

I Introduction

Purpose and Objectives

All California cities, towns, and counties are required to have a Housing Element included in their General Plan which establishes housing objectives, policies, and programs in response to community housing conditions and needs. This Housing Element has been prepared to respond to current and near-term future housing needs in the Town of Fairfax and provide a framework for the community's longer-term approach to addressing its housing needs.

The Housing Element contains goals, updated information and strategic directions (policies and implementing actions) that the Town is committed to undertaking. Housing affordability in Marin County and in the Bay Area is a critical issue. In recent decades, housing costs have skyrocketed out of proportion to many people's ability to pay, driven by increasing construction costs, steep property values, high demand for housing, and a shortfall in new housing production. As a result, long term residents and young people who grew up in Fairfax are being priced out of the local housing market. Similarly, people who work in Fairfax are often forced to live and commute by car from further away, where housing is more affordable. This contributes to congestion on local roadways, air pollution, and greenhouse gas emissions. High housing costs have become a significant obstacle to hiring teachers, first responders, and others essential to the community.

This Housing Element touches many aspects of community life. It builds upon the goals, policies and implemented programs contained in the Town's 2015-2023 Housing Element and other Town policies and practices to address housing needs in the community. The overall focus of the Housing Element is to address local housing needs in compliance with State law while also seeking to retain Fairfax's village-like quality, with distinct neighborhoods, and large areas of surrounding visible open space.

The following are some of the specific purposes of the Housing Element update:

1. Increase and diversify the range of housing options available in Fairfax;
2. Address housing affordability by addressing regulatory, process, and market factors that limit housing production and preservation in Fairfax;
3. Promote suitable and affordable housing for special needs populations, including housing for lower income households, large families, single parent households, the disabled, older adults, and people experiencing homelessness;
4. Foster equal housing opportunity for all residents of Fairfax, regardless of race, religion, sex, sexual orientation or identification, marital status, ancestry, national origin, color, or ability;
5. Monitor the effectiveness of housing programs to ensure that they respond to housing needs; and
6. Ensure compliance with State housing law(s).

Legal Requirements

State law requires each city, town and county in California to adopt a General Plan containing at least seven elements, including a Housing Element. Regulations regarding Housing Elements are found in the California Government Code sections 65580-65589. Although the Housing Element must follow State law, it is by its nature a local document. The focus of the Fairfax Housing Element is on the needs and desires of Fairfax residents and workers as they relate to housing in the community. Within these parameters, the intent of the Element is also to comply with State law requirements.

Unlike the other mandatory General Plan elements, the Housing Element requires periodic updating and is subject to detailed statutory requirements and mandatory review by the State of California Department of Housing and Community Development — HCD. According to State law, the Housing Element must:

- Provide goals, policies, quantified objectives, and scheduled programs to preserve, improve and develop housing.
- Identify and analyze existing and projected housing needs for all economic segments of the community.
- Identify adequate sites that will be zoned and available within the Housing Element planning period — between 2023 and 2031 — to meet the City’s share of regional housing needs at all income levels.
- Be submitted to HCD to determine if HCD “certifies” that the Housing Element is in compliance with State law.

State law establishes detailed content requirements for Housing Elements and establishes a regional “fair share” approach to distributing housing needs throughout all communities in the Bay Area. The law recognizes that in order for the private sector and non-profit housing sponsors to address housing needs and demand, local governments must adopt land use plans and implementing regulations that provide opportunities for, and do not unduly constrain, housing development.

REGIONAL HOUSING NEEDS ALLOCATION (RHNA)

Fairfax’s Housing Element was last updated in 2015 to plan for the years 2015-2023. This Housing Element update reflects the Regional Housing Needs Assessment (RHNA) as determined by the Association of Bay Area Governments (ABAG) for the Sixth Cycle Housing Element update, covering the years 2023-2031. The RHNA is a State-mandated process intended to ensure every city, town, and county plans for enough housing production to accommodate future growth. The State of California Housing and Community Development Department (HCD) assigns each region of the state an overall RHNA allocation. For the nine-county Bay Area region, ABAG then distributes a “fair share” portion of that allocation to each local jurisdiction. Each city and county must then identify adequate sites with a realistic capacity for development sufficient to meet this RHNA.

For the 2023-2031 period, Fairfax must identify sites sufficient to accommodate 490 new housing units between 2023 and 2031, with a specific number of units designated as affordable to each income category, as shown in Table 1-1. The RHNA does not specifically break down the need for extremely-low-income households. As provided by State law, the housing needs of extremely-low-income households, or those making less than 30 percent of area median income (AMI), is estimated as 50 percent of the very-low-income housing need. More detail on the RHNA allocation process is described in Chapter 3 as well as in Appendix C.

Table I-1: Fairfax Regional Housing Needs Assessment, 2023-2031

<i>Income Level</i>	<i>AMI</i>	<i>Needed Units</i>	<i>Percent of Needed Units</i>
Very-Low-Income	0-50%	149	30.4%
Low-Income	51-80%	86	17.6%
Moderate-Income	81-120%	71	14.5%
Above-Moderate-Income	(>120%)	184	37.5%
Total		490	100.0%

Source: HCD State Income Limits, 2021; Town of Fairfax, 2022; Dyett & Bhatia, 2022

HOUSING ELEMENT LAW: STATE CHANGES

Various amendments have been made to Housing Element law since adoption of the 2015-23 Housing Element, especially since 2017. Some of the key changes for 6th cycle RHNA and Housing Element update include:

- Assembly Bill (AB) 72 (2017) provides additional authority to State HCD to scrutinize housing elements and enforce housing element noncompliance and other violations of state housing laws.
- AB 879 (2017) and AB 1397 (2017) require additional analysis and justification of sites listed on a local government's housing sites inventory, additional explanation of the realistic capacity of those listed sites, and further scrutiny of governmental and nongovernmental constraints that limit the production of housing.
- AB 686 (2018) requires local governments to Affirmatively Further Fair Housing (AFFH) by including in revised housing elements (1) an assessment of fair housing; (2) equitable distribution of housing to meet the needs of households at all income levels and dismantle segregated living patterns with integrated and balanced living patterns; (3) policies and programs that address fair housing barriers and promote fair housing patterns; and (4) a comprehensive, collaborative, accessible, inclusive, and equity-driven public engagement approach.
- AB 215 (2021) extends the housing element compliance review process by requiring local governments to make draft housing elements available for public review prior to submittal to State HCD rather than conducting concurrent review. The draft must be made publicly available for at least 30 days, and the local government must consider and incorporate public comment for at least 10 business days, before sending the draft to State HCD. AB 215 also increased State HCD's review period of the first draft element submittal from 60 to 90 days and within 60 days of its receipt for a subsequent draft amendment or adoption. However, the January 31, 2023, statutory deadline remains the same, even as these new requirements have significantly added to the time a city needs to complete the overall housing element update process.
- AB 1398 (2021) revises the consequences for local governments that do not meet the deadline for housing element adoption. Local governments must complete rezoning no later than one year from the statutory deadline for adoption of the housing element if that jurisdiction fails to adopt a housing element that State HCD has found to be in substantial compliance with state law within 120 days of the statutory deadline. The Town retains the three-year rezoning period if the housing element is adopted within 120 days of the statutory deadline.
- AB 1304 (2021) clarifies that a public agency has a mandatory duty to comply with existing Housing Element Affirmatively Furthering Fair Housing (AFFH) requirements. AB 1304 revises the items to be included in AFFH analysis and requires that analysis to be done in a specified

manner. In addition, the housing inventory must analyze the relationship of the sites identified in the inventory to the city's duty to affirmatively further fair housing.

The contents of this Housing Element comply with these amendments and all other requirements of Housing Element law.

ENVIRONMENTAL REVIEW

An Environmental Impact Report (EIR) will be prepared to identify and mitigate any significant adverse environmental effects that could result from implementation of the 2023-31 Town of Fairfax Housing Element. Consistent with the requirements of the California Environmental Quality Act (CEQA), a Notice of Preparation of an EIR is being circulated in parallel with the Public Review Draft Housing Element to invite comments from public agencies and interested community members as to the scope and content of issues and alternatives that should be considered in the EIR. A public review Draft EIR will be released in Summer 2023.

Process for Updating the Housing Element

The 2023-31 Housing Element is a comprehensive update to the Housing Element of the General Plan, undertaken to accommodate the Town's share of the regional housing need and address new State law. Amid the ongoing housing shortage in California, Fairfax is required by law to plan for 490 new housing units over the next 8 years. As a community with relatively few vacant lots, steep topography, and significant areas of flood, wildfire, landslide, and liquefaction risk, accommodating new housing will require a thoughtful approach that integrates new homes to serve local needs while preserving Fairfax's village-like quality, with distinct neighborhoods, and large areas of surrounding visible open space.

COMMUNITY INVOLVEMENT

Community outreach is essential to the Housing Element process. The Town of Fairfax aimed to create an inclusive, transparent, and proactive approach for broad participation, employing digital strategies during the COVID-19 pandemic. This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from nine Native American tribes that are present and active in the Marin County. Meetings with community stakeholders, including the Marin Wildfire Prevention Authority, Fairfax Age-Friendly Task Force, Town of Fairfax's Affordable Housing and Open Space Committees, Town of Fairfax Planning Commission, Chamber of Commerce, Center for Volunteer and Nonprofit Leadership, and local schools were also prioritized to identify their input. A summary of these engagement activities is described below:

- **Virtual/In-Person Community Workshops** - - The Town held two community workshops, one in-person event and one virtual event via Zoom video conferencing to facilitate attendance by a wide variety of community members at key points of the process. The workshops offered background context to the project, including legal requirements, potential opportunity sites, and an introduction to online tools for engagement. Participants were encouraged to ask questions during the workshop and provide input on their housing needs. Community feedback informed decisions for the sites inventory and draft text, with the objective of ensuring the resulting documents are representative of the values and priorities of the community.
 - ◆ Community Workshop #1 held on November 20, 2021, this event served to introduce the Housing Element Update project to 40 community members, specifically on how equity is factored into the process and what sites the inventory may include. The event included an

interactive activity with a tool called Plan Fairfax Housing, where participants view the various sites under consideration, choose which sites community members would like to see future housing built, and visualize what housing in Fairfax could look like. Input from this event informed the development of the sites inventory for the Housing Element Update.

- ◆ Community Workshop #2 held on September 10, 2022, this in-person event served to engage the community and better understand how to respond to those wanting to live in Fairfax and to the housing needs of tenants, especially those at risk of displacement. The event featured an overview of the Housing Element update process, including background information on legal requirements and local conditions. There were breakout sessions, which included two group discussions respectively about racial equity and housing. Input from this event informed the development of the sites inventory and key strategies and programs for the Housing Element Update. Neutral facilitators were used for this in-person event.
- **Townwide Mailer**– The Town sent postcards to every household in Fairfax to help to raise awareness of the project and the process and keep community members informed of status and key dates. The mailer announced the dates and times of the second Community Workshop held on September 10, 2022.
- **Digital Engagement** - To expand meaningful, robust, and inclusive community outreach efforts, the Town of Fairfax partnered with *Bang the Table*, providers of a digital community engagement platform. Using the *Bang the Table* platform, the Town developed a week-by-week interactive engagement plan that offered flexible options to community members to share their ideas and opinions at every stage of the Housing Element update. Residents had the option to sign up for regular updates or register to have full access to the interactive platform functions, such as mapping exercises, “virtual post-it notes,” photo-sharing, surveys, Q&A, and forums.

Engagement tools were located on a dedicated website for the Housing Element update. In addition, the website provided background information on key concepts, milestone tasks, and housed relevant documents to provide updated information on progress to the community. Webpages were offered in a Spanish translation. Content from the webpage has since been migrated to the Town’s website.

- **Promotion Tools** - At various points of the process, the Town employed additional outreach materials through paper and digital promotion. Strategies used to reach a broad audience across the community included press releases in the *Marin Independent Journal*, Town Newsletter, and on the Town Facebook page, in addition to street banners, paper inserts in water bills, and bulletin board notices and business cards at the Town Hall, Post Office, the Fairfax Library, Good Earth Natural Foods and Fairfax Market. In addition, the Town increased visibility of the Housing Element update by holding an information booth at the local Fairfax Farmer’s Market and provided a survey to attendees related to housing needs.
- **Affordable Housing Committee** – Several years ago, the Town Council established the Affordable Housing Committee to help address the need for sound policymaking in affordable housing through discussions of issues among members of the community with professional experience in the area affordable housing. This Committee met five times in 2021, on January 7, May 6, July 13, September 8, and November 9, to discuss the various components of the Housing Element Update. Topics include “Missing Middle” housing approach, ensuring compliance with AB 686 (Affirmatively Furthering Fair Housing), site analysis and inventory, and outreach and engagement.

- **Town Council Housing Element Subcommittee** – The Council formed a subcommittee of two of its members to work with Town staff and the Housing Element consultants to review key draft documents and approaches of the Housing Element during its development.
- **Decision-Maker Review** – A series of study sessions before the Town Council were held as the components of the Housing Element were developed and refined, to provide additional opportunity for public input and decision-maker review. The Draft Housing Element will be released for a 30-day public review period by the end of March 2023. Upon the close of the public review period, the Draft Housing Element and public comments received will be present to the Town Council. Following review of the Draft by the California Department of Housing and Community Development (HCD), public hearings will be scheduled for review and adoption of the Housing Element.

Organization of the Housing Element

The Housing Element is an integrated part of the General Plan, published under separate cover. It is an eight-year plan that is updated more frequently than other General Plan elements to ensure its relevancy and accuracy. The Housing Element consists of the following major components organized as described below:

- **Chapter 1 - Introduction:** An introduction to the purpose of the document and the legal requirements for a Housing Element, together with an overview of the community and the community involvement process.
- **Chapter 2 – Community Profile:** Documents population characteristics, housing characteristics, and current development trends to inform the current housing state of Fairfax and to identify community needs.
- **Chapter 3 – Adequate Sites for Housing:** An inventory of adequate sites suitable for construction of new housing sufficient to meet needs at all economic levels.
- **Chapter 4 - Housing Action Plan:** Articulates housing goals, policies, and programs to address the Town’s identified housing needs, including those of special needs groups and the findings of an analysis of fair housing issues in the community. This Housing Element identifies a foundational framework of five overarching goals to comprehensively address the housing needs of Fairfax residents and workers.
- **Appendices**
 - **Appendix A – Sites Inventory:** Summarizes the Town’s ability to accommodate the RHNA on available land, and the selection of sites in light of Affirmatively Furthering Fair Housing (AFFH) requirements.
 - **Appendix B – Housing Needs Assessment:** Presents community demographic information, including both population and household data, to identify Fairfax’s housing needs.
 - **Appendix C – Constraints Analysis:** Includes an analysis of constraints to housing production and maintenance in Fairfax. Constraints include potential market, governmental, and environmental limitations to meeting the Town’s identified housing needs. In addition, an assessment of impediments to fair housing is included, with a fuller analysis of actions needed to affirmatively further fair housing included in a separate appendix.
 - **Appendix D – Accomplishments of the 2015-2023 Fairfax Housing Element:** Summarizes the Town’s achievements in implementing goals, policies, and actions under the previous Housing Element.

- **Appendix E – Fair Housing Assessment:** Identifies fair housing issues and solutions to meet Fairfax’s AFFH mandate.
- **Appendix F – Public Outreach Materials:** Includes meeting materials, as well as outreach summaries.
- **Appendix G – Reference Multifamily Projects in Marin County:** A survey of recently constructed or approved multifamily housing projects in Marin County to inform capacity projections for housing production in Fairfax over the planning period.