more likely to experience overcrowding (as shown in Figure F-29), indicating a greater need for more affordable housing for lower-income households to meet demand. More housing options can provide greater access to housing opportunities and stability for these residents.

Based on the above information, this area is likely to have a greater need for more affordable housing to alleviate housing demand. Also, downtown Novato is an increasingly desirable place to live due to its concentration of shopping and dining, historic character, walkability, transit, and services, suggesting there may be greater risk of displacement for lower-income residents.

The AFFH-related programs in this Housing Element include strategies to preserve and improve the existing housing stock, provide fair housing resources and support for tenants, and continue to implement strategies that encourage investment and provision of additional housing opportunities in this area.

**Figure F-32: Vulnerable Communities**



## Homelessness

Marin County's history of racial and economic segregation (see Section F.2.1) exacerbates the already complex nature of California's widespread homelessness crisis. Matters of jurisdiction, funding, and legality complicate the task of addressing homelessness against the backdrop of high and ever-rising housing costs (see preceding subsections on Overpayment). Homelessness in Marin County is in some ways very similar to other Bay Area counties. For example, 78 percent of homeless residents in Marin County resided in Marin County prior to becoming homeless, similar to figures observed in neighboring San Francisco (71 percent)<sup>29</sup> and Sonoma County (68

<sup>29</sup> San Francisco Department of Homelessness and Supportive Housing (HSH) and Applied Survey Research (ASR), [San Francisco Homeless Count and Survey 2022 Comprehensive Report](#) (August 2022).

percent)<sup>30</sup>. However, the scale of the homelessness crisis differs in each county, as do geographic patterns of need and access to services.

The Marin County 2022 Point-in-Time (PIT) Count is a census and survey that identifies the sheltered and unsheltered homeless population. While the PIT Count is normally conducted every two years, the 2021 count was delayed to 2022 due to the COVID-19 pandemic. The 2022 PIT Count was conducted on February 17, 2022, by the Marin County Department of Health & Human Services, the Marin County Continuum of Care (CoC), and social research firm Applied Survey Research (ASR). Results of this survey predominantly relate to Marin County as a whole, with only limited data as to the nature of homelessness within local jurisdictions like the City of Novato. Below, results of the 2022 PIT Count are described at both the County and City level to reflect regional nature of the homelessness crisis and joint efforts to address it across jurisdictions. Local data and knowledge are provided where available or relevant.

## Marin County

The 2022 PIT Count identified a total of 1,121 sheltered and unsheltered homeless adults and children in Marin County, an increase of 8.4 percent from the 2019 Count. Compared to 2019, the shelter count decreased by almost 11 percent (326 to 291), while the unsheltered count increased 17 percent (708 to 830).<sup>31</sup> Approximately 74 percent of Marin County's homeless population is unsheltered. There was a significant increase in families experiencing homelessness (35.2 percent) between 2019 and 2022. However, Marin County was likely able to avoid an anticipated sharp increase in homelessness in the past three years due in part to the implementation of system-wide Housing First approach to ending homelessness and the utilization of COVID-19 emergency housing solutions to limit the impact of the pandemic on homeless residents.

Table F-9 reports the demographic characteristics of the homeless population as reported in the 2022 PIT Count. These characteristics can be compared to the County's total population to identify whether a particular protected characteristic is disproportionately represented as part of the homeless population and thus represents a fair housing concern. The percentages for a demographic characteristic in **bold** indicate overrepresentation in the unhoused population.

Demographic Characteristic	Count (2022)		Share (2022)	
	Unhoused	County	Unhoused	Total
<b>Total Persons</b>	1,121	256,018	100%	100%
<i>Sheltered</i>	291	n/a	26%	n/a
<i>Unsheltered</i>	830	n/a	74%	n/a
<b>Age</b>				

<sup>30</sup> Sonoma County Continuum of Care (CoC) and Applied Survey Research (ASR), [County of Sonoma 2022 Point-in-Time Count Results](#) (September 2022).

<sup>31</sup> Marin County Continuum of Care (CoC) and Marin County Department of Health & Human Services, [2022 Homeless Point-in-Time Count and Survey](#) (May 2022).

<i>0-17</i>	81	48,404	8%	19%
<i>18-24</i>	142	15,718	<b>14%</b>	6%
<i>25-59</i>	506	110,378	<b>50%</b>	43%
<i>60+</i>	283	81,518	28%	32%
<b>Gender</b>				
<i>Male</i>	661	124,273	<b>59%</b>	49%
<i>Female</i>	437	131,745	39%	52%
<b>Race</b>				
<i>White</i>	729	201,684	65%	79%
<i>Black</i>	247	9,768	<b>22%</b>	4%
<i>Multi-Race/Other</i>	56	43,024	5%	17%
<i>Asian</i>	22	24,874	2%	10%
<i>American Indian or Alaska Native</i>	45	6,967	<b>4%</b>	3%
<i>Native Hawaiian or Pacific Islander</i>	–	611	<b>2%</b>	<1%
<b>Ethnicity</b>				
<i>Hispanic or Latino (of any race)</i>	258	43,801	<b>23%</b>	17%
<i>Not Hispanic or Latino</i>	863	212,217	77%	83%

**Table F-9: Demographic Composition of Marin County Homeless Population (2022)**

Demographic Characteristic	Count (2022)		Share (2022)	
	Unhoused	County	Unhoused	Total
<b>Total Persons</b>	1,121	256,018	100%	100%
<i>Sheltered</i>	291	n/a	26%	n/a
<i>Unsheltered</i>	830	n/a	74%	n/a
<b>Age</b>				
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<i>18-24</i>	142	15,718	<b>14%</b>	6%
<i>25-59</i>	506	110,378	<b>50%</b>	43%
<i>60+</i>	283	81,518	28%	32%
<b>Gender</b>				
<i>Male</i>	661	124,273	<b>59%</b>	49%
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<b>Ethnicity</b>				
<i>Hispanic or Latino (of any race)</i>	258	43,801	<b>23%</b>	17%
<i>Not Hispanic or Latino</i>	863	212,217	77%	83%

Source: County of Marin PIT Report on Homelessness (2022); ACS 1-Year Estimates (2022)

In 2022, the following populations were overrepresented in Marin County’s unhoused population: individuals aged 18-59; men; those identifying as Black, American Indian or Alaska Native, and Native Hawaiian or Pacific Islander; and those identifying as Hispanic or Latin (of any race). The greatest overrepresentation in comparison with the general population of Marin County was those identifying as Black (22 percent vs. four percent).

The 2022 PIT Count also recorded other protected characteristics and “select populations,” including veterans and families with children, as well as whether they are sheltered or unsheltered. Table F-10 identifies these sub-populations by shelter status and indicates what proportion of the total unhoused population they represent.



**Table F-10: Select Populations of Marin County Homeless Population (2022)**

Select Population	2022	
	Count	% of Total Unhoused Pop.
<b>Chronically Homeless</b>	<b>284</b>	<b>25%</b>
<i>Sheltered</i>	77	7%
<i>Unsheltered</i>	207	18%
<b>Veterans</b>	<b>65</b>	<b>6%</b>
<i>Sheltered</i>	14	1%
<i>Unsheltered</i>	51	5%
<b>Families with Children</b>	<b>73</b>	<b>7%</b>
<i>Sheltered</i>	45	4%
<i>Unsheltered</i>	28	2%
<b>Unaccompanied Children and Transition-Age Youth</b>	<b>126</b>	<b>11%</b>
<i>Sheltered</i>	120	11%
<i>Unsheltered</i>	6	1%
<b>Older Adults Age 60+</b>	<b>280</b>	<b>25%</b>
<i>Sheltered</i>	56	5%
<i>Unsheltered</i>	224	20%
<b>Sexual Orientation and Gender Identity</b>		
<i>LGBTQ</i>	235	21%
<i>Not LGBTQ</i>	886	79%
<b>Disability or Other Chronic Health Condition</b>	<b>340</b>	<b>30%</b>

Source: County of Marin PIT Report on Homelessness (2022)

These results indicate some improvements for select populations amidst an overall increase in homelessness driven by skyrocketing rents, inflation, and widening income inequality. The 2022 PIT Count also reports that Marin County housed 285 of the most vulnerable chronically homeless residents of Marin in supportive housing. Additionally, there are fewer veterans experiencing homelessness, down 34 percent from 2019, and more veterans are being sheltered: 22 percent in 2022, up from 19 percent in 2019.

### City of Novato

The City of Novato's local experience of the homelessness crisis has shifted significantly in recent years amidst the COVID-19 pandemic, its aftermath, and drastic changes to the capacity and funding of relevant social services.

In 2022, the PIT Count identified 265 persons experiencing homelessness in Novato, a 14.5 percent decrease from 2019. This represents 24 percent of Marin County's total unhoused population. Of these individuals in, 150 were unsheltered and 115 were sheltered. Data are not available on protected characteristics at the jurisdictional level. Overall, homelessness in the City has been consistently trending downwards over the past five years, due in part to significant local efforts to connect the unhoused with services, extend the efficacy of existing programs, and develop new strategies as part of a collaborative, Countywide strategy.

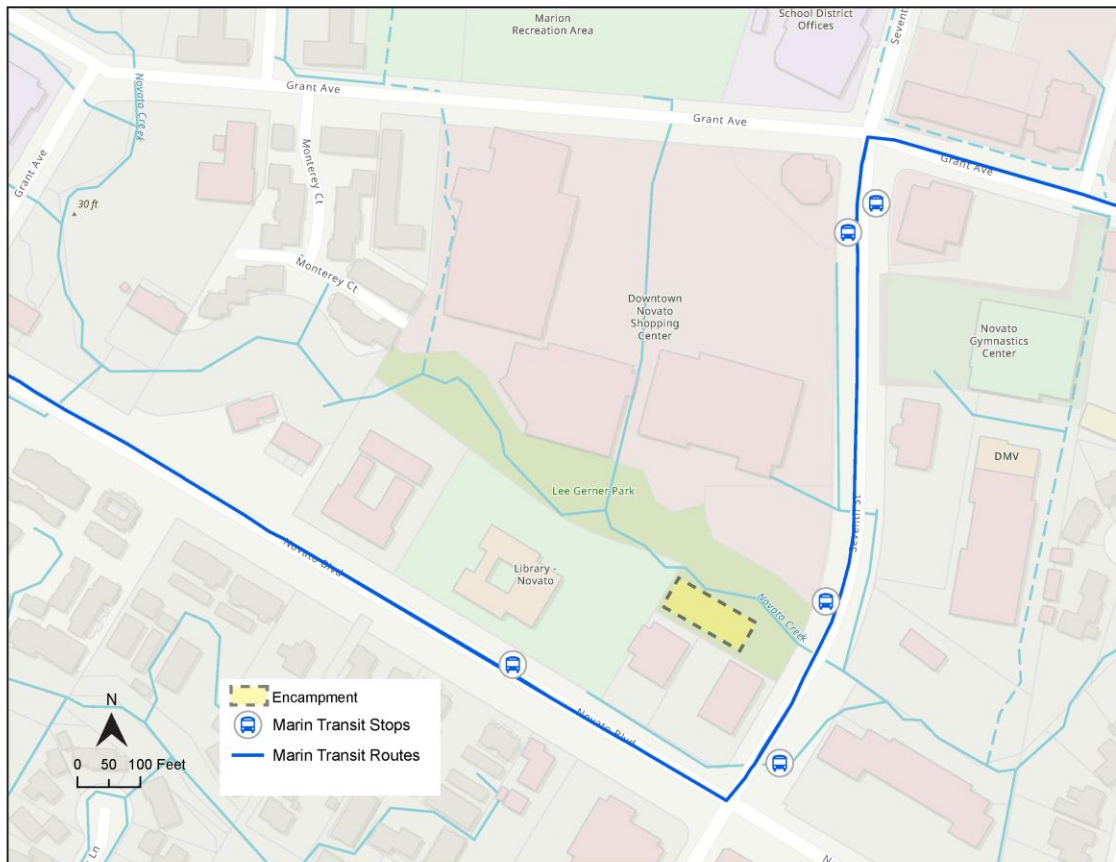
**Table F-11 City of Novato Homeless Population (2017-2022)**

Year	Sheltered			Unsheltered			Total		
	Marin Co.	Novato		Marin Co.	Novato		Marin Co.	Novato	
		Count	% of County		Count	% of County		Count	% of County
<b>2017</b>	409	181	44%	708	169	24%	1,117	350	31%
<b>2019</b>	326	163	50%	708	147	21%	1,034	310	30%
<b>2022</b>	291	115	40%	830	150	18%	1,121	265	24%

*Source: County of Marin PIT Report on Homelessness (2022)*

Though the 2022 PIT Count does not report on the geographic location of homeless individuals or encampments within jurisdictions, local data and knowledge can indicate patterns of need within the City and access to transportation and homelessness services. These observed patterns have informed this HEU's programs related to serving homeless residents and extremely low-income households, including Program 4.G (Support programs to address homelessness) and Program 5.K (Continue to assist in the rehabilitation and production of housing for Special Needs and lower-income households).

**Figure F-33: Lee Gerner Park Encampment and Nearby Transportation Services**



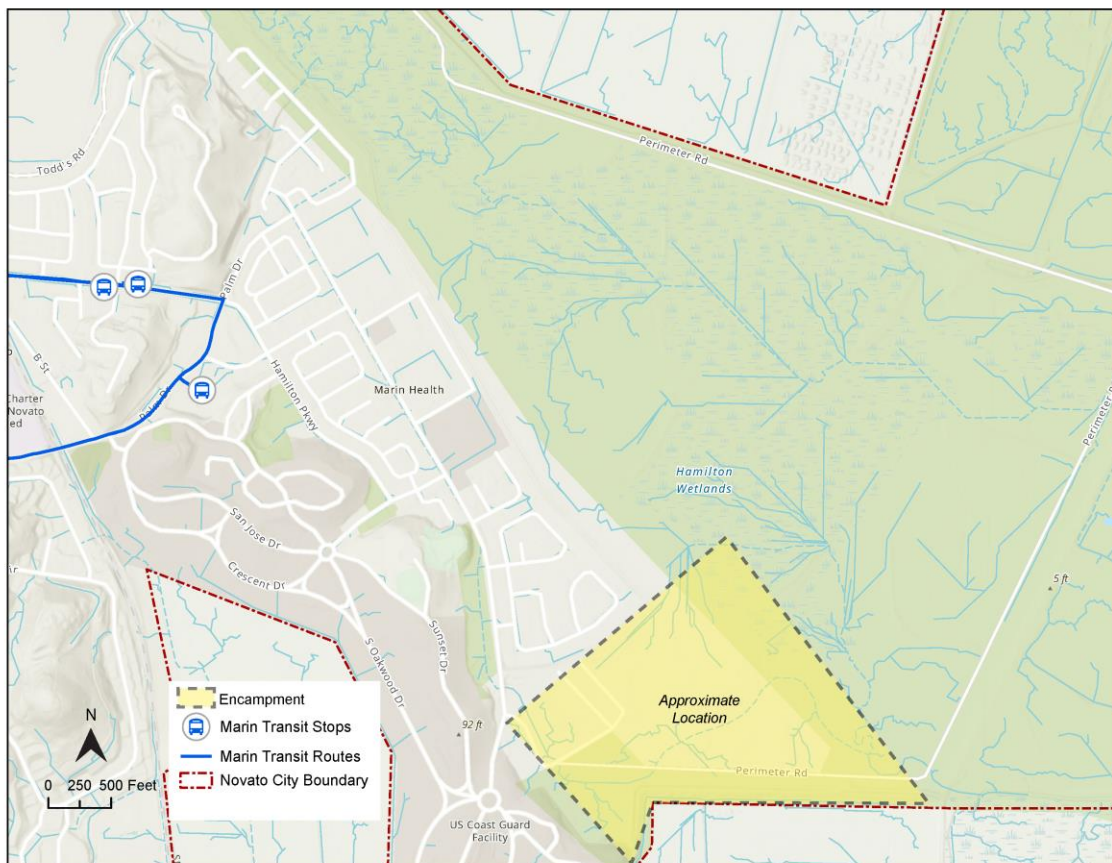
### *Lee Gerner Park*

In March of 2020, the City collaborated with Marin County Health and Human Services to develop an outreach strategy to address the needs of approximately 30 unsheltered homeless individuals residing at “Camp Compassion,” an encampment established in a section of Lee Gerner Park. The mission of this project was to help find housing, provide outreach, and offer services to those experiencing homelessness. In June 2021, the City enacted amendments to the Municipal Code to restrict daytime camping near Stream Protection Zones, which include portions of the Park. The enforcement of these ordinances was challenged by a lawsuit brought by Camp residents and the California Homeless Union. In October 2021, a settlement was reached which authorized the City to establish a Temporary Camp for those residing in the Park and established a Housing and Homeless Committee.

By January 2022, the City had designed and constructed the Temporary Camp, which features established camping spaces, sanitizer/handwashing stations, waste receptacles, and toilets. The Camp is located one block away from the Novato DMV, a Goodwill Store, and a CVS. Transportation services include three adjacent Marin Transit bus stops (Routes 49 and 654) along Novato Blvd. and 7<sup>th</sup> St. (see Figure F-33).

Since its establishment, the City has facilitated offers of case management, outreach services, security, showers, and bathrooms in partnership with the County of Marin Health and Human Services (Homelessness & Whole Person Care). As of March 2024, 12 people reside in the camp and 22 former residents have been housed.<sup>32</sup>

**Figure F-34: Hamilton Wetlands Encampment and Nearby Transportation Services**



### *Hamilton Wetlands*

Another encampment is located near the Hamilton Wetlands, adjacent to the City's Hamilton neighborhood. This encampment is within one mile of the South Novato Library and a mile and a half of a grocery store. In terms of transportation services, it is within one mile of a Marin Transit bus stop (Routes 49 and 57) and the Novato Hamilton SMART rail station (see Figure F-34).

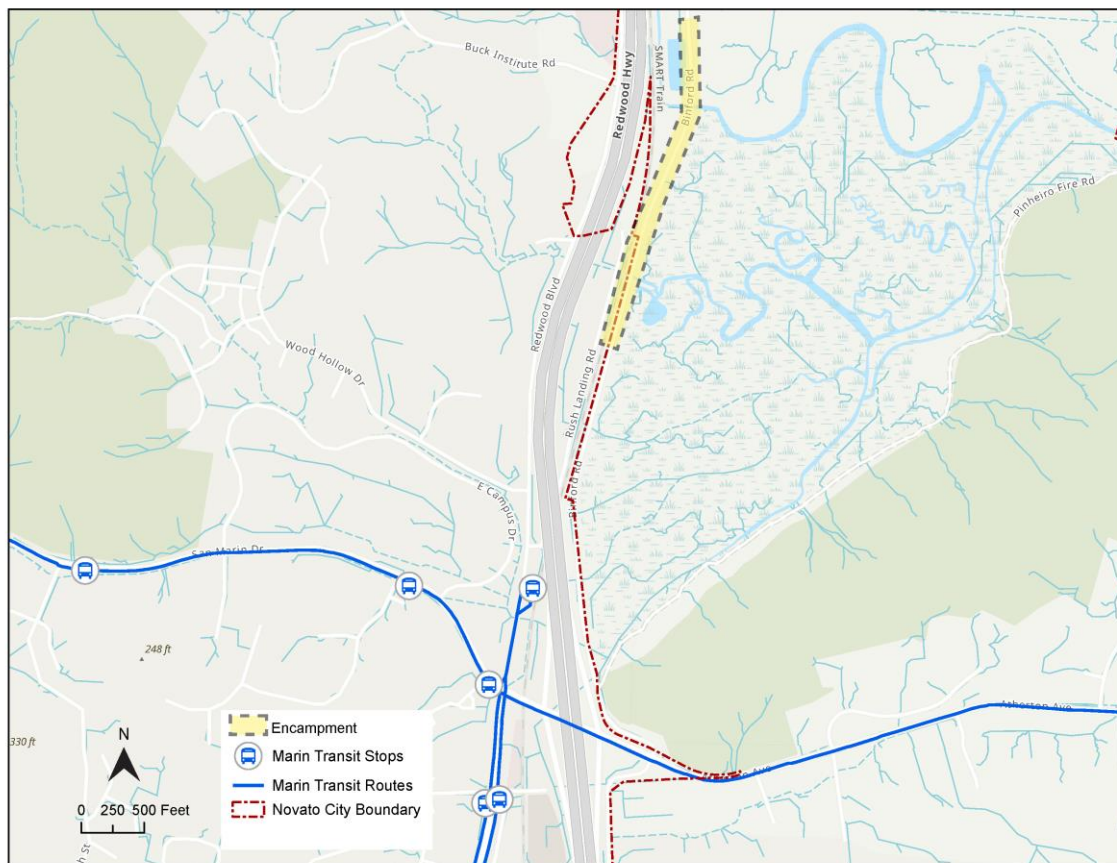
Due to this encampment's greater distance from existing resources, it is a priority target for supportive services and relocation into housing. In FY 22/23, with the County of Marin Health and

<sup>32</sup> Houston, Will. [Novato sets new criteria for homeless camp at park](#). Marin Independent Journal. July 30, 2023.



Human Services (HHS) as the lead applicant and support from the City, HHS was awarded \$1.1 million in State Encampment Resolution Funds to serve 45 people at the City’s Hamilton Marsh encampment. Funds will support outreach & case management, client engagement & direct assistance, mobile showers, portable toilets & handwashing stations, and motel vouchers.<sup>33</sup>

**Figure F-35: Binford Rd. Encampment and Nearby Transportation Services**



### ***Binford Rd.***

Another significant vehicle encampment is just outside Novato city limits, along Binford Rd. between the Rush Creek Open Space Preserve and Highway 101. As the encampment is predominantly within Marin County’s jurisdiction, HHS has led efforts to serve its residents with support from the Downtown Streets Team, which provides support and hygiene services at encampments, churches, medical facilities, and other places in need. In terms of transportation

<sup>33</sup> Halstead, Richard. *Marin awarded \$2.9M to aid homeless campers*. Marin Independent Journal. June 19, 2023.

services, the encampment is located within roughly half a mile of the Novato San Marin SMART rail station and associated bus routes (see Figure F-35).

Though relatively close to Downtown Novato and services, numerous health and safety concerns have also made this encampment a priority target for supportive services. Marin County was awarded \$1.6 million in State Encampment Resolution Funds to serve the Binford Road encampment<sup>34</sup> and has recently adopted a plan to utilize \$500,000 to buyback vehicles and connect residents with permanent supportive housing.<sup>35</sup> According to HHS' [Homelessness Data Dashboard](#), as of March 2024, 89 individuals reside in approximately 104 vehicles, with 22 former residents housed and 14 individuals on an identified housing pathway.

Currently, Novato provides 80 emergency shelter beds, 55 transitional housing units, and 101 supportive housing units, a total of 236 beds or units (Appendix A, Table A-18). As shown in Table F-11, this represents 40 percent of the County's sheltered unhoused population. While the gap of the total number of unsheltered and sheltered individuals is greater than the number of emergency and transitional units the City currently provides, in August 2022 the Novato City Council approved the development of 24 one-bedroom apartments of permanent supportive housing for veterans and 26 one-bedroom apartments of workforce affordable housing (Appendix A, Section A.3.4). The City continues to work towards providing housing opportunities for all unsheltered and sheltered individuals in Novato as detailed in Program 4.G (Support Programs to Address Homelessness).

Also as discussed in Appendix A, people of color in Novato are more likely to experience poverty than white residents (Figure A-25). Consequently, these economic disparities also leave people of color at higher risk for housing insecurity, displacement, or homelessness. During the 2019-20 school year, the student population experiencing homelessness increased by 95.6 percent from 90 to 176 students in Novato. The increase is significantly higher than that of Marin County (29.9 percent) during that time.

Novato is part of the Marin County Continuum of Care (CoC), which is a regional planning body funded by HUD that coordinates housing and services funding across Marin County. The CoC provides a list of emergency shelters and services for each district in the County. Homeward Bound of Marin is the primary provider of countywide homeless shelters and services and operates two shelters in Novato, the New Beginnings Center and the Next Key Center. The New Beginnings Center provides 80 emergency shelter beds and Next Key Center provides 29 transitional housing units in Novato. Additionally, Gilead House, a separate non-profit, provides 12 units of transitional housing for homeless single mothers and their children in a Novato apartment complex.

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<sup>34</sup> Ibid.

<sup>35</sup> Halstead, Richard. [Marin supervisors approve vehicle buyback at Novato encampment](#). Marin Independent Journal. December 14, 2023.

## F.2.7 Other Relevant Factors

### Rates of Homeownership by Race and Ethnicity

As described in Appendix A, Section A.4.2 (Housing Tenure), there were 22,325 housing units estimated in Novato in 2019, 68 percent of which were owner-occupied, a higher rate than Marin County (64 percent) and the Bay Area as a whole (56 percent). Homeownership rates often vary considerably across race/ethnicity, and these disparities reflect not only differences in income and wealth, but also stem from federal, State, and local policies that limited access to homeownership to communities of color while facilitating it for white residents. While many of these policies have been outlawed, their impacts are still evident today.

Table F-12 presents 2019 ACS data for housing tenure by race in Novato. Homeownership is far more predominant among white residents (73.7 percent) than the next-largest racial/ethnic group, Hispanic or Latino residents (40.5 percent). However, despite their higher-than-average poverty rate described above in Table F-5, other racial/ethnic groups own homes at rates higher than Hispanic or Latino residents, including Asian residents (62.5 percent), Black residents (47.7 percent), and residents other or multiple races (43.3 percent).

**Table F-12: Housing Tenure by Race of Householder (2019)**

Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non-Hispanic)	31	0.1%	51	0.4%	82
Asian / API (Hispanic and Non-Hispanic)	1,015	3.5%	608	4.6%	1,623
Black or African American (Hispanic and Non-Hispanic)	218	0.8%	239	1.8%	457
Hispanic or Latino	1,152	4.0%	1,689	12.8%	2,841
Other Race or Multiple Races (Hispanic and Non-Hispanic)	928	3.2%	1,213	9.2%	2,141
White (Hispanic and Non-Hispanic)	13,021	45.3%	5,001	37.8%	18,022
White, Non-Hispanic	12,405	43.1%	4,417	33.4%	16,822
<b>Total</b>	<b>28,770</b>	<b>100.0%</b>	<b>13,218</b>	<b>100.0%</b>	<b>41,988</b>
Universe: Occupied housing units For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.					

Source: ACS 5-Year Estimates (2015-2019), Table B25003(A-I)

One obstacle to home ownership is lack of access to the first tier of the financial system to obtain banking services and loans. The Federal Financial Institutions Examination Council's (FFIEC)

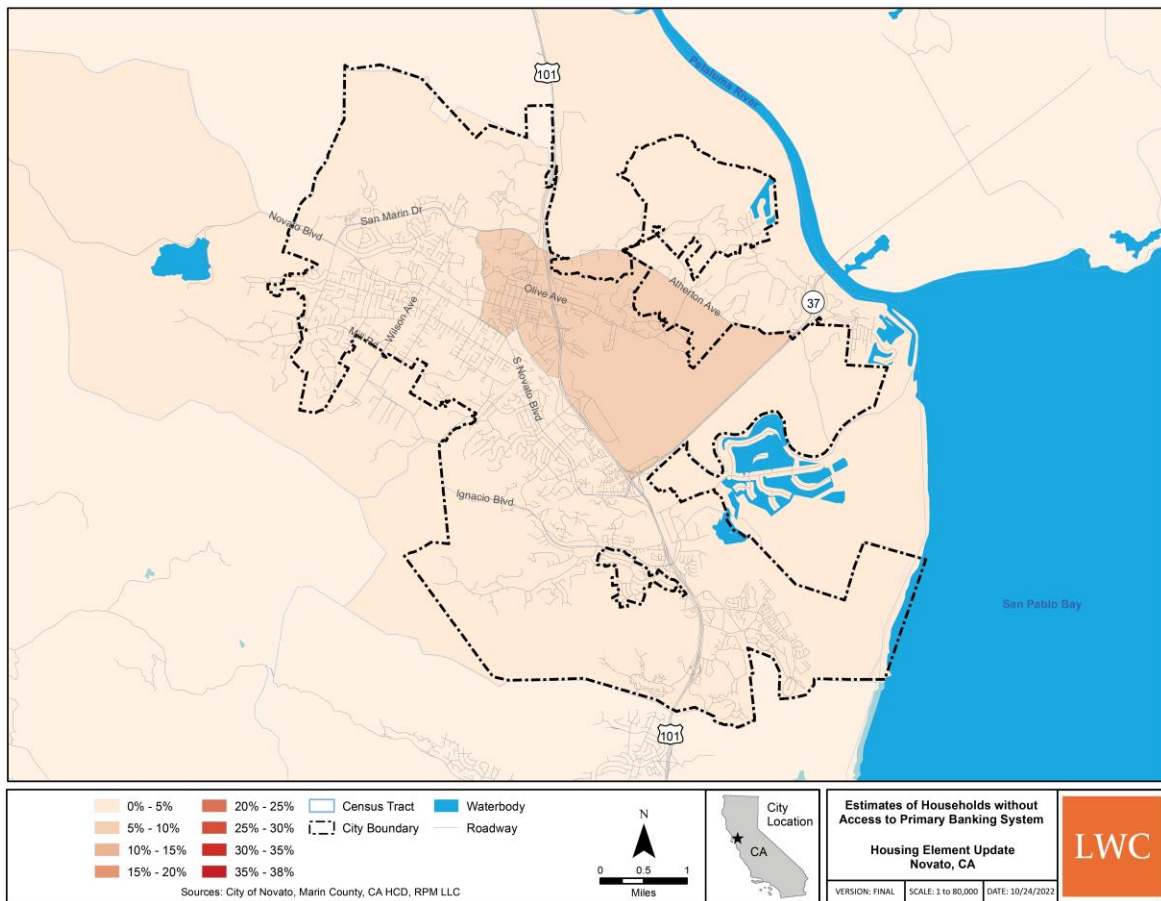


provides the Community Reinvestment Act (CRA) July 2021 Census tract spatial data known as the [CRAMap 2021](#). Included in the CRAMap 2021 spatial data is the Unbanked Index (developed by RPM Consulting) which provides an estimate of households lacking access to the primary banking system. This index estimates the likelihood of a household will lack both a savings and checking account with a bank, thrift, or credit union.

Figure F-36 presents estimates for the percentages of households that lack access to banking and credit from the Unbanked Index. Identifying areas with relatively high levels of residents without access to the primary banking system can facilitate the process of providing them with first-tier financial services. This may aid lower-income residents in avoiding a dependency on second-tier services, particularly predatory lenders.

In Novato, two central Census tracts are recorded as containing five to 10 percent of households without primary banking access, with lower rates throughout the rest of the City. One of these two Census tracts also record the lowest 2022 TCAC Opportunity Areas Economic Score in Novato (Figure F-33), demonstrating a correlation between lower income levels and lower access to banking or credit systems. Additionally, the Census tract which includes Downtown Novato correlates to having higher percentages of non-white (Figure F-4) and lower-income households (Figure F-12). These issues can compound and continue a cycle of lower incomes, rates of ownership, and access to opportunities.

**Figure F-36: Percentage of Households without Access to Banking or Credit by Tract (2021)**



## F.2.8 Summary of Fair Housing Issues

Access to opportunity in Novato is distributed relatively evenly across the City, as evidenced by fairly consistent TCAC scores citywide. However, many hillside and Bayshore Census tracts meet the criteria of Racially or Ethnically Concentrated Areas of Affluence (RCAA), indicating that non-white residents experience significantly different economic conditions in these neighborhoods than white residents. Meanwhile, the west-central area of the City, encompassing Downtown and adjacent to Highway 101, was identified by the UC Berkeley Urban Displacement Project (UDP) as a Vulnerable Community, a finding corroborated by lower TCAC Economic Scores, the highest overcrowding rate, and some of the highest concentrations of LMI and non-white households in the City. These demographic and economic findings indicate conditions that may exacerbate local inequitable outcomes for communities already impacted by fair housing issues across the region.

The need for more affordable housing is the primary fair housing issue in Novato. Housing affordability impacts nearly all residents but is disproportionately felt by a wide range of protected classes. For example, both renters and homeowners experience overpayment, but renters are more likely to be cost-burdened overall. Furthermore, overpayment impacts both higher- and lower-income households, though non-white racial/ethnic groups are more likely to be below the

poverty line or earn lower-than-average incomes. The contributing factor to this issue is land use and zoning laws either limiting where multi-family housing can be built or procedures resulting in a protracted entitlement effort. The data indicate that both higher- and lower-income households, encompassing various household sizes and characteristics, may choose more affordable housing if it was available.

A second fair housing issue is disproportionate housing needs due to the contributing factor of a lack of available affordable units in a range of sizes. A combination of very high Location Affordability Index rates and high levels of overpayment indicate the need for more affordable housing, which could be provided through smaller unit sizes and a mix of housing types. Additionally, higher overcrowding rates among renter households, especially Hispanic or Latino and other/multiple race households, indicate that many residents are struggling to afford housing costs which can lead to increased homelessness rates for at-risk populations.

A third fair housing issue is segregation and integration, as evidenced by a concentration of whiter, wealthier households in hillside residential neighborhoods and Bayshore planned communities, with lower-income communities of color concentrated in and around Downtown and along the Highway 101 corridor. Comments received during the Housing Element Update process corroborate these findings, indicating that the availability of affordable housing is a critical issue and housing affordable to low- and moderate-income households, young families, essential workers, and seniors is needed. New residential development throughout Novato would provide housing in high and highest resources areas, as well as in Racially or Ethnically Concentrated Areas of Affluence (RCAA).

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## **Section F.3    Sites Inventory**

State law requires potential new housing sites to be analyzed and evaluated in a manner consistent with the City's duty to affirmatively further fair housing (AB 686). The framework for this analysis utilizes fair housing indicators used throughout this Appendix to see if the sites identified will improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity in Novato. Where the analysis indicates that the City does not have sufficient sites available to meet its RHNA goals in a manner that affirmatively furthers fair housing, the Housing Element must include strategies to address this, such as making additional sites available.

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### **F.3.1            Entitled and Proposed Development Pipeline**

Because Novato's housing development pipeline is central to satisfying the majority of the City's RHNA obligation, it is discussed here first (and separately from the sites inventory and rezone sites) to examine potential effects on access to opportunity, segregation, and displacement risk and disproportionate housing needs.

As identified in Appendix B, Table B-8 (Residential Development Potential and RHNA), the City has satisfied the majority of its RHNA through the following:

1. **Accessory Dwelling Units (ADUs):** The City issued an average of 14.75 ADU permits per year during a 4-year period from 2018 through 2021. Based on this annual average, the City is projecting that 118 ADUs will be permitted over the eight-year planning period, **105** of which will be affordable to lower- or moderate-income households.
2. **Entitled and Proposed Development Pipeline:** Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have received a certificate of occupancy between July 1, 2022 and January 31, 2031 can be credited toward the RHNA. This includes housing developments that are already entitled (approved) or currently under review. The City is anticipating 2,459 net new units, **1,163** of which will be affordable to lower- or moderate-income households.
  - a. Based on these sources (ADU projections and approved/entitled projects), the City has excess capacity in the lower and above moderate- income categories, but a shortfall in the moderate-income category of 7 units.

### **F.3.2 Identified Sites and AFFH Sub-Area Analysis**

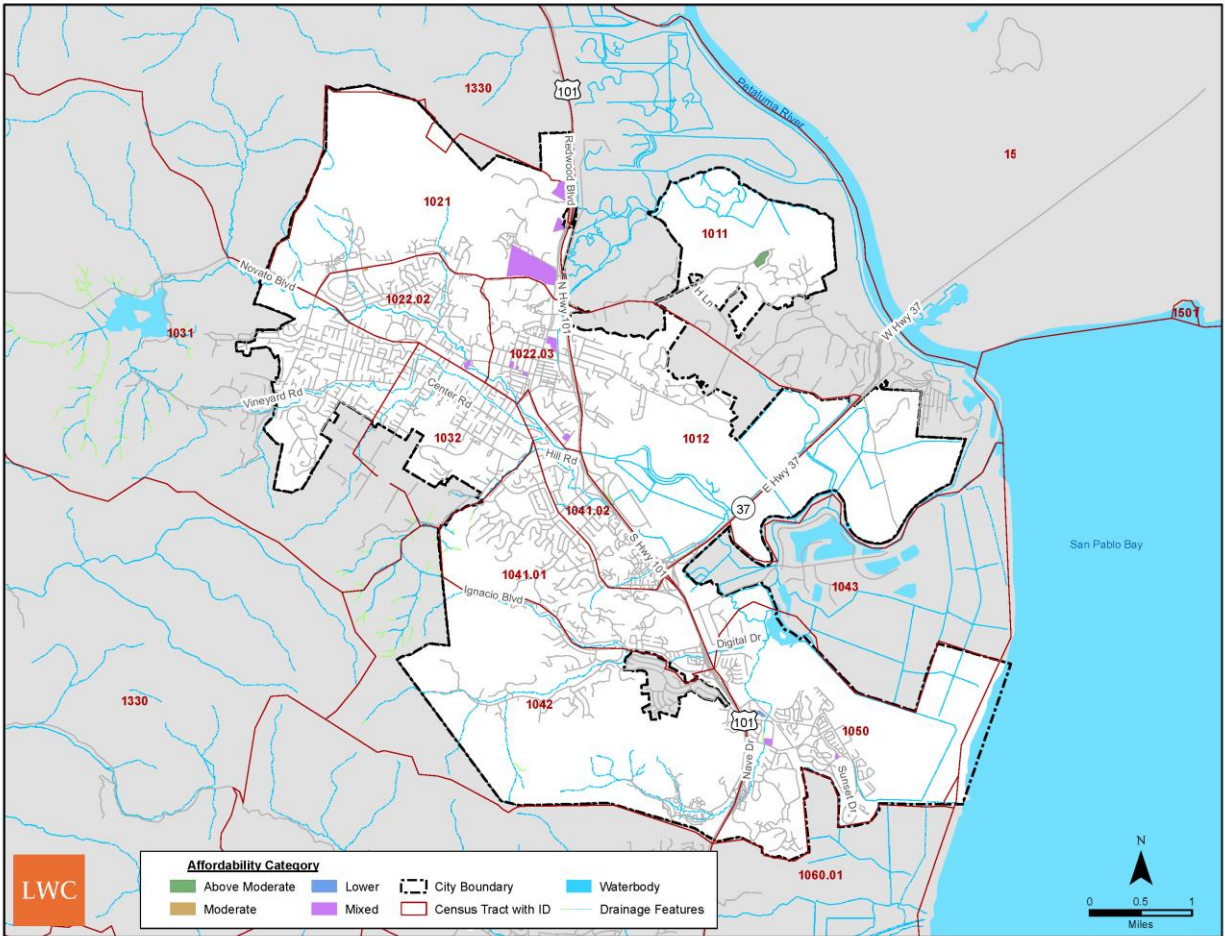
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This section analyzes Novato by Census tract to analyze the potential effect identified RHNA sites (i.e., the entitled and proposed development pipeline, the sites inventory, and rezone sites) may have on access to opportunity, segregation, displacement risk, and disproportionate housing needs. The goal is to ensure that the City's housing policies do not contribute to existing fair housing challenges at the neighborhood level.<sup>5</sup>

Figure F-37 illustrates the locations of all entitled and proposed developments by anticipated income affordability group, with Census tracts labelled. For a complete list, see Appendix B, Table B-3 (Entitled and Proposed Development Pipeline).

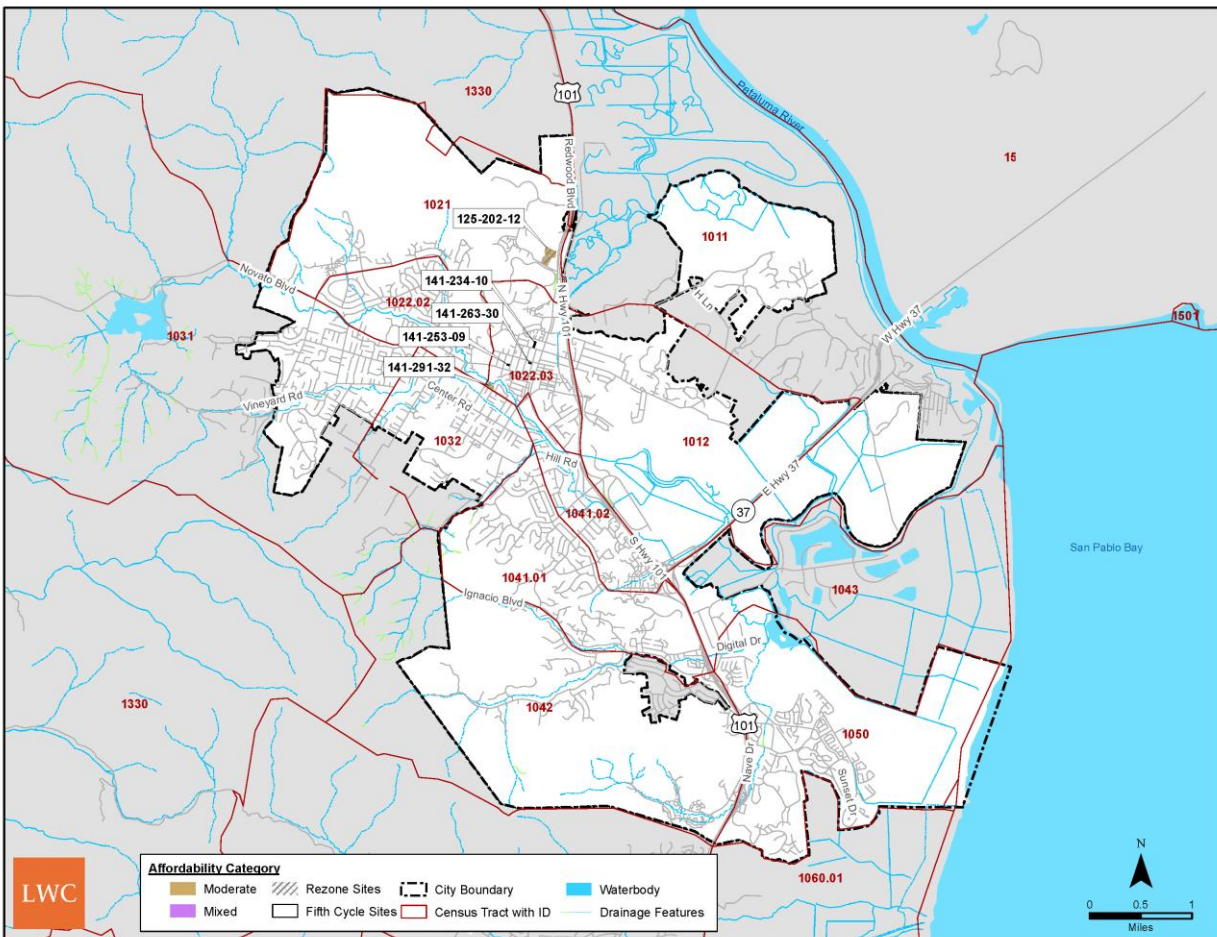
Figure F-38 illustrates all sites inventory and rezone sites by anticipated income affordability group, with Census tracts labelled. For a complete list, see Appendix B, Table B-7 (Sites Inventory) and Table B-10 (Rezone Sites).

**Figure F-37: Entitled and Proposed Developments by Income Affordability Category**





**Figure F-38: Sites Inventory and Rezone Sites by Income Affordability Category**



- Identified RHNA sites are concentrated in five Census tracts: 1021, 1022.02, 1022.03, 1011, and 1050. These represent several distinct neighborhoods:
  - **Tract 1021:** A higher-income, predominantly single-family neighborhood north of San Marin Dr., following the foothills of Mount Burdell. San Marin High School and a multi-family development are located on the western side of the tract, and large office parks are located on the eastern side. Designated as an RCAA and High Resource area.
  - **Tract 1022.02:** A higher-income, predominantly single-family neighborhood on flat ground between low hills. Novato Creek runs through the southern half of the tract. Commercial, multifamily, and public uses, including the Novato Public Library, are concentrated along Novato Blvd. Though predominantly white at the tract level, the neighborhood also contains the block group with the highest proportion of non-white households in the City (73.1 percent). Designated as an RCAA and High Resource area.

- **Tract 1022.03:** This tract encompasses the entirety of Downtown Novato and its adjacent residential areas, including the [Northwest Quad Neighborhood](#), and is home to one of City's SMART rail stations. Homes are a mix of older, smaller single-family residences and mid-size apartments buildings added in the 1960's and 70's, and the majority of households are renters. The neighborhood is one of three predominantly LMI tracts, has the highest proportion of non-white households, has the lowest TCAC Economic Score in the City (0.0 to 0.25 range), and the highest overcrowding rate (9.3 percent). Designated as a Moderate Resource area and identified as one of two Vulnerable Communities in Novato by the UC Berkeley UDP.
- **Tract 1011:** A remote, entirely single-family residential neighborhood located on hills adjacent to the mouth of the Petaluma River, also known as Bahia. Designated as an RCAA and Moderate Resource area.
- **Tract 1050:** This tract encompasses the entirety of the former Hamilton Airforce Base and, due to significant redevelopment, now features a wide variety of residential uses – single-family homes, multi-family complexes, senior housing, affordable housing, and the City's only emergency shelter. The neighborhood also contains many public amenities, including parks, a library, and a SMART rail station. Households are economically and racially mixed, and the neighborhood has the highest Job Proximity Index score (>80) of any tract, as many commercial and light industrial uses are clustered adjacent to Highway 101. Despite featuring some of the highest rates of renter overpayment (69.3 percent), it also has the lowest (i.e., most positive) Location Affordability Index score. Additionally, this neighborhood has the lowest TCAC Environmental Score of any in the City due to ongoing environmental remediation efforts (see discussion above). Designated as a Moderate Resource Area.
- Pipeline projects are slated to occur on vacant land or on parcels which currently feature non-residential uses. The sole exception is the Grant Avenue Mixed-Use Project (APN 141-261-29), which will see one single-family residence demolished. This is a market rate (above moderate-income) home and is not subject to a deed-restriction.
- As described above, Tract 1022.03 (Downtown Novato and environs) presents some of the most meaningful fair housing issues of any other City neighborhood due to its high proportion of non-white, lower-income, tenant households with a high (9.3 percent) overcrowding rate. Though this neighborhood will see the greatest number of individual development projects (six), over 51 percent of pipeline units affordable to lower- and moderate-income households will be built here. Due to the neighborhood's walkability and proximity to Downtown restaurants, shopping, services, and transit, this concentration of mixed-income development has the potential to reduce overcrowding and address other fair housing concerns. Program 6.D (Implement General Plan Policies Related to the



Northwest Quadrant Neighborhood) directs the City to implement General Plan 2035 policies which seek to improve significant portions of Tract 1022.03 (i.e., Policies LU 28b – LU 28e). These place-based strategies will address fair housing issues in this portion of the City, conserving and improving the existing affordable housing stock without contributing to invest-driven displacement.

- The Fireman's Fund project (APN 125-202-03, 125-202-04, 125-202-05) will result in the construction of a large number of units in one of the least residential portions of the City. The project's immediate vicinity is a High Resource area and will not cause displacement or concentrate either above moderate or affordable units in a lower-income area.
- The majority of pipeline projects will provide residential units affordable to a variety of income levels, with no projects proposing a disproportionate number of affordable units in lower-resource or lower-income areas.

Table F-13: Sub-Area Analysis Summary

APN	Census Tract		Units by Income Level					TCAC Composite	% Non-White <sup>1</sup>	% LMI	R/ECAP	% HH with Children		% Disabled	% Overcrowded	% Cost Burden	
	#	Total HH	Very Low	Low	Mod	Above Mod	Net New					Married Couple	Female-Headed			Renter	Owner
Entitled and Proposed Development Pipeline																	
125-180-49	1021	1,005	–	40	40	–	80	High	16.6	18.7	0	89.5	9.0	7.0	0.0	51.1	32.4
125-202-03, 125-202-04, 125-202-05			130	130	–	1,040	1,300										
125-180-23, 125-180-38			49	8	12	61	130										
124-282-18	1022.02	2,360	–	–	6	–	6	High	26.9	45.6	0	68.6	21.2	9.9	4.2	33.1	40.7
141-201-12, 141-201-48			4	4	27	–	35		73.1								
141-261-29	1022.03	2,201	23	158	46	–	227	Moderate	62.7	57.6	0	74.6	19.1	9.9	9.3	57.6	40.1
141-262-14, 141-262-13			7	46	14	–	67										
143-011-05, 143-011-08			18	7	40	113	178										
141-282-07, 141-282-04			20	138	40	–	198		44.1								
153-162-70			4	3	25	–	32										
153-170-56			–	3	3	22	32										
143-151-06	1011	1,098	–	–	–	5	5	Moderate	17.1	24.2	0	89.7	6.7	8.8	4.6	53.2	29.0
157-690-37, 157-690-53	1050	2,790	–	36	–	55	91	Moderate	30.6	46.2	0	93.9	5.2	7.6	1.7	69.3	33.5
157-970-07			50	–	–	–	50										
157-162-70			4	3	25	–	32										
Total		9,454	305	576	282	1,296	2,459										
Sites Inventory																	
141-234-10	1022.03	2,201	–	–	3	–	3	Moderate	62.7	57.6	0	74.6	19.1	9.9	9.3	57.6	40.1
141-253-09			–	–	1	–	1										
141-263-30			–	–	4	–	4										
Total		2,201	–	–	8	–	8										
Rezone Sites																	
125-202-12	1021	1,005	–	–	20	–	20	High	16.6	18.7	0	89.5	9.0	7.0	0.0	51.1	32.4
141-291-32	1022.03	2,201	–	–	22	–	22	Moderate	44.1	57.6	0	74.6	19.1	9.9	9.3	57.6	40.1
Total		5,566	–	–	44	0	44										
<sup>1</sup> Non-white population data are reported at the block group level. Where appropriate, the racial demographics of block groups contained within individual tracts are reported.																	

Source: City of Novato, ABAG/MTC, LWC

### **F.3.3 Potential Effects on Patterns of Segregation**

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A comparison of a jurisdiction's site inventory against its LMI households and R/ECAP area can reveal if the City's accommodation of housing is exacerbating or ameliorating segregation and social inequity. Figure F-39 shows the locations of all entitled and proposed developments and LMI population percentages. Figure F-40 shows the locations of the Novato sites inventory and rezone sites and LMI concentrations. Figure F-41 displays the distribution of entitled and proposed developments, sites inventory, and rezone sites combined area relative to the area of LMI population percentages within the City.

The City contains three LMI percentage quartiles. The City's lowest LMI percentage category (less than 25 percent) encompasses 26 percent of the City. The amount of future and potential project area within this category is about 72 percent. The second LMI quartile (25 to 50 percent) covers 55 percent of the City and contains about 7 percent of future and potential project area. The third LMI category (50 to 75 percent) contains 20 percent of City area and approximately 22 percent of the future and potential project area. Future and potential project locations in Novato relative to LMI population concentrations are not expected to worsen income distributions through further concentration in higher LMI categories due to the relative City and site areas in each LMI category.

Figure F-39 Entitled and Proposed Developments and LMI Households by Tract

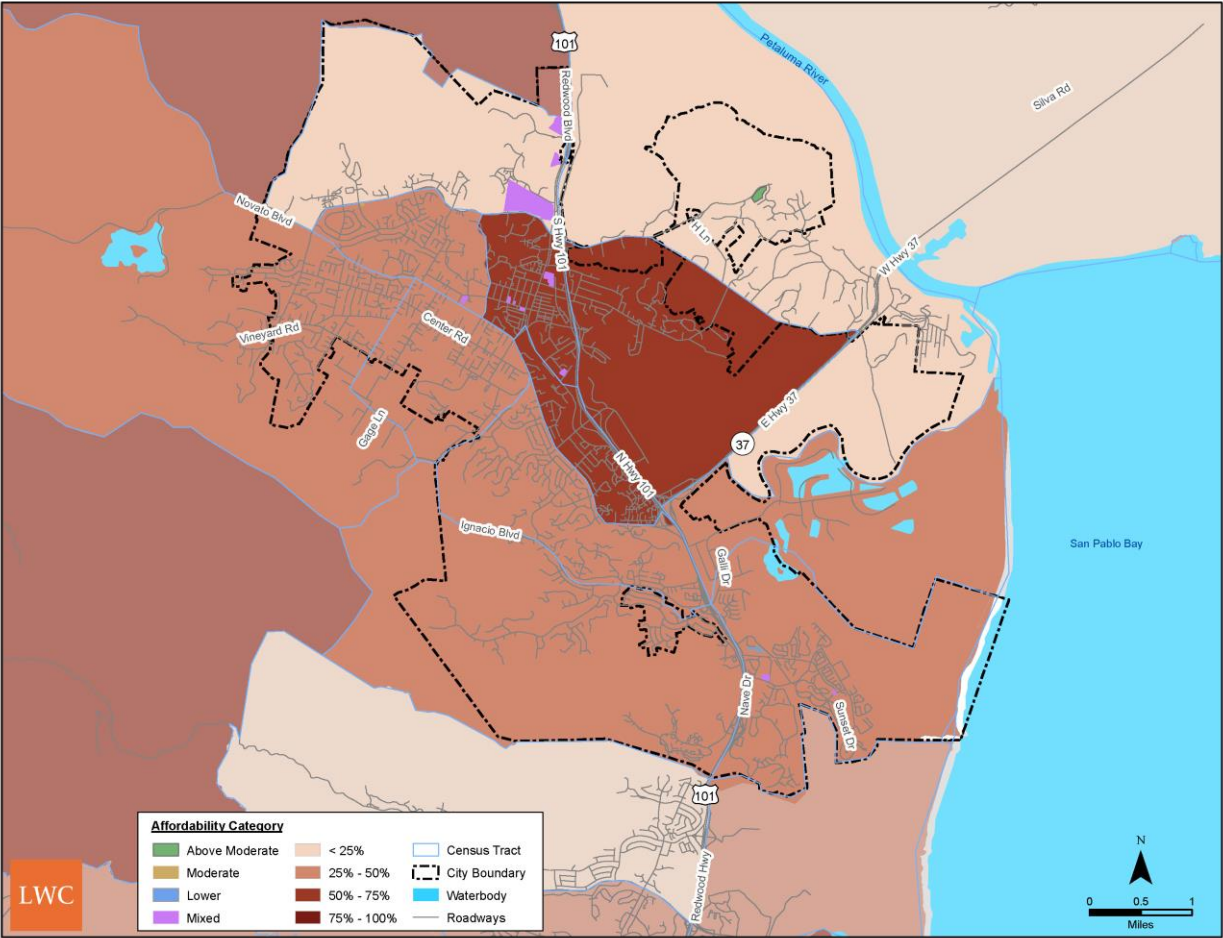


Figure F-40: Sites Inventory and Rezone Sites and LMI Households by Tract

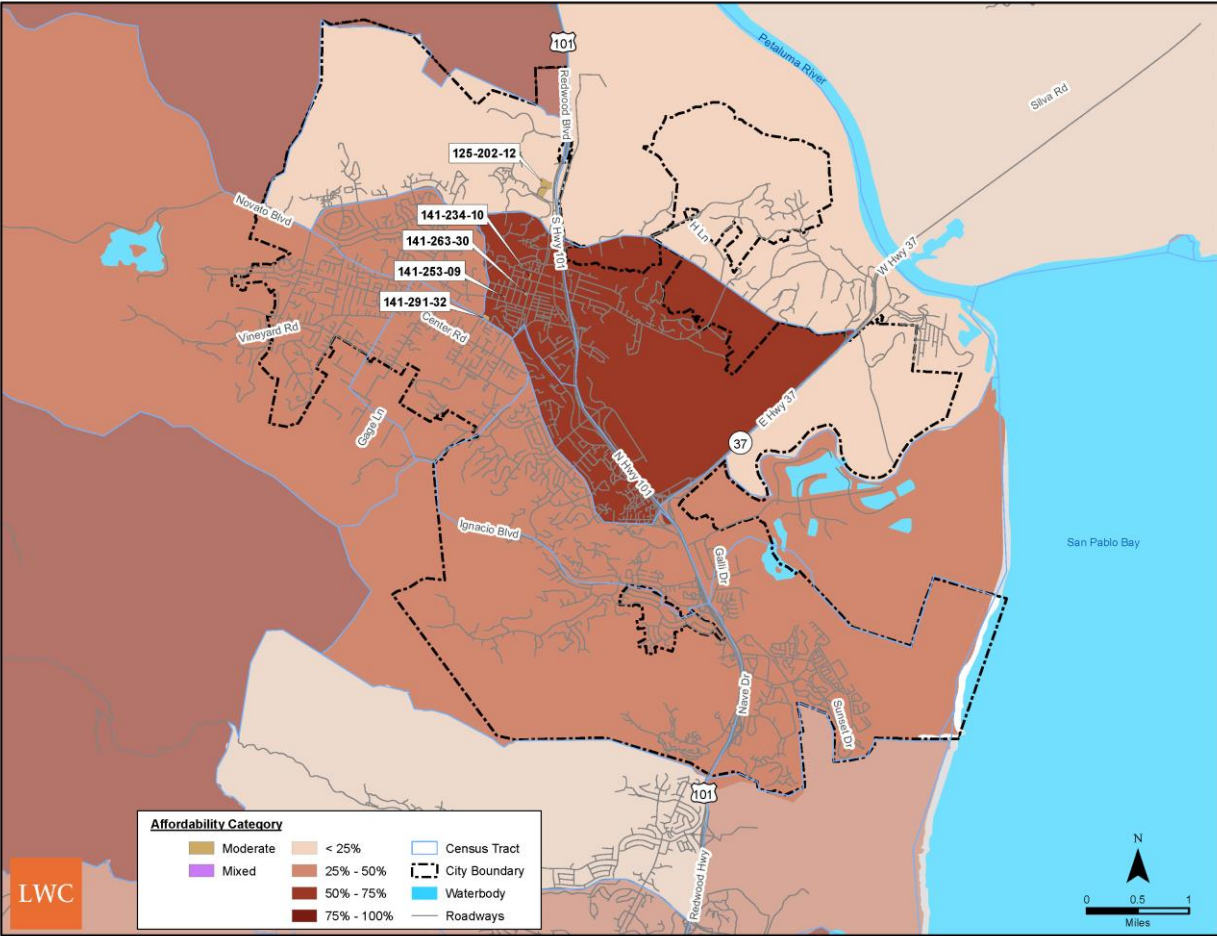


Figure F-41: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites Across LMI Population Percentages

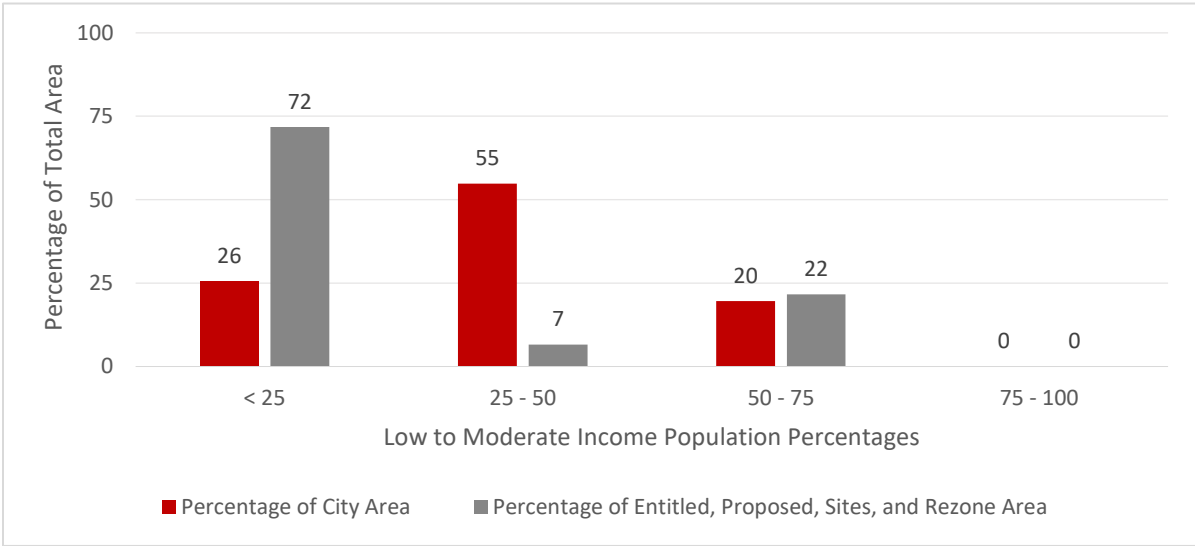
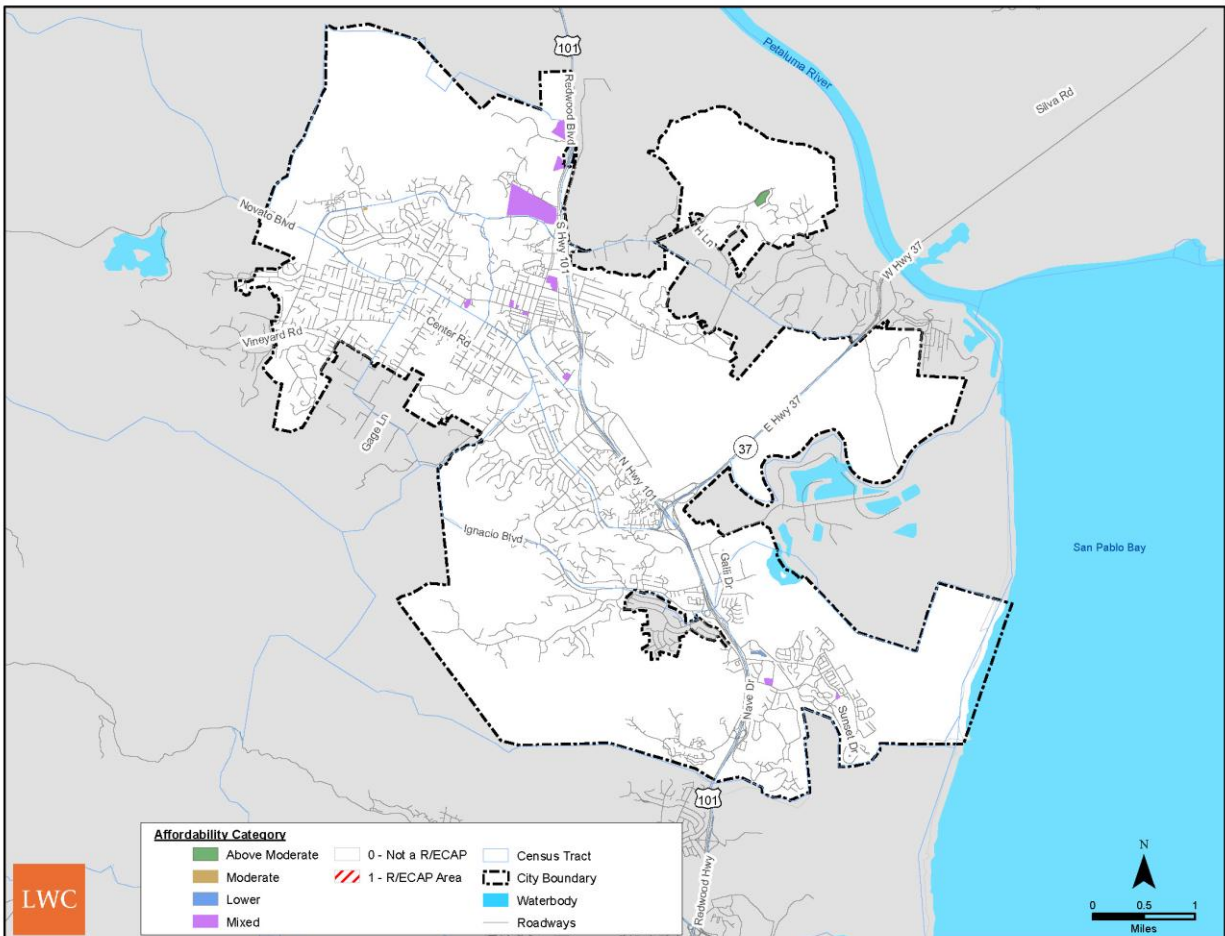


Figure F-42 shows the locations of all entitled and proposed developments and R/ECAPs. Figure F-43 shows the sites inventory area and rezone sites and R/ECAPs. Figure F-44 displays the distribution of entitled and proposed developments, sites inventory, and rezone sites combined area (housing element sites area) relative to the presence of R/ECAPs within the City.

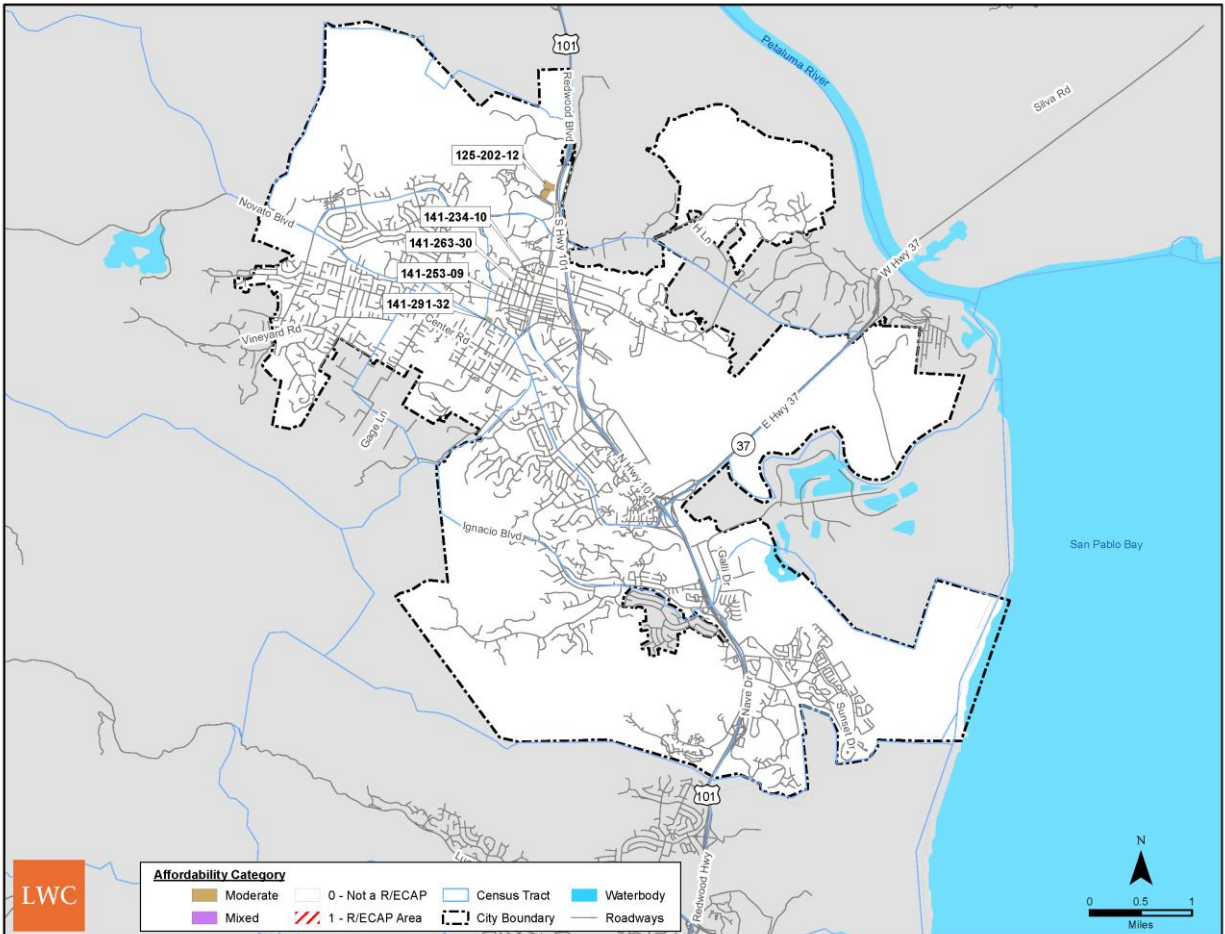
As previously noted, Novato does not have any R/ECAPs within its boundaries. The amount of City and Housing Element sites area that is not within a R/ECAP is therefore 100 percent.

**Figure F-42: Entitled and Proposed Developments and R/ECAPs by Tract**

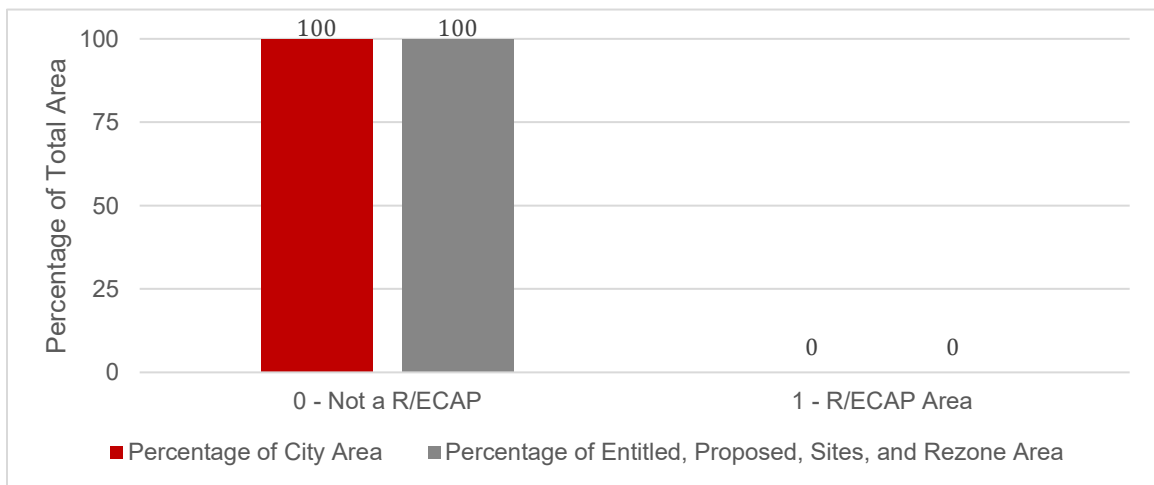




**Figure F-43: Sites Inventory and Rezone Sites and R/ECAPs by Tract**



**Figure F-44: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites Across R/ECAPs**

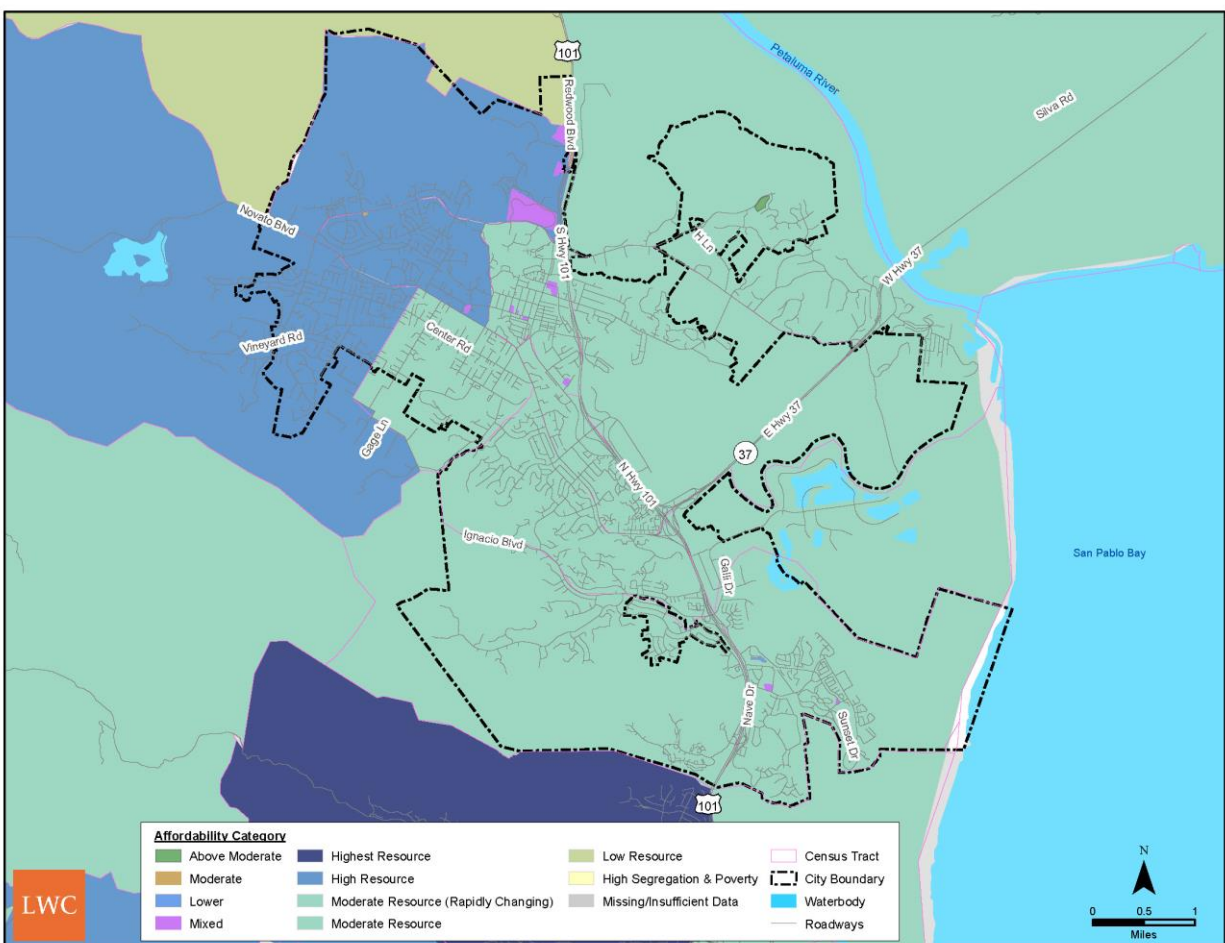




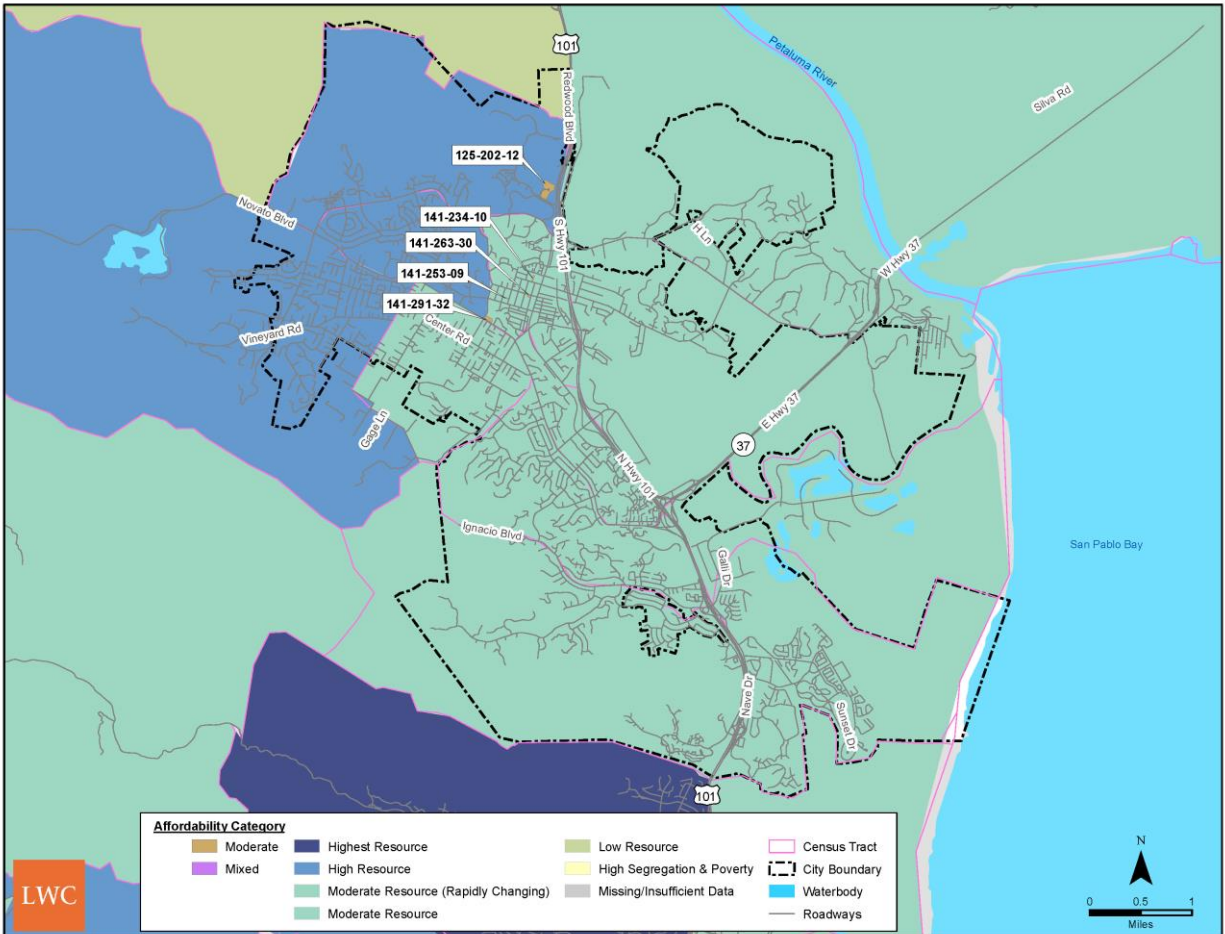
### F.3.4 Potential Effects on Access to Opportunity

Figure F-45 shows the location of all entitled and proposed developments alongside TCAC Composite Score by Census tract. Figure F-46 shows the sites inventory and rezone sites across the City's TCAC Opportunity Areas Composite Score. The City is categorized as Moderate and High Resource areas based on the TCAC Composite Score. Figure F-47 shows the distribution of Novato sites across the TCAC Composite Score categories. The High Resource area accounts for 23 percent of the City and the Moderate Resource area comprises 76 percent of the City. The entitled/proposed development, sites inventory, and rezone sites area distribution is predominantly located in the High Resource area at 59 percent and in the Moderate Resource area at 41 percent. These locations will likely not impede access to opportunity because housing development potential in the City is aligned with higher resources overall.

**Figure F-45: Entitled and Proposed Developments and TCAC Composite Score by Tract**



**Figure F-46: Sites Inventory and Rezone Sites and TCAC Composite Score by Tract**



**Figure F-47: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites by TCAC Composite Score**

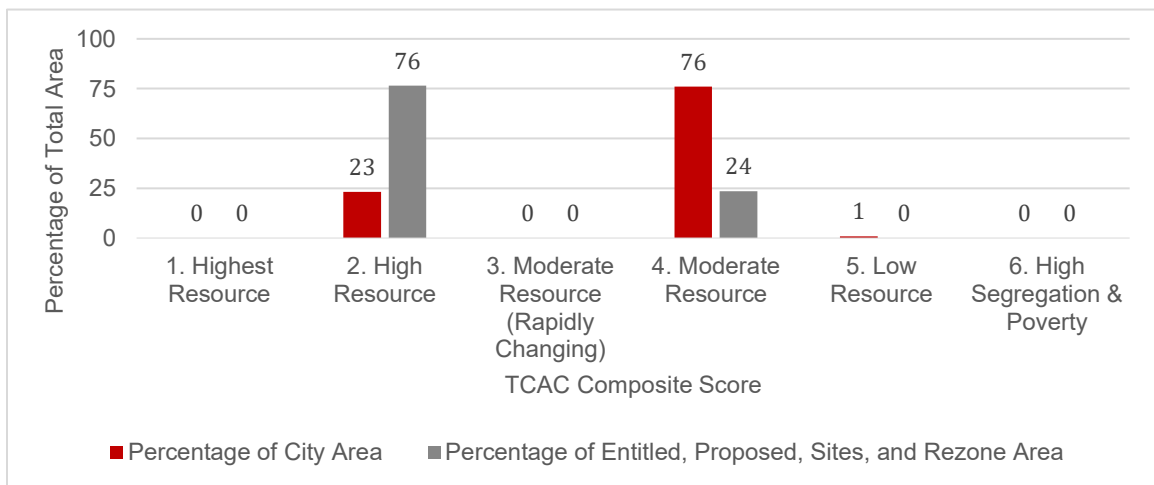
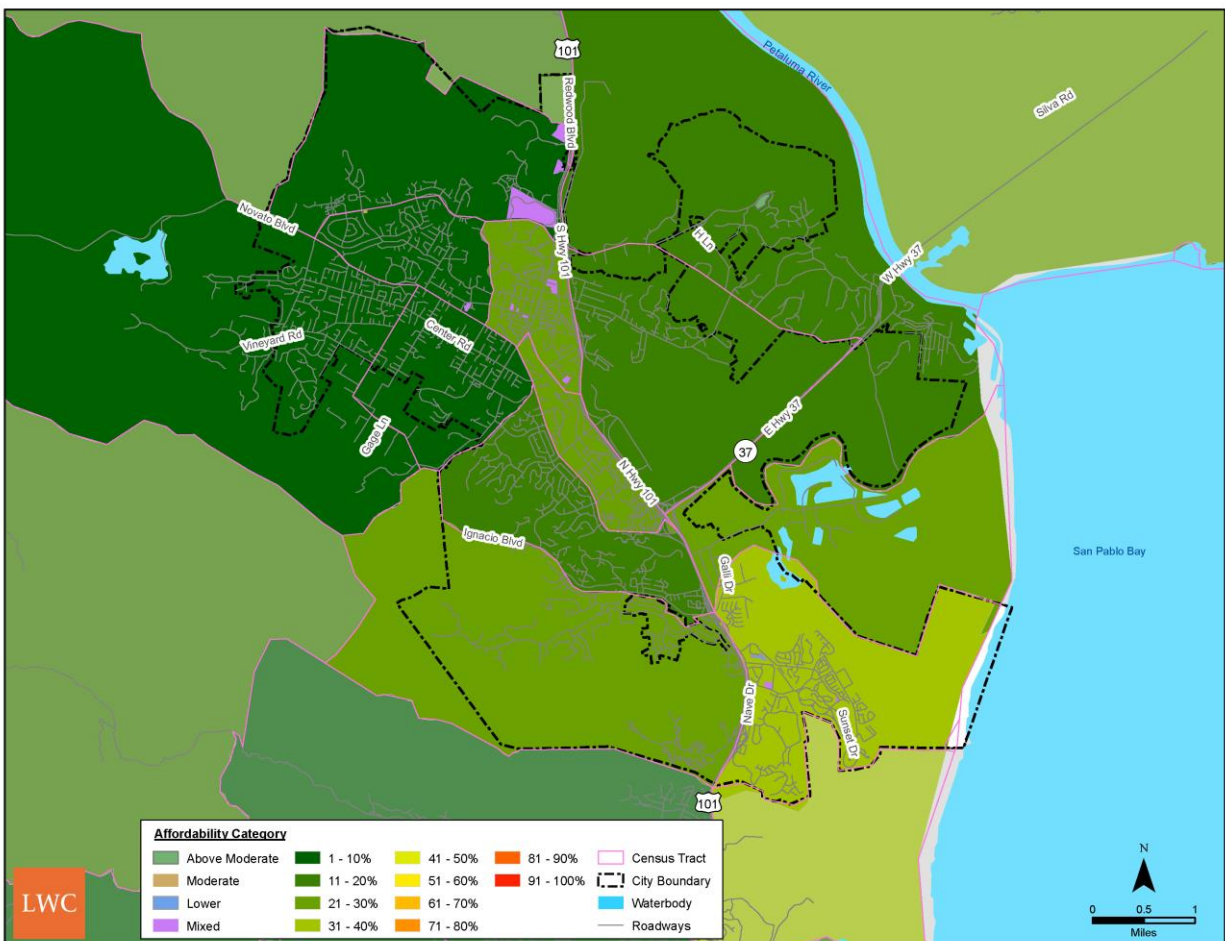


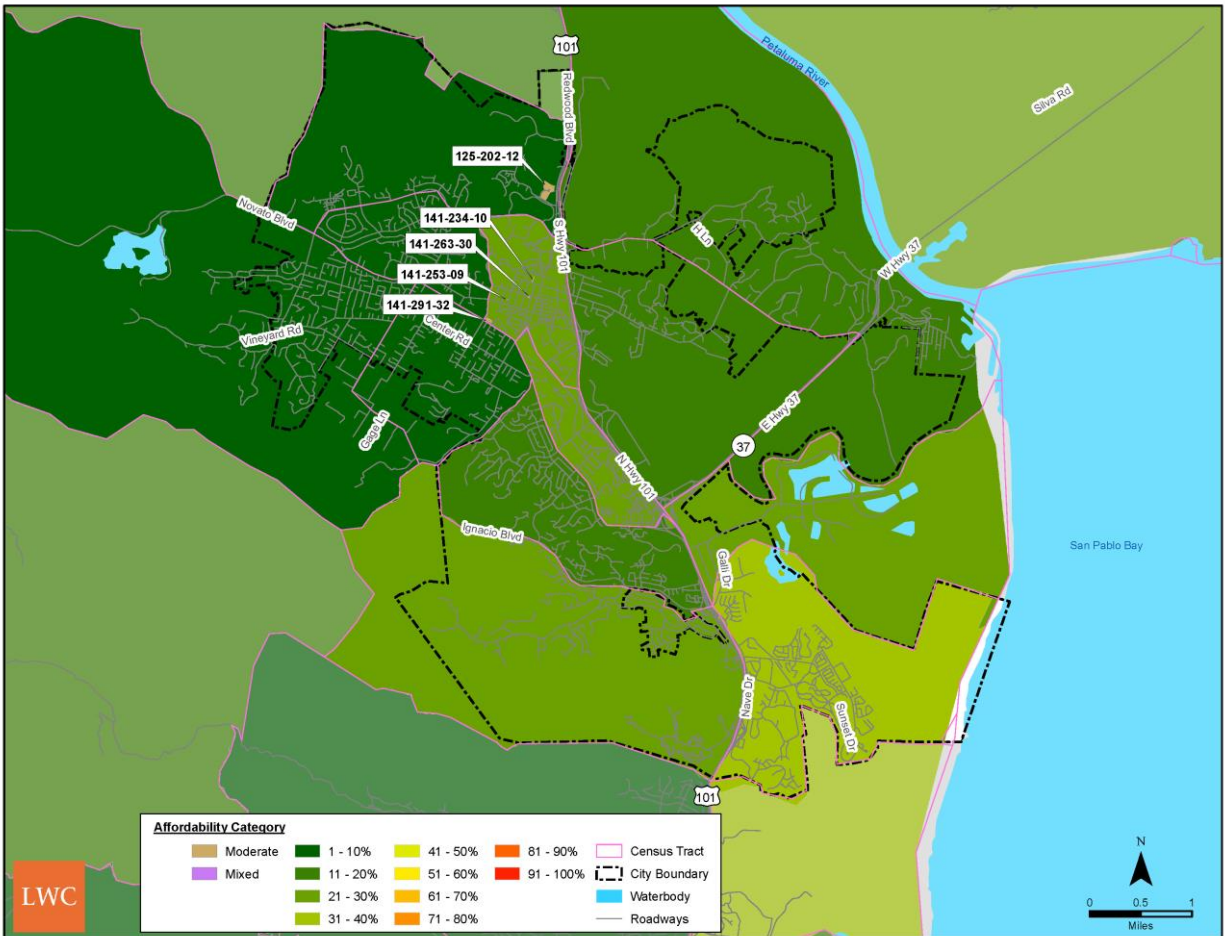
Figure F-48 shows the locations of all entitled and proposed developments alongside Cal EnviroScreen 4.0 Scores by Census tract. Figure F-49 shows the sites inventory and rezone sites across the City's CalEnviroScreen scores. The City contains four CalEnviroScreen scores ranging from the lowest one (first decile of one to 10 percent, lowest environmental risk) up to four (31 to 40 percent). Figure F-50 shows the distribution of sites in Novato across the range of CalEnviroScreen scores presented as deciles. The area with the highest amount of environmental risk to residents (score four) accounts for the lowest percentage of City area (13 percent) and contains only five percent of entitled/proposed, sites inventory, and rezone site area. Most of the future and potential project area is in CalEnviroScreen decile one at 76 percent, which accounts for 28 percent of the City's area. Most of the City area is in decile two at 34 percent but contains only five percent of future and potential project sites. Decile three contains 25 percent of City area and 13 percent of the future and potential project area. Future and potential project locations are concentrated in areas associated with the lowest environmental risk according to the CalEnviroScreen scores. Based on this assessment, these locations are not likely to expose residents to environmental hazards.

**Figure F-48: Distribution of Entitled and Proposed Developments by CalEnviroScreen 4.0 Scores by Tract**

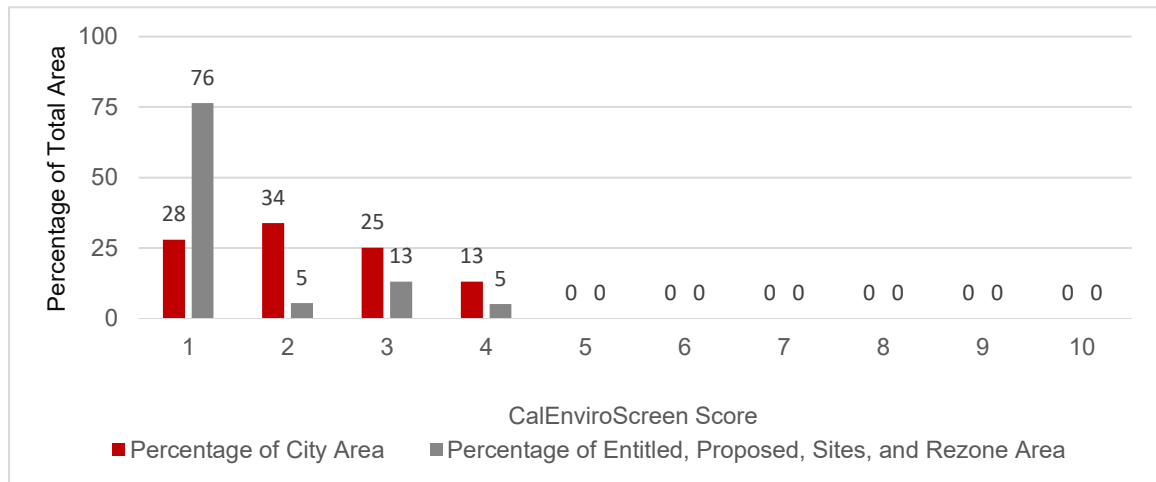




**Figure F-49: Distribution of Sites Inventory and Rezone Sites by CalEnviroScreen 4.0 Scores by Tract**



**Figure F-50: Distribution of Entitled & Proposed Developments, Sites Inventory, and Rezone Sites by CalEnviroScreen 4.0 Scores**



## Section F.4 Contributing Factors and Meaningful Actions

Table F-14 lists the prevalent fair housing issues and their corresponding contributing factors for the City of Novato as prioritized through the findings from the above assessment and as outlined in Section F.2.8 (Summary of Fair Housing Issues).

**Table F-14: Contributing Factors**

Priority	Contributing Factor	Fair Housing Issue
1	Land use and zoning laws	Disproportionate Housing Needs
2	Availability of affordable units in a range of sizes	Disproportionate Housing Needs
3	Location and type of affordable housing	Segregation and Integration

Table F-15 consists of proposed housing programs the City will pursue to specifically overcome identified patterns and trends from the above assessment and proactively affirmatively further fair housing in Novato. To reflect the importance of meaningful action on land use and zoning (the highest-priority AFFH contributing factor), associated housing implementation programs will be implemented within two years of 6<sup>th</sup> Cycle Housing Element adoption. The programs' detailed metrics and milestones are located in Section III of the Housing Element.

**Table F-15: Meaningful Actions**

Contributing Factor	AFFH Strategy	Housing Implementation Programs
Land use and zoning laws	New housing choices and affordability in areas of opportunity	1.A: Rezone for RHNA shortfall. 2.G: Amend and monitor Inclusionary Housing Ordinance 3.C: Adopt Marin County objective design standards for multi-family housing. 3.D: Design review and use permit process improvements.
Availability of affordable units in a range of sizes	New housing choices and affordability in areas of opportunity	1.B: Streamline the construction of Accessory Dwelling Units (ADUs). 3.F: Evaluate and adjust impact fees. 3.G: Modify multi-family residential parking standards.
Location and type of affordable housing	New housing choices and affordability in areas of opportunity	3.H: Adopt a parking reduction incentive program to facilitate transit-oriented development.
	Protect existing residents from displacement	2.B: Maintain long-term housing affordability controls. 5.A: Continue to implement the Multi-Family Housing Inspection Program to preserve the quality of existing multi-family residential units. 5.B: Link code enforcement with public information campaigns. 5.C: Amend the City's condominium conversion ordinance.

**Table F-15: Meaningful Actions**

Contributing Factor	AFFH Strategy	Housing Implementation Programs
		<p>5.F: Preserve mobile home parks.</p> <p>5.G: Regulate the displacement of residential units.</p> <p>5.H: Promote and support rental assistance programs.</p> <p>5.I: Expand “just cause” eviction protections to all tenants.</p> <p>5.J: Enforce Statewide tenant protections (AB 1428) locally and require participation in non-binding mediation for rent increases greater than five percent.</p> <p>6.A: Prepare information and conduct community outreach activities on fair housing issues.</p> <p>6.B: Require non-discrimination clauses in affordable housing agreements.</p> <p>6.D: Implement General Plan policies related to the Northwest Quadrant neighborhood.</p>
	Housing mobility strategies	<p>2.C: Maintain and develop local sources of funding for affordable housing.</p> <p>2.D: Seek outside funding for affordable housing that leverages local resources.</p> <p>5.D: Maintain an inventory of Below Market Rate (BMR) units and provide assistance to homeowners of BMR units.</p> <p>5.K: Continue to assist in the rehabilitation and production of housing for lower-income households.</p>

# Appendix G: Housing Resources

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## Section G.1 Financial and Administrative Resources

The following section (Appendix G) presents financial, administrative, and other resources that can support the City in addressing its housing needs. Availability of these resources is dependent on governmental and administrative priorities, legislation, and the availability of funding, which is constantly subject to change.



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### G.1.1 Local Resources

Novato's Affordable Housing Program is managed by the Community Development Department. The program provides both rental and ownership units to households of very low, low, and moderate incomes. Historically, the City has been able to provide funding to housing developers who develop affordable housing. Since 2000, the City assisted in the construction of over 700 units of affordable housing as part of the Hamilton Airfield redevelopment and has supported other deed-restricted units throughout the City. Below is a brief summary of Novato's Affordable Housing Program resources.

#### **Below Market Rate (BMR) Ownership Housing Program**

The Below Market Rate (BMR) program is a home ownership program where units throughout the City are sold below the market rate value. Homebuyers who previously benefited from programs pass along the opportunity to the next owner when they sell their home. This ensures that there will be affordable housing available for future generations of Novato residents.

As of March 23, 2021, [Rise Housing Solutions](#) manages the City's BMR ownership program, a local non-profit partner that manages similar programs in Cupertino and Menlo Park. Rise Housing Solutions works with the City and its Real Estate Agent Partner to process BMR program applications, housing lotteries, and screening. They also manage similar processes for developers working in the City, most recently [Verandah at Valley Oaks](#) and [Ascend at Hamilton Field](#).

Novato manages its new BMR housing stock separate from the County program managed by the Marin Housing Authority [BMR Home Ownership program](#).

#### **Below Market Rate (BMR) Rental Program**

There is a number of affordable BMR rental units provided throughout the City. The rents are restricted for households of very-low and low incomes. These include the following:

- **Bay Vista at Meadow Park** (5 Hutchins Way): 220 units, max. income 30-60% AMI
- **Creekside at Meadow Park** (5 Hutchins Way): 77 units, max. income 35-69% AMI
- **Millworks** (900 Reichert Ave.): seven units, max. income 50% AMI
- **Next Key Center** (1385 N. Hamilton Pkwy.): 32 units, max. income 50% AMI (job training available)
- **Villa Entrada** (510-530 Entrada Dr., 8-12 Oak Grove Dr.): 65 for-sale units
- **Illes Court**: three for-sale units

## **Gilead House**

Established in 1999, Gilead House provides housing, support, and learning opportunities for up to twelve low-income single mothers and their children at two locations in Novato. The 24-month program offers women the opportunity to learn vital skills in a supportive environment and make permanent and positive changes in their life. The main components of the program include a strong focus on education, family advocacy, mental health support, mentoring, and personal goal-setting. Through each of these avenues, the residents learn independence and self-sufficiency and make plans for life beyond transitional housing.

## **Fair Housing Ordinance**

The City of Novato Fair Housing Ordinance precludes discrimination of potential renters based on their source of income, such as those who receive third-party housing subsidies or vouchers. This means that landlords may not preclude potential tenants with housing assistance, such as the Housing Choice Voucher Program (formerly Section 8), in advertising the availability of an apartment, and may not evaluate applications, charge a higher deposit, or treat an applicant differently based on source of income. This ordinance does not prevent or hinder landlords from screening applications or selecting tenants based on other factors, such as having sufficient total income, adequate credit scores, an acceptable rental history or references, or applying other typical screening criteria.

## **Funding**

Since 2000, the City has funded over 700 affordable housing units throughout the City. Developers constructing affordable housing may request "gap financing" from the City to complete the needed funding for the project.

For example, in 2020 the City Council unanimously voted to commit \$750,000 of the City's \$1.1 million affordable housing fund to Homeward Bound of Marin to support the first phase of its effort to construct 24 one-bedroom apartments of permanent supportive housing for veterans, 26 one-bedroom apartments of workforce affordable housing, and a job training center at 826 State Access Road. The City's funding helped leverage more funding from State, federal and local agencies and organizations, including a \$3 million Veterans Housing and Homelessness Prevention grant from HCD. As of 2022, Homeward Bound was awarded a further \$392,446 in grant money from Marin County's Affordable Housing Trust Fund and the State's Permanent Local Housing Allocation (PLHA) program. This second infusion of funding followed action from the County Board of Supervisors, due in part to ongoing support from Novato's City Council, who helps decide which projects receive funds. Construction began in November 2022.

## **Mobile Home Rent Control**

The Novato Rent Control Ordinance for mobile home parks was enacted to protect tenants' investments in their mobile homes and ensure affordable spaces for rent, while at the same time recognizing mobile home park owners' rights to earn a fair return on investment. The ordinance

governs rents, rent increases, and other protections for current and potential future tenants of mobile home parks. The Ordinance can be found in the Novato Municipal Code as Chapter 20 (Rent Control – Mobilehomes).

## Senior Housing

Novato has affordable ownership and rental developments for seniors with minimum age restrictions starting at 55 years. These include the following:

### *Rentals*

- The Villas at Hamilton (419 S. Palm Dr.)
- Nova Ro I Apartments (1128 Olive Ave.)
- Nova Ro II Apartments (1130 7<sup>th</sup> St.)
- Nova Ro III Apartments (31 Pinheiro Cr.)
- Creekside at Meadow Park (46 Tinker Way)
- Mackey Terrace (626 Owens Dr.)
- Warner Creek Senior Housing (806 Diablo Ave.)

### *For Purchase*

- Villa Entrada (510-530 Entrada Dr., 8-12 Oak Grove Dr.)

## G.1.2 Regional Resources

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### Community Action Marin

- **Application Assistance for Housing, Energy, and other Programs:** Staff are available to assist applicants who do not have access to a computer or smart phone or need other assistance.
- **Emergency Family Needs Program:** This program offers small one-time cash grants to support emergency rental, mortgage, or security deposit assistance. The program supports longer-term help finding affordable housing through a coaching program.
- **Financial & Credit Coaching:** Community Action Marin's coaching helps people develop strategies and manage their overall finances and achieve better financial stability and greater independence. This is defined as a self-sufficient income which includes three months of savings, a credit score of 700 or above, and no revolving debt. Participants commit to being in the program for at least six months, working with a coach to identify personal goals, create an action plan, and meet regularly to check on progress and address barriers. The program collaborates with local banks, colleges, county offices, and other nonprofits to provide a hub of integrated services with the collective goal of helping participants attain long-term financial security.
- **Long Term Housing Assistance:** As part of the coaching program, clients can meet with a Volunteer Housing Navigator who can assist with:

- Information on shared housing, Housing Choice Voucher Program housing (formerly Section 8), and senior subsidized housing options;
  - Planning a housing search (where and how to look);
  - Learning how to present yourself to a landlord;
  - Discussing how to be a good tenant;
  - Creating tools: housing resume and letters of reference; and,
  - Referrals to outside resources.
- **Pet Security Deposit Help:** The Marin Humane Society partners with Community Action Marin to provide up to \$500 towards a pet security deposit for qualifying individuals or families. This financial support is paid directly to the housing manager or landlord.

## Marin Housing Authority

- **Family Self-Sufficiency Program:** Family Self-Sufficiency (FSS) serves Housing Choice Voucher (HCV) and Public Housing participants who wish to increase their earned income and reduce their dependency on welfare assistance and rental subsidies. With support of local agencies, FSS combines case management and advocacy with individual plans for education, training, and employment. Participants in the program can receive support services for up to five years while improving their standard of living and building tools for creating sustainable change.
- **Housing Choice Voucher (HCV) Program:** Marin Housing administers 50 housing choice vouchers (formerly known as Section 8) under HUD guidelines. The HCV Program provides decent, safe, and sanitary affordable rental housing for very low-income families throughout Marin County. Housing is made affordable by assisting the family with a portion of the rent. In this program, the family pays approximately 30 percent of their monthly income for rent and Marin Housing pays the remainder of the rent directly to the owner or property manager.
- **Public Housing:** Public housing is funded by the federal government and administered by the Marin Housing Authority for Marin County. Novato has one public housing development, Casa Nova. It includes 40 units owned by Marin Housing Authority near shopping and bus lines for income-eligible seniors or disabled people capable of independent living. Rent is federally subsidized, so tenants pay 30 percent of their monthly gross income, less a utility allowance.
- **Residential Rehabilitation Loan Program:** This program provides low-interest property improvement loans and technical assistance to qualified very low-income homeowners to make basic repairs and improvements, correct substandard

conditions, and eliminate health and safety hazards in their homes or apartments. Energy efficiency improvements are eligible through this program as well.

- **Shelter Plus Care Program:** Marin County Shelter plus Care Program is a housing subsidy program for individuals who are chronically homeless and suffer from a qualifying disability. The Program is funded by the U.S. Department of Housing and Urban Development (HUD) and Marin County Behavioral Health and Substance Use Services. Participants pay approximately 30 percent of their income toward rent and receive ongoing supportive services from Marin Housing Authority case managers.

### G.1.3 State Resources

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- **Affordable Housing and Sustainable Communities Program (AHSC):** Administered by the Strategic Growth Council, this program provides grants and/or loans to fund land-use, housing, transportation, and land preservation projects that support infill and compact development that reduce greenhouse gas emissions.
- **CalHome:** HCD-provided grants to local public agencies and non-profit housing developers to assist first-time homebuyers become or remain homeowners through deferred-payment loans. Funds can also be used to assist in the development of multiple-unit homeownership programs.
- **California Emergency Solutions and Housing (CESH):** This program provides funds for a variety of activities to assist persons experiencing or at risk of homelessness, such as housing relocation and stabilization services (including rental assistance), operating subsidies for permanent housing, flexible housing subsidies, and emergency housing operating support.
- **California Housing Finance Agency (CalHFA):** CalHFA offers a variety of low-cost loan programs to support the development of affordable multi-family rental housing, mixed-income housing, and special needs housing.
- **California Housing Finance Agency (CalHFA), Mortgage Credit Certificate Program:** The MCC program is a homebuyer assistance program designed to help lower-income families afford home ownership. The program enables home buyers to claim a dollar-for-dollar tax credit for a portion of the annual mortgage interest, up to \$2,000. The remaining mortgage interest may still be calculated as an itemized deduction.
- **California Self-Help Housing Program (CSHHP):** Provides grants for sponsor organizations that provide technical assistance for low- and moderate-income families to build their homes with their own labor.
- **Elderlink:** A senior care referral service licensed by the Department of Public Health. This organization provides independent and free personalized senior care placement

services to fully screened and approved nursing home, board and care, and assisted living facilities.

- **Golden State Acquisition Fund (GSAF):** This \$93 million fund provides low-cost financing aimed at supporting the creation and preservation of affordable housing across the state. GSAF makes up to five-year loans to developers for acquisition or preservation of affordable housing.
- **Homekey:** Homekey provides grants to acquire and rehabilitate a variety of housing types, such as hotels and residential care facilities, to serve people experiencing homelessness or who are also at risk of serious illness from COVID-19.
- **Housing for a Healthy California (HHC) Program:** This program provides funding to deliver supportive housing opportunities to developers using the federal National Housing Trust Funds (NHTF) allocations for operating reserve grants and capital loans. The HHC program is intended to create supportive housing for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services' Medi-Cal program.
- **Housing Navigator's Program:** This grant program allocates funding to counties for the support of housing navigators to help young adults aged 18 to 21 years secure and maintain housing, with priority for individuals in the foster care system.
- **Infill Infrastructure Grant Program (IIG):** This program promotes infill housing development by providing grant funding, in the form of gap assistance, for infrastructure improvements required for qualifying multi-family or mixed-use residential development.
- **Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program:** This program provides deferred payment loans for owner-occupied and rental housing for agricultural workers, with a priority for lower income households.
- **Local Housing Trust Fund (LHTF) Program:** This program provides matching funds to local or regional housing trust funds for the creation, preservation, and rehabilitation of affordable housing, transitional housing, or emergency shelters.
- **Mills Act:** The Mills Act is an economic incentive programs for the restoration and preservation of qualified historic buildings by private property owners. It grants local governments the authority to enter into contracts with owners of qualified historic properties who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief.
- **Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRP):** This program provides financing to support the preservation of affordable mobilehome parks through conversion of the park to ownership or control by resident organizations, nonprofit housing sponsors, or local public entities.

- **Multifamily Housing Program (MHP):** This program provides deferred payment loans for the construction, preservation, and rehabilitation of permanent and transitional rental housing for lower-income households.
- **No Place Like Home Program:** This program invests in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness.
- **National Housing Trust Fund:** This program provides deferred payment or forgivable loans for the construction of permanent housing for extremely low-income households. The required affordability covenant is for 55 years.
- **Permanent Local Housing Allocation (PLHA) Program:** This program provides a permanent source of funding to all local governments in California to help cities and counties implement plans to increase affordable housing stock. Funding for this program is provided through a \$75 recording fee on real estate transactions.
- **Predevelopment Loan Program (PDLP):** This program provides financing to cover pre-development costs to construct, preserve, or rehabilitate assisted housing.
- **Supportive Housing Multifamily Housing Program (SHMHP):** This program provides low interest deferred loan payments to developers building affordable rental housing that contain supportive housing units.
- **Transit-Oriented Development (TOD) Housing Program:** This program provides low-interest loans as gap financing for higher density affordable rental housing within one-quarter mile of transit stations. Grants are also available to municipalities and transit agencies for infrastructure improvements necessary for the development of specified housing developments or to facilitate connections between these developments and the transit station. The maximum total award amount for a single project is \$15 million.
- **Transitional Housing Program (THP):** This program provides funding to counties for child welfare services agencies to help young adults aged 18 to 25 years find and maintain housing, with priority given to those formerly in the foster care or probation systems.
- **Veterans Housing and Homelessness Prevention Program (VHHP):** This program supports the acquisition, construction, rehabilitation, and preservation of affordable multi-family housing for veterans and their families.



#### G.1.4 Federal Resources

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- **Community Development Block Grant (CDBG):** Federal funding for housing programs is available through the U.S. Department of Housing and Urban Development (HUD). CDBG funds may be used to provide a suitable living environment by expanding economic opportunities and providing decent housing to low-income households (80 percent AMI). The Marin County Community Development Agency makes CDBG funds available to eligible nonprofit agencies and local governments. Marin County anticipates that it will receive roughly \$1.5 million in CDBG funds and \$800,000 in HOME funds for the 2022-24 funding cycles.
- **Continuum of Care (CoC) Program:** The Continuum of Care (CoC) Program is designed to promote communitywide commitment towards ending homelessness. It provides funding to nonprofits, state, and local governments to provide shelter and services to people experiencing homelessness.
- **Emergency Solutions Grants (ESG) Program:** This program provides funding for cities, counties, and states to engage homeless individuals and families living on the street; improve the number and quality of emergency shelters for homeless individuals and families; help operate these shelters; provide essential services to shelter residents; rapidly rehouse homeless individuals and families; and prevent families/individuals from becoming homeless.
- **HOME Investment Partnerships Program (HOME):** Participating jurisdictions may use HOME funds for a variety of housing activities according to local housing needs. Eligible uses include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of rental housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing. Funds may not be used for public housing development, public housing operating costs, or for Housing Choice Voucher Program (formerly Section 8) tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs, for operating subsidies for rental housing, or for activities under the Low-Income Housing Preservation Act.
- **Low-Income Housing Preservation and Residential Home Ownership Act (LIHPRHA):** This program requires all eligible HUD Section 236 and Section 221(d) projects at risk of conversion to market-rate rentals from mortgage pre-payments be subject to LIHPRHA incentives, which include subsidies to guarantee an eight percent annual return on equity.
- **Low-Income Housing Tax Credit:** Administered through the California Tax Credit Allocation Committee (TCAC), the Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable housing by

providing a tax credit to construct or rehabilitate affordable rental housing for low-income households.

- **Section 108 Loan Guarantee Program:** Allows CDBG entitlement jurisdictions to leverage their annual grant allocations to access low-cost financing for capital improvement projects. Eligible activities include housing, economic development, public facility, and infrastructure. This program is often used to catalyze private investment in underserved communities or as gap financing.
- **Section 202 Supportive Housing for the Elderly Program:** Provides an interest-free capital advance to cover the costs of construction, rehabilitation, or acquisition of very low-income senior housing. The program is available to private, nonprofit sponsors; public sponsors are not eligible for the program.
- **Section 811 Project Rental Assistance:** HUD offers long-term project-based rental assistance through a NOFA published by the California Housing Finance Agency (CalHFA).
- **U.S. Department of Agriculture (USDA) Housing Programs:** These programs provide homeownership opportunities for individuals and below market-rate loans/grants to public and nonprofit organizations for new construction, preservation, or rehabilitation of farmworker/rural multi-family rental housing.
- **Veterans Affairs Supportive Housing (VASH) Program:** HUD-VASH is a collaborative program between HUD and VA combines HUD housing vouchers with VA supportive services to help veterans who are homeless and their families find and sustain permanent housing. See Homeward Bound of Marin's New Beginnings Center, which includes an office for the program.

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## Section G.2 Opportunities for Energy Conservation

The cost of energy can greatly impact housing affordability and energy costs can constitute a significant portion of total housing costs. High energy costs also impact low-income households disproportionately. The U.S. Department of Energy has found that, nationally, low-income households spend a larger portion of their income on home energy costs (e.g., electricity, natural gas, and other home heating fuels) than other income group households.<sup>1</sup>

The City encourages energy conservation in all projects consistent with the California Building Code (CBC) and Municipal Code. The City's website includes financial and energy-saving green

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<sup>1</sup> U.S. Department of Energy, Office of Energy Efficiency & Renewable Energy, [\*Low-Income Household Energy Burden Varies Among States – Efficiency Can Help In All of Them\*](#), December 2018.

building resources. Additionally, Novato adopted a Climate Change Action Plan (CCAP) in 2009 and updated greenhouse gas emissions (GHG) reduction targets and measures from the 2009 CCAP were embedded into General Plan 2035, in addition to other sustainability goals, policies, and programs aimed at protecting the environment and addressing the climate crisis.

The General Plan 2035 was adopted by the City Council on October 2020 and now serves at the City of Novato's CCAP. In recognition of the acceleration in changes to our climate and the corresponding negative impacts (e.g., drought, wildfire, species loss, extreme weather, etc.) in November 2020, the Novato City Council adopted a Climate Emergency Resolution and declared addressing climate change a priority for the City.

The City promotes various energy conservation programs on its website, including the Bay Area Regional Energy Network (BayREN), Go Green Financing, and Property Assessed Clean Energy (PACE) Financing. BayREN is a collaboration of the nine counties that comprise the San Francisco Bay Area and is led by the Association of Bay Area Governments (ABAG). BayREN provides regional-scale energy efficiency programs, services, and resources. BayREN is funded by utility ratepayer funds through the California Public Utilities Commission and other sources. Go Green Financing is energy efficiency financing backed by the state for business, multi-family, and single-family homes. PACE is a mechanism for property owners to finance renewable energy, energy efficiency, and water conservation improvements to their properties and repay the loan via an annual assessment on the owner's property tax bill. Unlike traditional forms of credit that are dependent on individual credit rating, PACE financing is primarily based on a property owner's equity in the building. PACE providers available to Novato residents are:

- **Renew Financial** - Residential
- **YGreen Energy Fund** - Residential, Commercial, Multi-Family
- **AllianceNRG** - Residential, Commercial, Multi-Family
- **Dividend Finance** (formerly FigTree) - Commercial, Multi-Family
- **Finance of America** (formerly HERO) - Residential, Commercial

## **G.2.1 Community Action Marin**

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Community Action Marin is the local administrator of the federally-funded Low-Income Home Energy Assistance Program (LIHEAP). CAM also offers assistance referring residents to other income-eligible energy saving programs.

- **HEAP Assistance:** Once-a-year assistance in paying gas, electric, wood, and propane home energy costs. Eligibility and assistance level based on household size, gross monthly income, and program priorities. (Program restrictions may change on an annual basis and according to funding availability).

- **Referral to Residential Conservation Programs:** Access to Low Income Home Energy Assistance Program (weatherization), Department of Energy Weatherization Assistance Program (WAP), Energy Partners, and utility-operated conservation programs.

## G.2.2 Marin Clean Energy Resources

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Marin Clean Energy (MCE) is a public agency and not-for-profit electricity provider that gives customers the choice of having 50 percent to 100 percent of their electricity supplied from clean, renewable sources such as solar, wind, bioenergy, and hydroelectric at competitive rates. MCE provides electricity service and innovate programs to more than one million residents and businesses across the four Bay Area counties: Contra Costa, Marin, Napa, and Solano. MCE has several programs designed to serve low-income customers, including:

- **Arrearage Management Plan (AMP):** The AMP will forgive 1/12 of eligible debt (up to \$8,000) each time an on-time payment is submitted.
- **CARE (California Alternate Rates for Energy):** The CARE program offers up to a 35 percent discount on electricity bills and a 20 percent discount on natural gas bills consistent with Public Utilities Code Section 739.1. This program is eligible to qualified low- or fixed-income households and housing facilities.
- **FERA (Family Electric Rate Assistance):** The FERA program offers an 18 percent discount on electric bills to qualifying low to middle-income households.
- **Medical Baseline Allowance:** The Medical Baseline Allowance program allows residential customers who are medically dependent on electricity to receive more gas and electricity at the lowest residential rate.
- **CAPP (California Arrearage Payment Program):** CAPP is a state program to help pay customers' eligible past due energy bills that increased during the COVID-19 pandemic. CAPP reduces qualified unpaid energy bills by directly applying a credit to their bill.
- **MCE's Home Energy Savings Program:** MCE's Home Energy Saving Program helps qualifying single-family homeowners and renters save money and energy by providing a free energy-saving gift box, virtual home energy assessment, and free home energy upgrades.
- **MCE's Multifamily Energy Savings & LIFT Program:** Multifamily property owners can receive rebates up to \$1,000 per unit as well as free comprehensive assessments and consultations for energy and water saving measures. Plus, income-qualified multifamily property owners and renters can receive an extra \$1,200 per unit for energy and water savings measures from MCE's Low-Income Families & Tenants (LIFT) Program.

### G.2.3 Pacific Gas and Electric Resources

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Pacific Gas and Electric (PG&E) provides gas and electricity services for Novato. PG&E assists low-income, disabled, and senior citizen customers through several programs and community outreach projects, including:

- **CARE (California Alternate Rates for Energy):** See CARE under Marin Clean Energy Resources, above.
- **FERA (Family Electric Rate Assistance):** See FERA under Marin Clean Energy Resources, above.
- **Energy Partners Program:** The Energy Partners Program provides qualified low-income customers free weatherization measures and energy-efficient appliances to reduce gas and electricity usage.
- **Medical Baseline Allowance:** See Medical Baseline Allowance under Marin Clean Energy Resources, above.
- **Relief for Energy Assistance through Community Help (REACH):** This 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 grant of up to \$300. Generally, recipients can receive REACH assistance only once within a 12-month period, but exceptions can be made for seniors, the physically challenged, and the terminally ill.

### G.2.4 San Francisco Peninsula Energy Services

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San Francisco Peninsula Energy Services is a not-for-profit organization which promotes energy conservation through home improvement, weatherization services, utility payment assistance, consumer education and advocacy, and job training to people in need. Their service territory includes Marin County. Program eligibility is based on income, household size, and program funding.

- **Weatherization Services:** This program is available to homeowners as well as renters (owners of rental property are not charged when services are provided for their tenants). Weatherization services include: On-site home inspection to determine energy losses; installation of energy conservation and heat loss measures; gas appliance safety and efficiency inspection with possible replacement of refrigerator, stove, furnace, water heater, and doors.

## G.2.5 State Energy Resources

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- **California Department of Community Services & Development Programs Low-Income Weatherization Program (LIWP):** California's Low-Income Weatherization Program (LIWP) provides low-income households with solar photovoltaic (PV) systems and energy efficiency upgrades at no cost to residents. LIWP is the only program of its kind in California that focuses exclusively on serving low-income households with solar PV and energy efficiency upgrades at no cost. The program reduces greenhouse gas emissions and household energy costs by saving energy and generating clean renewable power. LIWP currently operates three program components: Multi-Family, Community Solar, and Farmworker Housing. According to CDS's November 2020 Low-Income Weatherization Program Impact Report, LIWP has received \$212 million from the Greenhouse Gas Reduction Fund since 2014. The multi-family energy efficiency and renewables program component is slated to end in June 2022.
- **California Public Utilities Commission Energy Savings Assistance Program (ESAP):** ESAP provides no-cost weatherization services to low-income households who meet the CARE income guidelines. Services provided include attic insulation, energy efficient refrigerators, energy efficient furnaces, weatherstripping, caulking, low-flow showerheads, water heater blankets, and door and building envelope repairs which reduce air infiltration.

## G.2.6 Federal Energy Resources

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- **Federal Housing Administration Energy Efficient Mortgage Program (EEM):** This program helps families save money on their utility bills by enabling them to finance energy efficient improvements with their FHA-insured mortgage. The EEM program recognizes that an energy-efficient home will have lower operating costs, making it more affordable for the homeowners. Cost-effective energy improvements can lower utility bills and make more income available for the mortgage payment.
- **Low-Income Home Energy Assistance Program (LIHEAP):** The program is funded by the federal government and the State Department of Community Services & Development (CSD) administers LIHEAP. The federal Department of Health and Human Services distributes funds to states annually to assist with energy bills and offset heating and/or cooling energy costs for eligible low-income households. California's annual share is approximately \$89 million which CSD distributes to contracted community energy service providers. During March 2020, the CARES Act allocated California an additional \$49 million to supplement its LIHEAP program, which totaled \$203 million for Federal Fiscal Year 2019-2021.

**Rincon Consultants, Inc.**

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April 15, 2023

Rincon Project No. 21-12158

Clare Hartman, Community Development Director  
City of Novato  
922 Manchin Avenue Street Address  
Novato, California, 94945  
Via email: [chartman@novato.org](mailto:chartman@novato.org)

**Subject: Memorandum Regarding CEQA Coverage for Edits to the City of Novato 2023-2031 Housing Element Update**

Dear Ms. Hartman:

Rincon prepared an Addendum tiering off the EIR for the City's 2035 General Plan EIR for the City of Novato 2023-2031 Housing Element Update (proposed project) in December 2022. This document included analysis of the environmental impacts of the proposed project and determined that there were no environmental areas determined to have new or substantially more severe significant effects compared to those identified in the General Plan EIR. Additionally, Rincon also prepared a second addendum in November 2023 for the Residential General Plan and Zoning Amendments Project, which covered the land use designation changes and rezonings contemplated in the Housing Element.

The City of Novato has requested confirmation that changes to the City of Novato Housing Element Update 2023-2031 made since the preparation of this document would not result in the need for additional CEQA analysis.

The edits to the Housing Element requested by HCD (refer to Attachment 1) would not substantially change the project as it was analyzed in the previously prepared addendum. Most of the edits to the Housing Element are intended to provide further clarification or detail to existing programs in the Housing Element or are intended to make small grammatical or typographical corrections. The edits do not include any change to the housing opportunity sites or substantial changes to the project description in the addendum beyond the renumbering of some Housing Element sections and tables included in the addendum project description. Therefore, the analysis included in the addendum, which determined that there were no environmental areas determined to have new or substantially more severe significant effects compared to those identified in the General Plan EIR, remains adequate and applicable to the revised version of the proposed project.

Sincerely,

**Rincon Consultants, Inc.**

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**Attachments**

Attachment 1 Revisions made to the City of Novato Housing Element Update 2023-2031 in Response to HCD Comments



# **Attachment 1**

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Revisions made to the City of Novato Housing Element Update 2023-2031 in Response to HCD Comments

City of Novato's 6th Cycle (2023-2031) Draft Housing Element						
HCD Letter 2 (12/15/23)			Revisions in Response to 2nd HCD Letter			
Finding / Comment #	HCD Letter 2 Comment	Government Code Reference	HEU Section Reference	Edits (January 2024 Resubmission)	Interim Review with Irvin Saldana: Video Call and Emails (2/14 - 2/15)	Interim Edits
1	<b>Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2, shall include an assessment of fair housing in the jurisdiction. Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics...</b>	Gov. Code, § 65583, subd. (c)(10)(A) Gov. Code, § 65583, subd. (c)(5)	Main Body Appendix F			
a	<b>Disproportionate Housing Needs including Displacement:</b> As noted in the prior review, the element should describe patterns of need regarding persons experiencing homelessness. For example, the element could describe areas with relatively more encampments or activity and then describe access to transportation and homelessness services to better guide appropriate policies and programs.	GC § 65583(c)(10)(A)(ii)	Appendix F (AFFH) Section F.2.6 (Disproportionate Housing Needs) > Homelessness	Edits made to Section F.2.6, describing location of homeless encampments in and around the City and recent information on services/funding directed to them. Reference also made to 6th Cycle HEU programs informed by these efforts.	Provide additional information on access to transportation services Clarify services available at City-maintained encampment at Lee Garner Park	Added additional information on Lee Garner Park encampment and figures illustrating all encampments in relation to transportation services
b	<b>Goals and Actions:</b> As noted above, the element requires a complete analysis of affirmatively furthering fair housing (AFFH). Depending upon the results of that analysis, the City may need to revise or add programs.			Addressed in response to other Findings		
c	In addition, the element should expand actions to promote housing mobility throughout relatively higher resource, higher income and concentrated areas of affluence and place-based strategies toward community revitalization. Examples of housing mobility actions include promoting more housing choices and affordability in lower-density areas (e.g., missing middle or higher density housing types), targeted funding, religious institutional sites, city-owned sites, and enhancing accessory dwelling units (ADU), junior accessory dwelling units (JADU) or additional conversion of existing space, and home sharing strategies. Examples of place-based strategies including targeting the City's capital improvement program toward a broad range of activities, applying for funding toward community revitalization, community amenities, community facilities and programs.			Program 6.E (Housing Mobility) and other HEU programs it references have been enhanced in response to other findings, improving the City's overall housing mobility strategy.	Revise Time Frame to not include conditional actions	Revised Time Frame to specify month/year of actions to address Housing Mobility
i	Finally, programs to AFFH should be revised with metrics or numeric objectives (e.g., number of assisted units or people assisted) and geographic targeting, as follows: • Program 2.C (Local Sources of Funding for Affordable Housing): The Program should add a numeric objective in terms of number of housing units.	Gov. Code, § 65583, subd. (c)(5)	HEU Main Body Section III.A (Goals, Policies, and Programs) > Goal 2: Affordable Housing Opportunities > Goal 3: Elimination of Housing Constraints > Goal 5: Housing Conservation and Tenant Protections > Goal 6: Equal Access to Housing Opportunities	Added Quantified Objective in terms of number of housing units	Remove typo	Typo removed
ii	• Program 2.D (Outside Funding for Affordable Housing): The Program should add a numeric objective in terms of number of housing units and geographic targeting.		Section III.B (Quantified Objectives)	Added Quantified Objective in terms of number of housing units and Geographic Targeting		
iii	• Program 2.G (Inclusionary Ordinance): The Program should add a numeric objective in terms of number of housing units.		Appendix F (AFFH) Section F.4 (Contributing Factors and Meaningful Actions)	Added Quantified Objective in terms of number of housing units		
iv	• Program 3.D (Process Improvements): The program should consider a numeric objective in terms of number of housing units.			Added Quantified Objective in terms of number of housing units	Specify either income category or unit typology in Quantified Objective	Specified "450 multi-family townhomes and apartment units"
v	• Program 3.H (Facilitating Transit-oriented Development): The Program should add a numeric objective in terms of number of housing units.			Added Quantified Objective in terms of number of housing units		
vi	• Program 5.K (Rehabilitation and Production of Housing for Lower-income Households): The Program should consider increasing the numeric objective and refining geographic targeting to also include relatively lower-income areas.			Increased Quantified Objective and broadened Geographic Targeting to include lower-income neighborhoods		
vii	• Program 6.D (Implement General Plan Policies in Northwest Quadrant Neighborhoods): The Program should expand the time frame to include at least annual implementation and modify the numeric objective to also include the number of improvements per year.			Expanded Time Frame and added annual implementation; modified Quantified Objective	Revise Quantified Objective to specify number of CIP improvements	Added quantified objective of identifying "at least one CUP project...annually"
2	<b>Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory...</b>	Gov. Code, § 65583, subd. (c)(1)	Main Body			
	Program 1.E (Facilitate and monitor pipeline housing projects): The Program should go beyond monitoring project approvals and permits and should also monitor project progress toward completion in the planning period. Further, if a project does not appear to be progressing toward completion in the planning period, the Program should clearly commit to completing alternative actions, if necessary, within a specified time (e.g., six months).		HEU Main Body Section III.A (Goals, Policies, and Programs) > Goal 1: New Housing Construction	Edits made to Program 1.E specifying alternative actions in the event of stalled projects.	Add commitment to rezone if a project is not anticipated to be completed in the planning period	Added commitment to "pursue rezoning to maintain adequate capacity"
3	<b>An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including... including land use controls, building codes...</b> <b>Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing...</b>	Gov. Code, § 65583, subd. (a)(5) Gov. Code, § 65583, subd. (c)(3)	Main Body Appendix C			
a	<b>Land Use Controls:</b> The element was revised to include a generic discussion of development standards (allowable heights, floor area ratio (FAR), and open space requirements) but should also evaluate the impacts of these standards on housing cost, supply (number of units), feasibility and, particularly, ability to achieve maximum densities. Specifically, the analysts should address development standards in zones allowing multifamily uses.	GC § 65583(a)(5)	Appendix C (Constraints) Section C.2.2 (Land Use Controls) > Development Standards	Edits made to Section C.2.2, specifically subsection addressing Multi-Family Zoning Districts under the subheading Development Standards Analysis.	Include additional content demonstrating R-20 development standards are not a constraint	Added additional project example under R20 development standards
b	<b>Codes and their Enforcement:</b> While the element describes one local amendment to the building code, it implies several other amendments have been made. The element should describe other local amendments and analyze their impact as potential constraints on housing supply and affordability.	GC § 65583(a)(5)	Appendix C (Constraints) Section C.2.3 (Building and Housing Codes and Enforcement)	Edits made to Section C.2.3, updating to reflect Ordinance No. 1694 (adoption of 2022 CA Building Standards Code). Added language specifying extent and justification of local amendments, and added description of local amendments requested by the Novato Fire District.		
c	<b>Programs:</b> As noted above, the element does not include a complete site analysis. Depending upon the results of that analysis, the City may need to add or revise programs.		HEU Main Body Section III.A (Goals, Policies, and Programs)	Addressed in response to other Findings		
4	<b>The Housing Element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households.</b>	Gov. Code, § 65583, subd. (c)(2)	Main Body			
	As noted in the prior review, the element must include program(s) to assist in the development of adequate housing to meet the needs of lower and moderate-income households, including extremely low income (ELI) and Special Needs households. These actions should be significant and specific, for example, actions can include proactive annual outreach to developers of affordable housing, assisting with site identification and funding, supporting funding applications, land acquisition, priority processing, fee waivers, concessions and incentives beyond State Density Bonus Law and assistance with infrastructure and site improvements.	GC § 65583(c)(2)	Main Body Section III.B (Quantified Objectives)	Added significant and specific actions to Program 4.D Also see Programs 4.A, 4.B, 4.G, 5.H, and 5.K	Include a program to incentivize affordable housing for Special Needs households.	Added content to existing affordable housing programs to specify focus on Special Needs households
5	<b>The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a)...</b>	Gov. Code, § 65583, subd. (c)(6)	Appendix A			
	While the element includes programs to mitigate displacement and maintain resale and income restrictions, it should include specific actions to preserve assisted units at-risk of conversion in the planning period. Examples of actions include, monitoring at-risk units, contacting property owners, complying with noticing requirements, coordinating with qualified entities that can acquire and manage at-risk units, assisting with funding and supporting tenants through education and other resources.		Appendix A (Needs) Section A.5.4 (At-Risk Housing Assessment)	Added Program 5.L (Preservation of At-Risk Housing Units).	Specify Time Frame for Program 4.F	Revised Time Frame to specify annual update for latest information on available services
6	<b>Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame.</b>	Gov. Code, § 65583, subd. (b)(1 & 2)	Main Body			
	The element includes quantified objectives for new construction and rehabilitation. However, the element should also include quantified objectives for conservation. For example, conservation can include units at-risk of conversion to market rate uses in the planning period. Conservation objectives can also include broader efforts to conserve the existing housing stock such as code enforcement programs, rental assistance or housing choice vouchers, weatherization, tenant protections, and mobile home park preservation ordinances. Programs examples include but are not limited to program 2.B (maintain long-term housing affordability controls), Program 5.F (preserve mobile home parks), and Program 6.D (Implement General Plan policies related to the Northwest Quadrant neighborhood).	GC § 65583(b)(2)	Main Body Section III.B (Quantified Objectives)	Added Quantified Objectives for Conservation/Preservation to Programs 5.A, 2.B, 5.F, and 6.D totaling 1,162 units. Added language linking Geographic Targeting of other conservation / preservation-related programs to Program 6.D (Northwest Quadrant)		