



COMMUNITY DEVELOPMENT AGENCY  
**HOUSING AND FEDERAL GRANTS DIVISION**

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## Affordable Housing Requirements

### What You Need to Know for Fiscal Year 2026-27

**Summary:** Marin County is experiencing a severe shortage of affordable housing for low- and moderate-income households. In response, the County has developed requirements designed to mitigate the impact of new development on the affordable housing stock. As this impact varies by development type and size, the County has taken care to develop affordable housing policies that respond to the unique impacts created by various development types.

A table identifying the local affordable housing regulations that correspond to each development type is below; a summary of each requirement follows the table.

This handout is intended to provide general guidance for the public. Additional details and standards may be found in [Marin County Development Code Chapter 22.22](#), titled “Affordable Housing Regulations.” Permit applicants should consult the Community Development Agency for a specific evaluation of their project’s affordable housing requirements.

<b>Table 1: Applicable Affordable Housing Policies</b>		
<b>Type of development</b>	<b>Requirement</b>	<b>Development Code section or ordinance number</b>
<b>New residences and residential floor area</b>		
Single residential unit	Affordable Housing Impact Fee	22.22.090.A Ordinance 3500 (and subsequently amended)
Multi-family (rental)	20% of units	22.22.090.A Ordinance 3798
Multi-family (ownership with subdivision map)	20% of units	22.22.090.A Ordinance 3798
<b>Lot creation</b>		
With proposed dwellings	Inclusionary Zoning Policy	22.22.090.A Ordinance 3798
Lots only	Inclusionary Zoning Policy	22.22.090.A Ordinance 3798

<b>Non-residential</b>		
Non-residential only	Commercial Linkage Fee	22.22.100.A Ordinance 3798 Resolution 2016-122
Mixed-use	Commercial Linkage Fee & Inclusionary Zoning Policy, or Affordable Housing Impact Fee	22.22.100.B Ordinance 3500 Ordinance 3798 Resolution 2016-122

Applicants interested in incorporating affordable units above and beyond the minimum requirements may be eligible for a reduction or waiver of the associated affordable housing impact fees or in-lieu fees. Additional incentives and concessions are detailed in [Marin County Development Code Chapter 22.24](#), “Affordable Housing Incentives.” Please contact the Community Development Agency for more information.

### **Affordable Housing Impact Fee**

Since 2008, single residential unit developments are charged an “affordable housing impact fee.” This fee mitigates the expected increase in demand for affordable housing due to employment growth that may be caused by the new development. For example, anyone who moves into a new single residential unit will need the typical services provided by a robust economic community, such as gas stations, hospitals, and restaurants. Therefore, more affordable housing in the area will eventually be necessary to house the people providing those services. Per Ordinance 3500, the County uses the estimated number of low- and moderate-income jobs generated by the new development to calculate an impact fee for single residential unit construction, additions, and teardowns/rebuilds. Specifically, the fee applies to:

1. New **single residential units** with more than 2,000 square feet of Conditioned Floor Area;<sup>1</sup> and
2. Additions and teardowns<sup>2</sup>/rebuilds of single residential units that result in **over 500 square feet of added space** where the new total Conditioned Floor Area is greater than 2,000 square feet.

Generally, the total Conditioned Floor Area for the project determines the fee rate per square foot. The fee rate is then applied to the amount of floor area that exceeds 2,000 square feet. Refer to Table 2 on the next page for the fee schedule.

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<sup>1</sup> Conditioned Floor Area (CFA) is the floor area (in square feet) of enclosed conditioned space on all floors of a building, as measured at the floor level of the exterior surfaces of the exterior walls enclosing the conditioned space (California Energy Code). “Conditioned space” generally refers to any space within a building that can be heated and/or cooled.

<sup>2</sup> Teardowns must be consistent with the definition of “Vacant Lot” as stipulated in [Marin County Development Code Chapter 22.130.30](#).

*Note for additions:* If there have been building permits issued for small residential additions ( $\leq 500$  square feet) on the property within the past two years from the date of the current application, the floor area of the previous permit(s) is added to the floor area of the current application.

Payment of the Affordable Housing Impact Fee is required prior to issuance of a Building Permit.

<b>Table 2: Affordable Housing Impact Fee<sup>3</sup></b>		
<b>Conditioned Floor Area</b>	<b>Fee per square foot</b>	<b>If new ADU, JADU, or Ag. Worker Unit proposed concurrent to project</b>
$\geq 3,000$	\$20.03	\$10.01
$> 2,000$ and $< 3,000$	\$10.01	\$0.00
$\leq 2,000$	\$0.00	\$0.00

Exceptions and Reductions:

1. Deed-restricted units that are affordable to low- and moderate-income households are **not** subject to the Affordable Housing Impact Fee.
2. Square footage designated for an Accessory Dwelling Unit (ADU) or dedicated as Agricultural Worker Housing is **not** subject to the Affordable Housing Impact Fee.
3. Depending on the size of the single residential unit, the development of an ADU or Agricultural Worker unit concurrent with the home construction can qualify the project for a 50% reduction or waiver of this fee (refer to Table 2).

**Example calculation 1:**

(SF = square feet)

- A. Scenario: An owner of an existing 2,900 SF single residential unit proposes to add 800 SF.
  1. The total conditioned floor area of the single residential unit is  $2,900 \text{ SF} + 800 \text{ SF} = 3,700 \text{ SF}$ .
  2. Because the additions would result in a new total floor area greater than 3,000 SF, the project will be assessed at a fee rate in the “ $\geq 3,000$ ” tier.
  3. In Fiscal Year 2025-26, the fee rate for the “ $\geq 3,000$ ” tier is \$20.03/SF.

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<sup>3</sup> Rates are updated annually; Table 2 fee schedule effective July 1, 2026 - June 30, 2027.

4. To calculate the fee: Since the 800 SF addition would be subject to a fee rate of \$20.03/SF, the Affordable Housing Impact Fee for this project is  $800 \text{ SF} \times \$20.03/\text{SF} = \$16,024$ .

### Example calculation 2:

- B. Scenario: An owner of a vacant property or an existing structure being demolished proposes to build a 2,500 SF single residential unit and a 600 SF Accessory Dwelling Unit (ADU).
  1. The total conditioned floor area is  $2,500 \text{ SF} + 600 \text{ SF} = 3,100 \text{ SF}$ .
  2. Because the development would result in a new total floor area greater than 3,000 SF, the fee rate will be assessed in the “≥ 3,000” tier.
  3. However, because an ADU unit is proposed concurrent to the project, the fee rate for the “≥ 3,000” tier is \$10.01/SF in Fiscal Year 2025-26.
  4. To calculate the fee: The first 2,000 SF is deducted from the single residential unit to yield 500 SF, and the 600 SF ADU is not subject to a fee. The Affordable Housing Impact Fee for this project is  $500 \text{ SF} \times \$10.01/\text{SF} = \$5,005$ .

## Inclusionary Zoning Policy and In-Lieu Fee

All projects proposing the development of two or more new units or lots must dedicate 20% of the project as affordable housing (refer to [Marin County Code Chapter 22.22.090](#), “Inclusionary Housing Standards”). The in-lieu fee for fiscal year 2026-27 is \$421,886.99.

Proposed inclusionary units must meet certain standards, which are enumerated in [Marin County Code Chapter 22.22.080](#), “General Affordable Housing Standards.”

The Inclusionary Zoning Policy applies to:

1. All **new multi-unit housing**, including **apartments, condominiums** and conversions;
2. Any **subdivision** with a proposed development of one or more **new units**; and
3. Any **subdivision** creating one or more **new lots**.

The Inclusionary requirements vary by project type with Rental Housing and Homeownership Housing having different affordability targets as detailed in tables 3 and 4.

**Rental Housing**

<b>Table 3: Affordable Rental Housing Requirements</b>		
<b>Project Size</b>	<b>Option 1 (20% of Total)</b>	<b>Option 2 (20% of Total)</b>
10 units or less	10% Very Low-Income Units and 10% In Lieu Fee	15% Low-Income Units and 5% In Lieu Fee
11 to 29 units	10% Very Low-Income Units and 10% Moderate Income Units	15% Low-Income Units and 5% Moderate Income Units
30 or more units	15% Very Low-Income Units; and 5% Moderate Income Units or 5% in Lieu fee	10% Very Low-Income Units, 5% Low Income Units, and 5% Moderate-Income Units

**Ownership Housing**

<b>Table 4: Affordable Ownership Housing Requirements</b>	
<b>Project Size</b>	<b>Policy (20% of Total)</b>
4 units or less	All Middle Income Units
5 to 29 units	5% Low-income Units, 5% Moderate-Income Units, 10% Middle Income Units
30 or more units	5% Low-income Units, 10% Moderate-Income Units, 5% Middle Income Units

The income ranges and allowable rent levels or sales prices are defined in Table 5. The Marin Housing Authority manages the County’s portfolio of below-market-rate affordable homeownership units. Contact Jeff Kelly at [jkelly@marinhousing.org](mailto:jkelly@marinhousing.org) for questions about how the sale price of inclusionary units is set and to learn more about how monthly rents are calculated for affordable rental units.

<b>Table 5: Affordable Housing Income Ranges and Associated Rent Levels/Sales Price Requirements</b>			
<b>Income Category</b>	<b>Income Range</b>	<b>Rent Level</b>	<b>Sales Price Level</b>
Very Low Income	30-50% AMI	50% AMI	N/A
Low Income	50-80% AMI	65% AMI	65% AMI
Moderate Income	80-120% AMI	100% AMI	100% AMI
Middle-Income	120-150% AMI	N/A	135% AMI

Applicants seeking a waiver and requesting to pay an in-lieu fee rather than fulfill the County’s inclusionary requirements should consult [Marin County Code Chapter 22.22.060](#), “Waivers,” to understand the conditions under which such a request might be granted.

Payment of any applicable affordable housing fees are required prior to filing of maps or issuance of any building permits, as determined in the approved Affordable Housing Plan.

An [Inclusionary Housing Calculator](#) has been developed to assist with the identification of required inclusionary units and affordability levels. All applicants should consult with staff to confirm the required units and affordability levels.

### Commercial Linkage Fee

Inclusionary Zoning fees also apply to all projects proposing new non-residential floor area, including that proposed in mixed-use development projects. In such cases, a Commercial Linkage Fee (otherwise known as a “jobs/housing linkage fee”) will be applied according to development type:

Table 4: Fees for non-residential development	
Development Type	Fee (per square foot)
Hotel/Motel <sup>4</sup>	\$5.81
Office <sup>5</sup> /Research and Development	\$11.63
Retail/Restaurant	\$9.30 developments up to 2500 square feet \$11.63 developments over 2500 square feet
Residential Care Facility	\$28.85
Medical-Extended Care	\$33.66
Other types of non-residential development	Assessed based on project specific factors including number of employees and the use of the development.

### For More Information

The Marin County Development Code, including Chapters [22.22](#) and [22.24](#), is available online.

<sup>4</sup> Accessory uses within a hotel such as retail, restaurant, and meeting facilities will be subject to requirements for retail use.

<sup>5</sup> Office uses include offices associated with professional, business, medical, religious, and educational services.

Applicants may call (415) 473-6269 or visit the Community Development Agency's Public Information Counter at the Marin County Civic Center, located at 3501 Civic Center Drive, Suite 308, San Rafael, California.

Applicants may also contact the Community Development Agency's Housing and Grants Division at [housing@marincounty.gov](mailto:housing@marincounty.gov) or (415) 473-7309.