

# FAIRFAX TOWN COUNCIL MEETING STAFF REPORT

**DATE** May 1, 2024

TO Mayor and Town Council

FROM Bryn McKillop, Housing Specialist/Associate Planner

**SUBJECT** Progress Report on Housing Element Implementation

#### RECOMMENDATION

Staff recommends the Town Council review the Progress Report on Housing Element Implementation. No action is required.

#### **BACKGROUND**

Implementation of programs within the recently adopted Housing Element is underway and the intent of this staff report is to highlight the recent accomplishments. The Housing Element is one of the seven mandated elements of the General Plan, and the only element that must be updated on a set schedule, consistent with the establishment of Regional Housing Needs Allocations (RHNA), which are published at eight-year intervals.

The Town received a letter from the California Department of Housing and Community Development (HCD) on April 8, 2024, that states the Town of Fairfax, Housing Element 2023-31 has been certified by the California Department of Housing and Community Development (HCD). Following the adoption of the Housing Element on December 13, 2024, implementation of the Housing Element 2023-31 programs began in earnest. In the certification letter, HCD acknowledged the successful completion of many zoning code amendments including: integration of objective design standards; adoption of standards for low impact clustered residential development; updates to density bonus provisions; changes to processing and permit procedures; provision of zoning for residential care facilities, transitional and supportive housing, and low-barrier navigation centers; inclusion of a reasonable accommodation procedure; and adoption of a Workforce Housing Overlay. The Town also adopted an inclusionary housing program and commercial linkage fees to help facilitate and fund future affordable housing projects.

Housing Element certification is important because several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities program, and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the Town meets housing element requirements for these and other funding sources.

## POST HOUSING ELEMENT ADOPTION ACTIVIES

Now that the Housing Element is certified, the Town will focus on implementing housing programs contained within the Element with the intent of adding additional housing opportunities over the next eight years. The following list summarizes the progress made on the Programs listed in Chapter Four of the Housing Element since adoption.

# 1-F: Home Sharing and Tenant Matching

The Town has updated their website to include a page on housing opportunities for seniors which includes the promotion of Home Match Marin. Through this countywide program, the Town collaborates with Marin County to place tenants in homes of Fairfax residents who have extra space. Staff is exploring options with Home Match to increase promotional opportunities.

#### 1-H: ADU/JADU Awareness

The Town has promoted and participated in ADU Center events that provide residents of Fairfax with the opportunity to learn more about ADUs. The ADU Center offers one on one feasibility consultations for homeowners, technical assistance, vendor recommendations, and off the shelf and eventually pre-approved ADU plans. Through collaborating with other Marin jurisdictions, Fairfax can offer the services of the ADU Center.

# 1-I: Pre-Approved ADU Floor Plans

The Town is in the process of collaborating with the ADU Center on developing pre-approved ADU plans. The State requires the Town to have these available to the public by January 1, 2025.

#### 1-J: Technical Assistance

The Town has created an ADU/JADU application checklist on the Town website. It will continue to work on providing other resources. A checklist and other resources can help residents demystify the ADU permitting process, enabling more ADUs to get built in Fairfax.

#### 1-K: Fee Discounts

The Town updated the Code to enact a 50 percent reduction in ADU application fees in 2020 (Ordinance 844) and extended the reduction to expire in 2032 (Ordinance 888). Ordinance 876 in February 2023 states that for an ADU 750 square feet or larger in size, it must be charged proportionately in relation to the square footage of the primary dwelling unit (the floor area of the ADU divided by the floor area of the primary dwelling unit).

# 2-A: Workforce Housing Overlay (WHO)

The Workforce Housing Overlay (WHO) was adopted on February 7, 2024. The purpose of the WHO zone is to promote the development of affordable workforce housing for lower and moderate-income households in specific areas of the town identified in the General Plan. Prior to the adoption of the Housing Element, Staff conducted an outreach campaign to identify property owners interested in inclusion in the WHO. Staff are planning another outreach campaign to encourage property owners to take advantage of the new zoning provisions.

## 2-B: Rezoning Sites from Prior Inventories

The Workforce Housing Overlay was adopted on February 7, 2024, which rezoned many of the housing sites from prior inventories.

# 2-C: Establish Objective Design and Development Standards (ODDS)

The ODDS were adopted for most zoning districts on November 1, 2023, and additional provisions were adopted on February 7, 2024 along with the WHO. ODDS are clear, measurable, standards for site design and architectural style that impact the design and appearance of housing or mixed-use development. ODDS help strengthen local control over the design and appearance of future housing developments while still streamlining the permitting process to comply with new State laws.

## 2-D: Standards for Low Impact Clustered Residential Development on Large Lots

The Low Impact Clustered Residential Development zoning amendments were adopted on January 24, 2024. The intent is to expand development opportunities for market rate housing with no change in the density from what would otherwise be allowed, while creating opportunities to set aside permanent open space.

## 2-E: Affordable Housing Density Bonus

As required by State law and to bring the Code into compliance, the Affordable Housing Density Bonus zoning amendment was adopted in November 2023.

## 2-G: Processing and Permit Procedures

As required by State law and to bring the Code into compliance, this program was completed in November 2023. Additional provisions have been included to steamline the development process (including the ODDS described above in 2-C).

## 3-A: Zoning for Residential Care Facilities

Included in the November 2023 updates to the zoning ordinance were amendments required by State law. This included adding development standards related to Residential Care Facilities and allowing by-right approval.

## 3-B: Transitional and Supportive Housing

Also included in the November zoning updates were new development standards related to Transitional and Supportive Housing consistent with State law. Transitional and supportive housing are types of affordable and special needs housing linked to supportive (social) services. These housing types and accompanying services are designed to help individuals with low incomes and one or more disabilities find stable housing and live fuller lives.

## 3-C: Low-Barrier Navigation Centers

Also included in the November zoning updates were new development standards related to Low-Barrier Navigation Centers consistent with State law. A low-barrier navigation center is a housing first, service-enriched shelter focused on moving people into permanent housing.

#### 3-D: Provide Reasonable Accommodation

A reasonable accommodation is an adjustment or waiver to a development standard to accommodate a disability. This is required by State law and a process was added to the zoning ordinance to allow for waivers as needed.

## 3-E: Inclusionary Housing Program and Commercial Linkage Fee

Inclusionary programs require that a percentage of the total housing units in a proposed project be made available to moderate and/or lower income households through a long-term affordability agreement or a payment fee in lieu of construction of the units. This program was completed in November 2023 with the adoption of zoning ordinance amendment to require the construction of affordable housing and/or the payment of inclusionary housing in-lieu fees when new residential units are constructed.

## 3-F: Tenant Protection

The Town has posted information on legal rights and duties to the Town website in addition to other resources for tenants to access. The Town will continue to make progress on this program by preparing and distributing brochures, adopting a rental housing fee, and creating a report on rental housing in Fairfax. Ordinance No. 888 adopted on March 13<sup>th</sup>, 2024, establishes a procedure for individual rent adjustments through a petition process and sets the fee for the procedure at \$1,000 to cover the hearing offer's fee.

## 3-H: Housing for Special Needs Populations and Extremely Low-Income Households

The Town has started contacting affordable housing developers and will continue throughout the year to identify opportunities and connect them with available assistance programs. The Town will continue to facilitate the production of affordable housing through the other initiatives in the program.

## 4-A: Affirmative Marketing of Affordable Housing Opportunities

The Town has started to prepare information on available sites and potential opportunities for affordable housing in Fairfax and is working on compiling a list of developers for distribution. The Town is making progress towards the other initiatives of the program as well.

## 4-C: Mediation and Enforcement

The Town has posted on its website resources detailing fair housing practices and is making progress towards working with Fair Housing Advocates of Northern California (FHANC) and Marin County Planning to conduct workshops and seminars in the future.

## 4-F: Fair Housing Information

The Town has made information available on the Town website about fair housing requirements, fair housing programs, and agencies where they can report cases of suspected discrimination. It is making progress towards the other related initiatives.

# 4-G: Disavowal of Racially Restrictive Covenants

The Town has posted information and links to Marin County's program to disavowal racially restrictive covenants on its Fair Housing webpage.

# 5-D: Staff Housing Specialist

The Town hired a housing specialist as an associate planner in March of 2024. This position will be instrumental in the implementation of Town housing programs.

#### **NEXT STEPS**

Going forward, the Town will focus on implementing programs identified for progress in the 2024 timeframe listed below. For more details on the timing of program implementation, see the descriptions of programs in Chapter Four of the Housing Element. In addition to the programs listed below, Chapter Four discusses other programs for implementation targeted for 2025 through 2028.

- Release RFP for town-owned sites (Program 1-C)
- Host pop up events around Town to raise awareness about ADUs (Program 1-H)
- Identify lending partners for ADU financial assistance program (Program 1-L)
- Adopt amendments to the Zoning Code to incentivize the development of ADUs and JADUs, such as increasing the maximum allowable size of ADUs, allowing tiny homes, and allowing more than one ADU on some lots (Program 1-M)
- Release RFP for Focused Geologic Study in the Town Center area (Program 2-J)
- Revise definition of family by amending the zoning code (Program 2-K)
- Make subdivision amendments, checklists, and recommendations for changes to impact fees (Program 2-H)
- The Code will be revised to make residential care facilities subject to the same use regulations
  as other residential use types subject to objective standards for parking and other
  requirements applicable to residential structures of the same type allowed in specified districts
  (Program 3-A)
- The Zoning Ordinance will be revised to comply with State law regarding the treatment of transitional and supportive housing facilities (3-B)
- Prepare and distribute a brochure on tenant protections (Program 3-F)
- Adopt a rental housing fee (Program 3-F)
- Create a Fairfax report on rental housing (Program 3-F)
- Include information on Marin County's Racially Restrictive Covenant Disavowal Program in Town newsletter (Program 4-G)