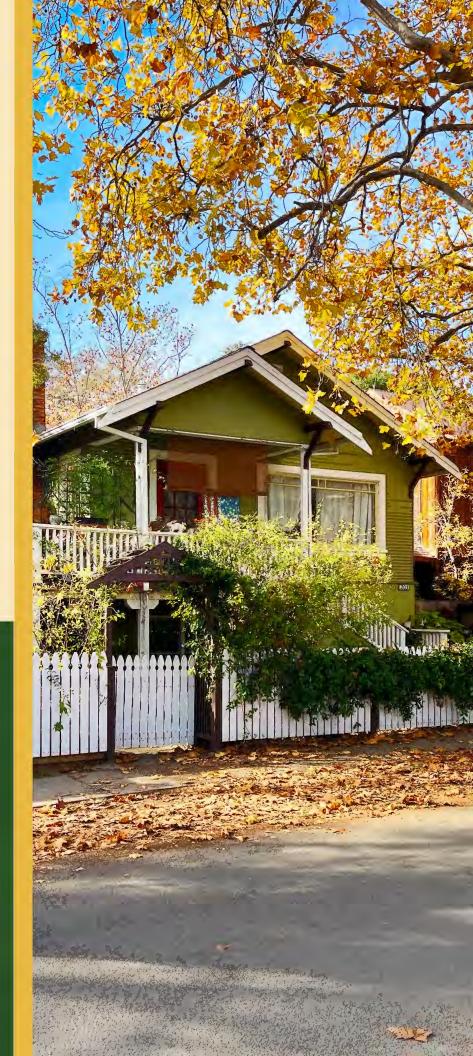


2023-31 Housing Element

HCD Review Draft

Volume 1 (Redline)

May 12, 2023



HCD Review Draft

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May 12, 2023

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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 1-1: Fairlax Regional Housing	reeus Assessment, 202	23-2031	
Income Level	AMI	Needed Units	Percent of Needed Units
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%

Table I-I: Fairfax	Regional Housin	g Needs Assessment	- 2023-2031
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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 and Open House Meetings The Town held twothree community workshops, one in- person event—and, one virtual event via Zoom video conferencing, and one hybrid open house event 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.
- Hybrid Community Open House held on April 19, 2023 during the public review period, this event introduced community members to the Draft Housing Element. Community members circulated to view display boards highlighting the sites map, inventory, environmental constraints, legal considerations, and key implementing programs. The same information was also made available digitally for those who participated via zoom. A presentation was made and there was time for questions, answers, and public comment on the draft. A summary of comments received at the meeting and a description of how the comments have been reflected in this Draft is included in Appendix F.
- **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 ascommunity comment letters, and 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.

2. Community Profile

Nestled in the heart of Marin County at the upper-west end of Ross Valley, the Town of Fairfax retains its small-town charm and atmosphere. Its location provides easy access to San Francisco and the commercial corridor of Marin, while providing a close-knit feel for its residents. The valley and hills that comprise the town provide a strong sense of community and its uniqueness, which attract a strong artistic and entrepreneurial community. The Town's natural setting encompasses a series of valleys, canyons, and forested hills with largely undeveloped ridgelines. Scenic and natural resources are key aspects of the community with mature trees, several creeks, including San Anselmo Creek and Fairfax Creek, and extensive areas of protected open space in and around the Town. The Town of Fairfax acts as a gateway to the Point Reyes National Seashore, to West Marin with its farms and agriculture, to Samuel P. Taylor State Park, and to recreational opportunities within the Marin Municipal Watershed District (MMWD).

This community profile documents population characteristics, housing characteristics, and current development trends to identify community housing needs as well as issues and opportunities related to housing production.

Location and Context

LOCATION AND ACCESS

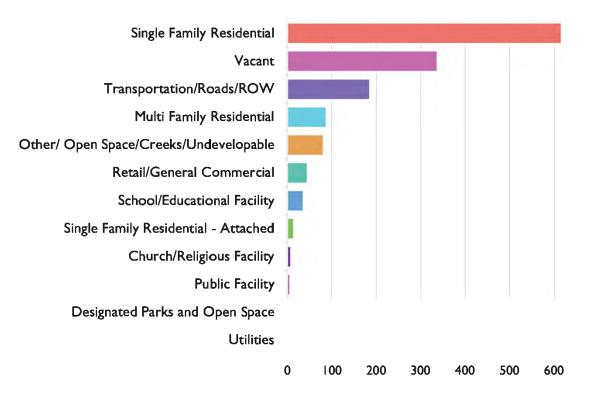
Approximately 21 miles north of San Francisco and centrally located in Marin County, Fairfax is bounded by the Town of San Anselmo to the east, census-designated place Sleepy Hollow and unincorporated Marin County to the north, the Loma Alta Open Space preserve to the northwest, and the Cascade Canyon Open Space Preserve within the southern area of Fairfax. Unincorporated Fairfax is located southwest, as well as the Deer Park MMWD Open Space to the south (see Map 2-1). Sir Francis Drake Boulevard, Center Boulevard, Broadway, and Bolinas Road are the major roadways to and through the Town. Marin Transit operates bus service along Sir Francis Drake, connecting Fairfax with Ross, San Rafael, Larkspur, and the wider Bay Area (using Golden Gate Transit). Fairfax is at the head of the Ross Valley watershed, which lies at the confluence of San Anselmo Creek and Fairfax Creek, establishing the headwaters of Corte Madera Creek.

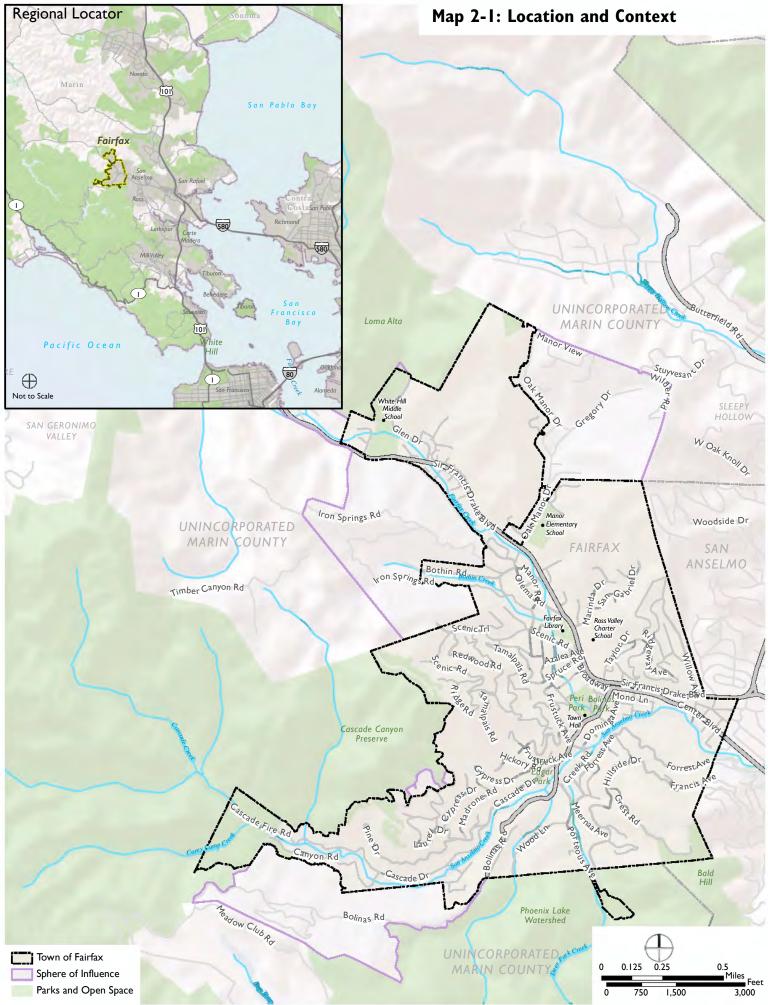
EXISTING LAND USE PATTERN AND USES

Home to 7,399 residents, the Town of Fairfax is the fourth smallest jurisdiction in Marin County, encompassing just 2.2 square miles. The town is composed largely of single-family homes, with a diverse range of small, locally-owned businesses along Sir Francis Drake Boulevard, Broadway, and Bolinas Road. Notable land uses in the downtown area include the Fairfax Post Office, Fairfax Theater, Fairfax Library, and the Marin Museum of Bicycling. Much of the rest of the community is made up of single-family neighborhoods with a dense tree canopy. The southern parts of Fairfax are lined with open space, including the Cascade Canyon Preserve, the Mount Tamalpais Watershed, Deer Park, and the Bald Hill Preserve in adjacent San Anselmo.

Overall, as show in Chart 2-1, residential uses account for 720.6 acres, commercial uses occupy 46.3 acres, institutional uses occupy 53.1 acres, while parks and open space occupy 4.79 acres. Vacant land accounts for 338 acres. Utilities, roads, and right-of-way uses compose 186 acres of the Town.

Chart 2-I Existing Land Use (Acres)





Sources: MarinMap, 2022; Town of Fairfax, 2022; Dyett & Bhatia, 2022

Population Characteristics

POPULATION TRENDS

According to the U.S. Census, the population of Fairfax was estimated to be 7,399 in 2020. The population of Fairfax makes up 2.8 percent of Marin County. In Fairfax, roughly 13.1 percent of its population moved during the past year, on par with the regional rate of 13.4 percent. Chart 2-2 shows population growth trends for Fairfax, Marin County, and the Bay Area.

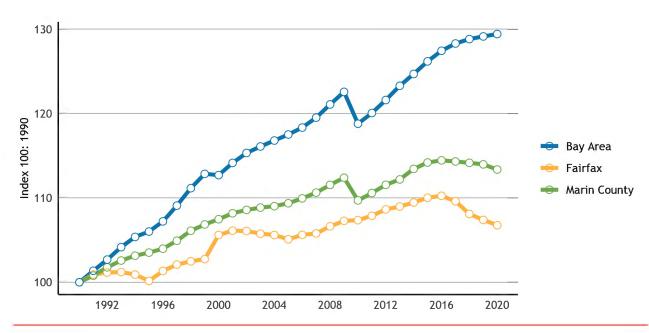


Chart 2-2: Fairfax and Regional Population Growth (1990-2020)

Note: 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. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-01. *Source: California Department of Finance, E-5 series*

AGE

Current and future housing needs are typically determined in part by the age characteristics of a community's residents. Each age group has distinct lifestyles, family type and size, incomes, and housing preferences. Consequently, the distribution of age groups in a town shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

As a community, Fairfax is aging. In 2000, the median age was 41 years. By 2019, the median age had increased to approximately 48 years, which is slightly higher than Marin County's median age of 46.8. More specifically, Fairfax population of those under age 14 has decreased since 2010, while the 65-and-over population has increased, from 9.5 percent in 2000 to 23 percent in 2019, as shown in Chart 2-3. Older adult residents are considered a special needs housing group because they tend to live on fixed incomes and have requirements for aging in place. In Fairfax however, these households tend to be less cost-burdened and have relatively higher incomes than other Fairfax households.

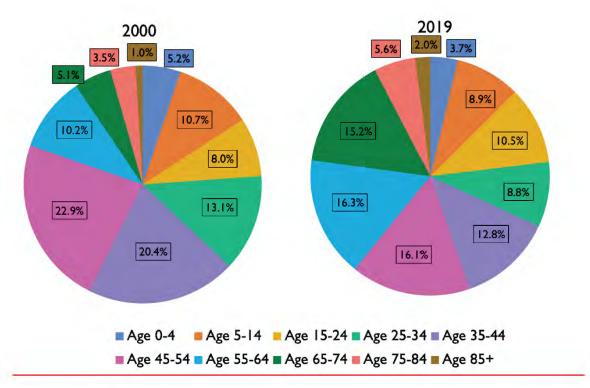


Chart 2-3: Age Distribution in Fairfax

Source: 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

ETHNICITY

Understanding the racial and ethnic makeup of Fairfax and the region can be important for designing and implementing effective housing policies and programs. Throughout the U.S., past practices - including exclusionary zoning, discriminatory lending practices, and urban renewal projects - have historically impeded fair access to housing for certain ethnic groups and the legacy of these actions continues to impact communities of color today.

While Fairfax remains a predominantly White community, it is becoming more diverse. Between 2000 and 2019, the share of non-White residents grew markedly. Over the period, the percentage of residents in Fairfax identifying as White decreased from 88 percent in 2000 to 82 percent in 2019, and the percentages of all other races and ethnicities increased correspondingly, as shown on Chart 2-4.

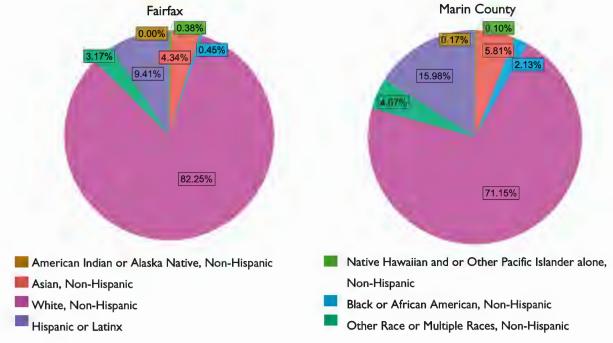


Chart 2-4: Population by Race, 2000-2019

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

GENDER

As reported in the 2020 Unites States Census, there were 7,399 residents in Fairfax, of whom 48 percent are males and 52 percent are females. Female-headed families, including those with children, are identified as a special needs group in State law because they are more likely to be supporting a household with one income, increasing the probability the household is low-income and housing cost-burdened. In Fairfax, both married-couple family households and nonfamily households are predominant household types in Fairfax, comprising 44.5 percent and 40.9 percent, respectively, of households. Additionally, there are approximately three times as many female-headed households (358) as there are male-headed households (128) in Fairfax. Female-headed households represented about 43 percent of owner-occupied households and 57 percent of renter-occupied households. Approximately 51.5 percent of female-headed households have children.

INCOME

Household income is one of the most significant factors affecting housing choice and opportunity. Income largely determines a household's ability to purchase or rent housing. While higher-income households have more discretionary income to spend on housing, lower- and moderate-income households are limited in the range of housing they can afford. Typically, as household income decreases, cost burdens and overcrowding increase. For the purpose of evaluating housing affordability, housing need, and eligibility for housing assistance, income levels are defined by guidelines adopted each year by the California State Department of Housing and Community Development (HCD). HCD utilizes the income limits determined by the United States Department of Housing and Urban Development (HUD) for Section 8 and Public Housing and adjusts them to reflect area income and housing costs. For Marin County, HCD has determined the applicable annual Area Median Income (AMI) for a family of four was \$166,000 in 2022, the most recent year for which data is available.

This is an increase of 38 percent from the 2014 median income of \$103,000, which was used as the baseline AMI in the Town's 5th Cycle Housing Element. HCD has defined the following income categories for Marin County, based on the median income for a household of four persons for 2022:

- Extremely-low-income: 30 percent of AMI and below (\$0 to \$55,900)
- Very-low-income: 31 to 50 percent of AMI (\$55,901 to \$93,200)
- Low-income: 51 to 80 percent of AMI (\$93,201to \$149,100)
- Moderate-income: 81 to 120 percent of AMI (\$149,101 to \$199,200)
- Above-moderate-income: 120 percent or more of AMI (\$199,201 or more)

Proportionate to population, Fairfax has a slightly lower number of residents who earn more than 50 percent of the area median income (49 percent) compared to Marin County (51 percent) and the Bay Area overall (52 percent). In Marin County, AMI is equivalent to an annual income of \$166,000 for a family of four.

EDUCATIONAL ATTAINMENT

In 2020, the share of the population age 25 and over in Fairfax who held a high school diploma or higher was 96.5 percent. About 61.3 percent of the population in Fairfax holds a bachelor's degree or higher. The share of the population with a bachelor's degree or higher has decreased slightly in Fairfax, from 64.8 percent in 2010 to 61.3 percent in 2020.

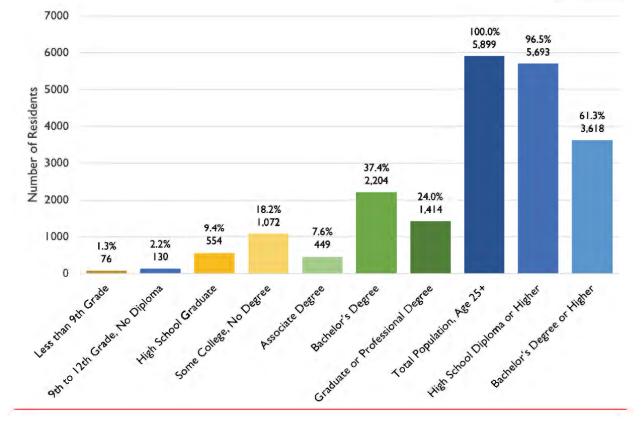


Chart 2-5: Educational Attainment Among Those Age 25 Years and Over, 20192020

Source: US Census Bureau American Community Survey, Table B15003, 2020; Dyett & Bhatia, 2022

SPECIAL NEEDS GROUPS

Certain groups have greater difficulty in finding suitable affordable housing due to their special needs and circumstances. This may be a result of employment and income, family characteristics, disability, or household characteristics. Consequently, certain residents in the Town of Fairfax may experience more instances of housing cost burdens, overcrowding, or other housing problems. The categories of special needs that must be addressed by law in the Housing Element include:

- Extremely-Low-Income Households. Asian and Asian Pacific Islander (API) non-Hispanic residents are most likely to fall below 30 percent AMI, while only making up 4.3 percent of the Fairfax population. They are followed by Hispanic or Latinx residents. Overall, Fairfax has a lower poverty rate (5.4 percent) compared to the County (7.2 percent), both of which are significantly lower than the poverty rate in California (13.4 percent).
- Older Adult Residents. 23 percent of Fairfax's population is older than 65, and the proportion
 of older adults aged 65-74 has tripled since 2000. Approximately 44 percent of older adults are
 considered extremely-low, very-low, and low-income. A full 30 percent of older adults
 experience are considered cost burdened, whether renters or owners.
- **Persons with Disabilities.** In Fairfax, there is a similar proportion of people with disabilities in the Town (9.1 percent) and the County (9.6 percent). About three-quarters of the population with a developmental disability live at the home of a parent/family/guardian.
- Large Family Households. Large families make up a smaller percentage of households in the Town (1.7 percent) compared to the County (6.9 percent). All large households in Fairfax were over 100% AMI. Both the Town and the County have a similar share of single-person households at 30.0 and 29.0 percent.
- Female-headed Households. Female-headed households made up about 8.8 percent of the household population in Fairfax. These households are more likely to rent than own and approximately 15.0 percent of female-headed households with children fell below the poverty line.
- Persons Experiencing Homelessness. The share of the homeless population in Fairfax and Marin County is not substantial at approximately 0.002 and 0.1 percent respectively. However, the percentage of homeless persons in Marin County has increased approximately 19.0 percent since 2019, indicating a need to address homelessness in the County.
- Farmworkers. While farmworkers still only represent about 0.5 percent of the County's population, the number of permanent and seasonal farm workers has increased in Marin County since 2002. Given the seasonal nature of this work for at least a portion of this group, the special needs of this segment of the population should be considered.

Housing Market Characteristics

EXISTING TYPOLOGIES

The existing housing stock in Fairfax is predominantly single-family homes. In 2020, 72.9 percent of homes were single family (2,278 single family detached units, 351 single family attached units) and 26.7 percent were multifamily [494 small multifamily units (2-4 units) and 469 medium or large multifamily units (5 or more units).

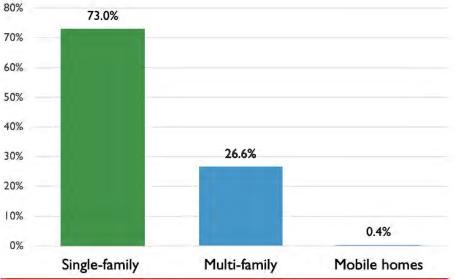


Chart 2-6: Housing Stock in Fairfax

AGE OF HOUSING STOCK

A high proportion of older buildings, especially those built more than 30 years ago, can indicate a higher likelihood of substantial health and safety housing conditions in a community's housing stock. In Fairfax, however, there is a weaker correlation between the age of housing stock and the presence of housing issues, as much of the community's housing stock is comprised of well-maintained older single-family homes. As shown in Chart 2-67, in Fairfax, the largest proportion of the total housing stock was built in 1939 or earlier (37 percent), with very few new housing units —43 units— built in the last decade, according the United States Census. Older housing stock is generally very well-maintained.

Source: California Department of Finance, E-5 series

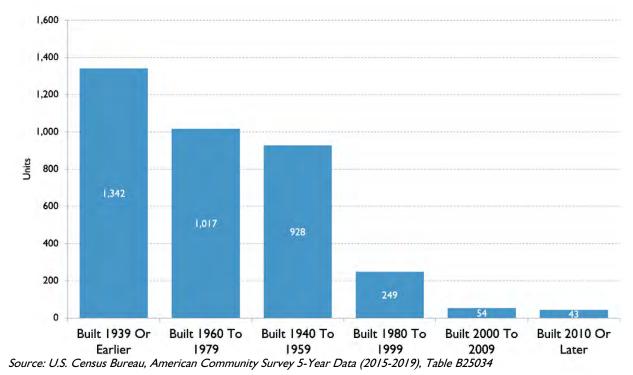


Chart 2-7: Age of Fairfax Housing Stock

TENURE

Tenure refers to whether a housing unit is rented or owned. The rate of homeownership and rate of renting in Fairfax is similar to Marin County, while the rate of renting is substantially lower than the Bay Area as a whole. In Fairfax, the number of owner-occupied housing units slightly increased from 61.4 percent in 2000 to 62.2 percent in 2010, to 63.1 percent in 2019. The number of renter-occupied housing units decreased accordingly as a result, from 36.9 percent in 2019 to 38.6 percent in 2000.

	20	000	20	10	20	9	
Geography	Owner Occupied	Renter Occupied	Owner Occupied	Renter Occupied	Owner Occupied	Renter Occupied	
Fairfax	61.4%	38.6%	62.2%	37.8%	63.1%	36.9%	
Marin County	63.6%	36.4%	62.6%	37.4%	63.7%	36.3%	
Bay Area	57.7%	42.4%	56.2%	43.8%	56.1%	43.9%	

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

AFFORDABILITY

The most commonly used definition of affordable housing comes from the federal Department of Housing and Urban Development (HUD). According to HUD, affordable housing means housing for which the occupants are paying no more than 30 percent of their income for gross housing costs, including utilities. Fairfax has seen a dramatic increase in housing costs in recent years. Home values in the Town increased by 43.6 percent between 2009 and 2020, while rental prices increased by 13 percent between 2009 and 2019. Housing costs are significantly higher in the Marin County as a whole than in the Fairfax and Bay Area, as shown in Chart 2-8. Given the prevailing rent and home sales prices in the Town, home ownership is exclusive to all income groups earning moderate-income and below.

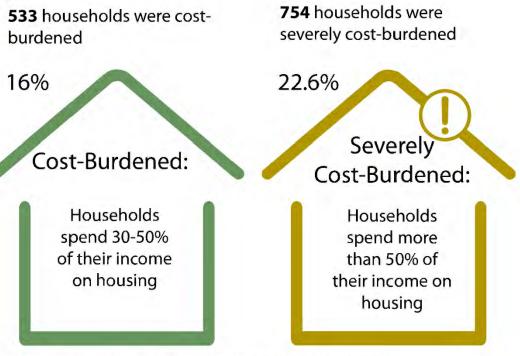
In Fairfax, 16 percent of households (533 households in total) are cost burdened (meaning they spend 30 to 50 percent of their income on housing-related costs), while 22.6 percent (754 households in total) are severely cost burdened (spend more than 50 percent of their income on housing). Renters are more likely to experience cost burden in Fairfax compared to homeowners, 48.7 percent and 32.6 percent, respectively. 73 percent of extremely-low-income households and 65.4 percent of very-low- and low-income households experience cost burden, compared to 12.5 percent of residents who earn above median income.



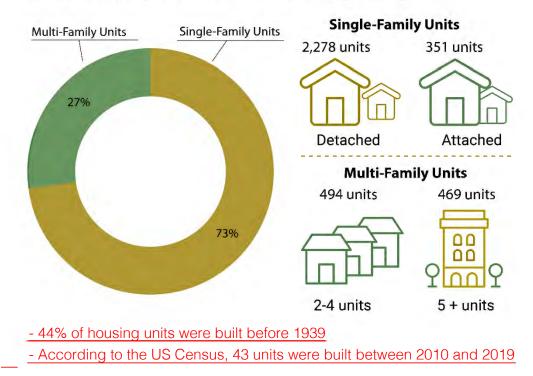


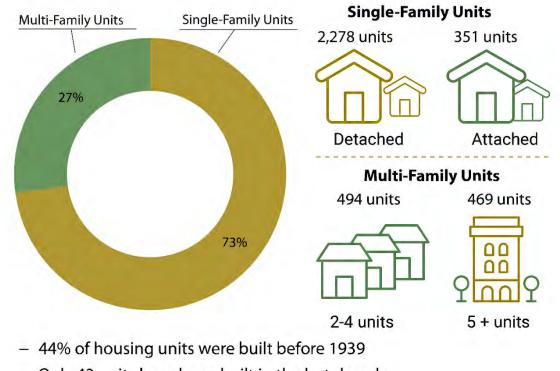
Source: Zillow, Zillow Home Value Index (ZHVI) 2003-2021

In 2020:



In 2020, a majority of homes in Fairfax were single-family





In 2020, a majority of homes in Fairfax were single-family

- Only 43 units have been built in the last decade Source: Association of Bay Area Governments (ABAG), 2020

Recent Development Trends

According to the ABAG-MTC Data Needs Workbook, eighty-seven (87) housing permits have been issued between 2015-2019. Of the 87 permits, 60 permits were issued for low-income, 13 for very-low income, 10 above moderate, and 4 for moderate income. As of 2020, majority of building types in Fairfax are detached single-family, while multi-family housing types comprise 26 percent of the overall types in Fairfax.

		2010	2	Percent		
Building Type	Number	Percent	Number	Percent	Change	
Single-Family Home: Attached	345	9.6%	351	9.74%	1.74%	
Single-Family Home: Detached	2,272	63.4%	2,278	63.19%	0.26%	
Multifamily Housing: Two to Four Units	486	13.6%	494	13.70%	I.65%	
Multifamily Housing: Five-plus Units	469	13.1%	469	13.01%	0.00%	
Mobile Homes	13	0.4%	13	0.36%	0.00%	
Total	3,585	100%	3,605	100%	0.56%	

Table 2-2: Fairfax Housing Types, 2010-2020

Source: ABAG-MTC Housing Needs Data Workbook (California Department of Finance, E-5 series)

In 2020, Victory Village, a 54-unit affordable housing project for older adults was completed, and since 2018 the Town has seen a sustained rate of construction for accessory and junior accessory dwelling units (ADU/JADU), as detailed in Chapter 3.

3 Housing Resources

The Housing Element is a component of the General Plan which guides planning for housing to meet the current and projected needs of all households in the community. This chapter summarizes the various resources available for the preservation, improvement, and development of housing in Fairfax. The analysis includes an evaluation of the availability of land resources available to accommodate the Town's share of the region's future housing needs, as well as the administrative resources available to assist in implementing the Town's housing programs and policies, and the financial resources available to support housing activities.

Land Resources

Government Code (GC) Section 65583(a)(3) requires local governments to prepare an inventory of land suitable for residential development, including vacant sites and sites with the potential for redevelopment. The inventory must identify specific parcels that are available for residential development and be accompanied by an analysis of public facilities and services capacity to serve the identified sites. Further, the inventory must have sufficient capacity to accommodate the jurisdiction's share of the regional housing need, as determined by applicable the metropolitan planning organization, in this case Association of Bay Area Governments (ABAG).

This section presents the Town's inventory, identifying sites available for residential development and their realistic capacity for housing. It identifies planned and recently approved residential projects in Fairfax and it details the process for identifying suitable sites, the methodology for calculating capacity, and the availability of public facilities and services available to serve new housing.

LEGAL REQUIREMENTS FOR INVENTORY AND SITES

State law requires that a community identify an adequate number of sites to accommodate and facilitate production of the Town's regional share of housing. To determine whether the Town has sufficient land to accommodate its share of regional housing needs for all income groups, the Town must identify "adequate sites." Land considered suitable for residential development includes the following:

- Vacant sites zoned for residential use.
- Vacant sites zoned for nonresidential use that allow residential development.
- Residentially zoned sites that are capable of being developed at a higher density (non-vacant sites, including underutilized sites).
- Sites owned or leased by a city, town, or county

• Sites zoned for nonresidential use that can be redeveloped for residential use and a program is included in the Housing Element to rezone the site to permit residential use within three years of adoption.

Further, State law stipulates criteria for the adequacy of sites included on the inventory, including that they be zoned to accommodate housing, have appropriate development standards, and be served by public facilities as needed to facilitate the development of a variety of housing products suitable for all income levels. Vacant sites included on the prior period inventory and non-vacant sites included on prior inventories in two or more consecutive planning periods cannot be carried forward to the current planning period to satisfy the need for housing affordable to lower income households unless they are rezoned to allow residential use by right at the default density for the jurisdiction, which in Fairfax's case is 20 dwelling units per acre.

Additional suitability criteria apply to sites identified to accommodate lower income RHNA, including that they be of appropriate size, be free from environmental constraints, be zoned to accommodate housing, have appropriate development standards, and be served by public facilities. The intent of these criteria is to help ensure that sites identified for lower income RHNA are viable candidates for housing and can be feasibly developed in the near term. In view of feasibility considerations, parcels that are less than 0.5 acres in size are generally not considered suitable for lower income housing development as smaller parcels may not allow development of a sufficient number of units for proposed affordable housing projects to compete effectively for limited funding resources. Parcels larger than 10 acres in size are also not considered suitable by HCD as development of very large projects may lead to an over concentration of affordable housing in one location or may render proposed affordable housing projects ineligible for funding.

REGIONAL HOUSING NEEDS ALLOCATION

The Regional Housing Needs Allocation (RHNA) is the total number of new housing units that the Town must plan to accommodate in the 2023-31 planning period. RHNA is split into four categories representing different levels of affordability, based on median income level in the county. RHNA is established through the following process: the California Department of Housing and Community Development (HCD) first determines the estimated need for new housing in each region of California for the planning period, based on population projections and other factors including rates of vacancy, overcrowding, and cost-burden. Each regional planning agency then allocates a target to each city or town within its jurisdiction, considering factors such as access to jobs, good schools, and healthy environmental conditions. For the San Francisco Bay Area, the Bay Area Association of Governments (ABAG) developed and refined a methodology for 2023-31 RHNA allocations with input from local jurisdictions. The ABAG Regional Council adopted the 6th Cycle Final RHNA Allocation, Methodology, and Regional Housing Needs Determinations on December 16, 2021.

Fairfax's Regional Housing Needs Assessment (RHNA) allocation for the 2023-31 planning period has been determined by ABAG to be 490 housing units, including 149 units for very low-income households, 86 units for low-income households, 71 units for moderate-income households, and 184 units for above moderate-income households (Table 3-1). AB 2634 mandates that localities calculate the subset of the very low-income regional need that constitutes the communities need for extremely low income housing. As an alternative to calculating the subset, local jurisdictions may assume that 50 percent of the very low income category is represented by households of extremely low income (less than 30 percent of the Area Median Income or AMI).

Income Level	AMI	Needed Units	Percent of Needed Units
Very-Low-Income	0-50%	49	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

PIPELINE PROJECTS

According to HCD Guidance, projects that have been approved, permitted, or received a Certificate of Occupancy during the projection period (June 30, 2022 – January 15, 2031) can be counted toward the 2023-31 cycle RHNA. As shown on Table 3-2, there are 11 pipeline projects in Fairfax expected to generate a total of 194 new housing units during the planning period. These include nine projects involving single-family residential development and two projects proposing multifamily development.

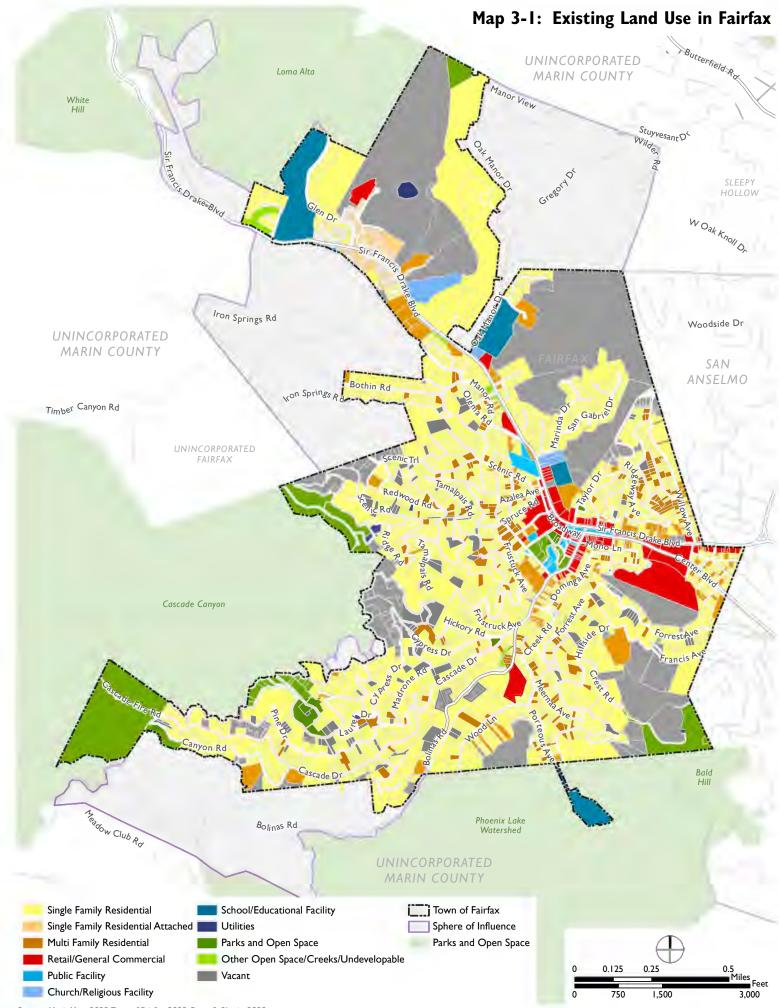
- Fairfax Market The property owner has submitted pre-application materials to the Town for a mixed use project involving eight rental apartments and 5,000 square feet of commercial space in a two-story building on the northern portion of a surface parking lot onsite. The site is located on Sir Francis Drake Boulevard in Downtown Fairfax, with excellent access to transit and within easy walking distance of shops, services, and parks. The unit mix includes six 2-bedroom units and two 1-bedroom units which would be available at market rate rents.
- School Street Plaza The property owner has had pre-application consultations with Town staff regarding redevelopment of this 1.92 acre with a mixed income residential development involving up to 175 new housing units, including an affordability component. A letter of interest is included in Appendix G. The project would be located on the large, terraced portion of the site accessible from Broadway, which currently contains an expansive surface parking lot and several single-story school buildings now used as live-work spaces. The site is centrally located on Broadway in Downtown Fairfax, adjacent to Contratti Ball Field and within easy walking distance of shops, restaurants, parks, and services. Through Program 1-B in the Action Plan (Chapter 4), the Town commits to working with the property owner to facilitate development of the project. Townwide objective design and development standards for mixed use and multifamily residential projects will be prepared and refined with community input in 2023. Anticipated for adoption by January 2024, these standards will guide the School Street project.

No.	APN	Address	Existing Land Use	Acres	Zoning	Project Description	SFR Units	MFR Units	Status
I	001-123-03	67 Tamalpais	Single Family Residential	0.13	RS-6	SFD/ADU	I		Under review
2	001-236-03	125 Live Oak Avenue	Single Family Residential	0.11	RD- 5.5-7	SFD/ADU	I		Approved
3	002-032-23	350 Bolinas Road	Multi Family Residential	0.15	RS-6	SFD/ADU	I		Approved
4	002-071-01	Vacant Lot - Barker	Vacant	9.20	UR-7	SFD/ADU/JADU	I		Under review
5	002-181-12	100 Summit Road	Vacant	11.75	UR-10	SFD	I		Under review
6	002-192-50	155 Forrest Avenue	Single Family Residential	0.82	RS-6	SFD	I		Pre- applicatior
7	002-214-01	34 Hill Avenue	Vacant	0.82	RD- 5.5-7	SB 9 LAND DIVISION	3		Under review
8	003-101-06	75 Pine Drive	Single Family Residential	0.15	RS-6	SFD	I		Approved
9	003-161-01	200 Toyon Road	Vacant	1.92	RS-6	SFD/ADU	I		Approved
10	002-112-13	6 School St	Retail/General Commercial	1.92	CC	Multifamily Development	6	175	Pre- applicatior
11	001-183-04	2040 Sir Francis Drake Blvd	Retail/General Commercial	1.04	СН	Multifamily Development	6	8	Pre- applicatior
						Subtotal	11	183	
						TOTAL		194	

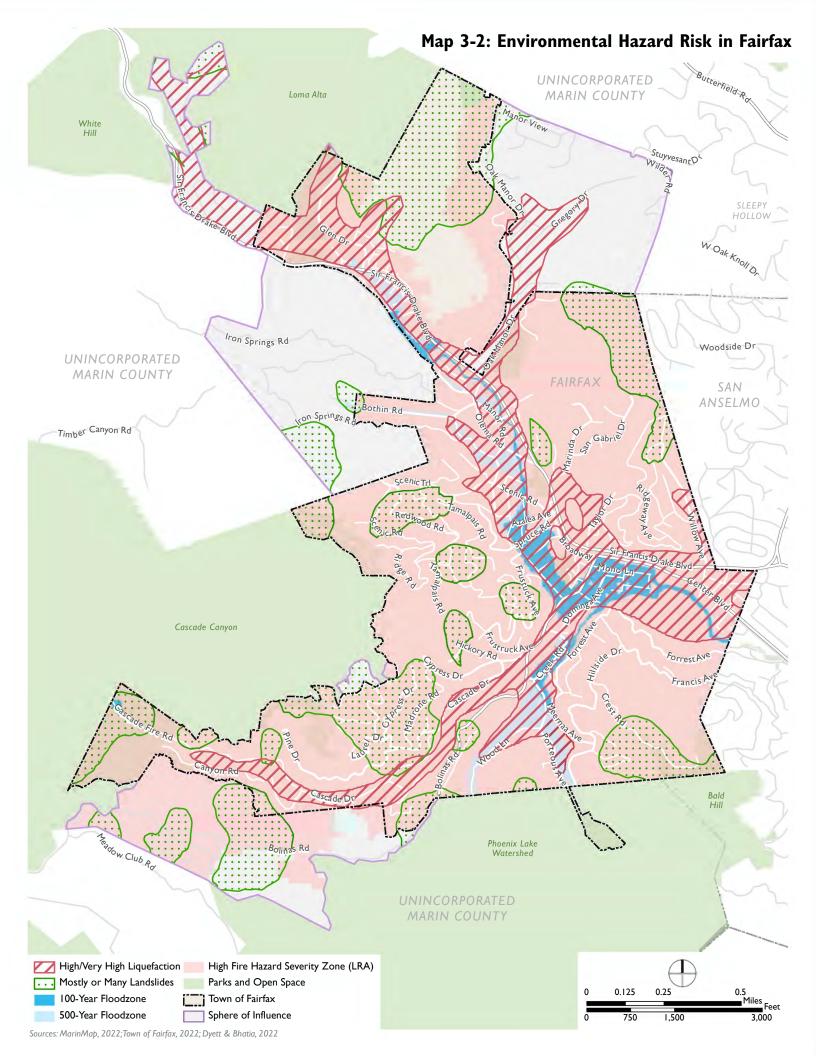
Table 3-2: Pipeline Projects

LAND INVENTORY

Fairfax is located in the Upper Ross Valley, set amid scenic hills that rise dramatically from the valley floor. Sir Francis Drake Boulevard, a major regional thoroughfare, bisects the town, connecting the agricultural part of the county to more urbanized areas of Marin and the Bay Area along the valley floor. As shown in Map 3-1, most parcels within the Town limit are developed, with commercial uses concentrated downtown, centered on Sir Francis Drake Boulevard, Broadway, and Bolinas Drive, and residential uses throughout most of the rest of the community. Almost all the remaining vacant land is located in steeply sloped hillside areas. Significant portions of Fairfax are in areas of environmental hazard, including areas of high liquefaction risk that cover all of the land downtown and much of the land along Sir Francis Drake Boulevard; areas of 100-year flood risk in much of the downtown area, particularly near the confluence of San Anselmo and Fairfax Creeks; and areas of landslide risk in the hills (see Map 3-2). Land within the Town limit is classified as a Moderate and High Fire Hazard Severity Zone given the risk of wildfire in the region. These environmental hazards can be mitigated through design and construction techniques; however, this adds cost and complexity for new development in Fairfax.



Sources: MarinMap, 2022; Town of Fairfax, 2022; Dyett & Bhatia, 2022



Vacant Land

There are 2420 vacant residential properties with zoning that currently allows for single-family housing, as shown in Table 3-3. The majority of these sites range in size from one to two acres, with several larger vacant hillside properties. Zoning districts applicable to these sites include Single Family Residential (RS-6 and RS-7.5), Upland Residential (UP-7 and UP-10), and Planned Development (PDD) zones, which have a minimum lot size requirement that ranges from 6,000 square feet to 10 acres, based on site topography. The Town has adopted a Hill Area Residential Development Overlay which establishes standards applicable to projects in areas of steep slope and landslide risk. These standards include requirements for fire management, grading plans, retaining structures, preservation of natural vegetative cover, and erosion control. Since 2015, as shown on Map 3-3, Fairfax has seen construction of 17 single-family residential projects, many of which are in areas of steep topography, including some in areas of landslide risk. While mitigation to address site constraints adds to the cost of development in hillside areas, as evidenced by the development trend for single-family housing in Fairfax between 2015 and 2022, this has not proven to be a major development constraint.

Additionally, the large hillside sites have adequate access, potential for utility services, and topography that might accommodate a clustered housing development, including both attached and detached single-family dwellings and accessory dwelling units. Through Program 2-D in the Action Plan, the Town will review standards for clustered hillside development in peer jurisdictions and determine whether they might be adapted to help the Town meet its RHNA obligations for above moderate income housing. Zoning Code amendments then will be prepared as appropriate to allow for this type of housing and to establish development standards and design review criteria, including requirements for discretionary review by the Planning Commission. Therefore, based on past performance trends and the implementation of Program 2-D, the inventory projects a total of 60 housing units for above moderate income households as the realistic capacity for these vacant residential sites.

APN	Address	Existing Land Use	Avg Slope	Acres	Zoning	Capacity
003-142-36	Taylor Property	Vacant	56.01	1.02	RS-6	
003-032-42	Elterman Property	Vacant	46.99	1.02	RS-6	l
002-174-04	Tomlinson Property	Vacant	50.70	1.02	RS-6	I
003-022-05	Gilevskaya Property	Vacant	66.56	1.04	RS-6	I
001-241-38	Hubbel Property	Vacant	67.32	1.22	RS-7.5	I
002-051-04	Taylor Property	Vacant	76.56	1.23	RS-6	I
001-021-03	Godwin Property	Vacant	55.35	1.36	RS-6	I
002-181-22	Patel Property	Vacant	45.59	1.40	RS-6	I
002-041-21	Read Property	Vacant	54.92	1.48	RS-6	I
001-015-07	Godwin Property	Vacant	45.28	1.62	RS-6	I
001-093-37	Piombo Property	Vacant	46.84	1.63	RS-6	I
003-191-24	Morales Property	Vacant	56.81	1.74	RS-6	I
003-181-07	Kuhler Property	Vacant	64.07	1.82	RS-6	I
001-014-02	Cummins Property	Vacant	45.29	2.01	RS-6	I
003-171-02, 003-171-05, 003-171-08	Ross Property	Vacant	69.60	6.82	RS-6	4

Table 3-3: Vacant Single-Family

APN	Address	Existing Land Use	Avg Slope	Acres	Zoning	Capacity
002-181-2 0	Second Prospect	∀acant	34.19	6.99	UR-10	4
002-181-04, 002-181-05	Island Pickle Property	Vacant	50.76	10.53	UR-10	6
174-060-21	Standard Properties	Vacant	47.16	11.42	PDD	6
174-300-05	RFC Property	Vacant	58.19	11.77	UR-7	6
174-070-71	615 Oak Manor Dr	Vacant	49.12	39.34	RS-6	10
001-251-31, 001-150-12, 001-160-09	<mark>MirandaMarinda</mark> Heights	Vacant	50.04	102.00	UR-10	10
					TOTAL	6056

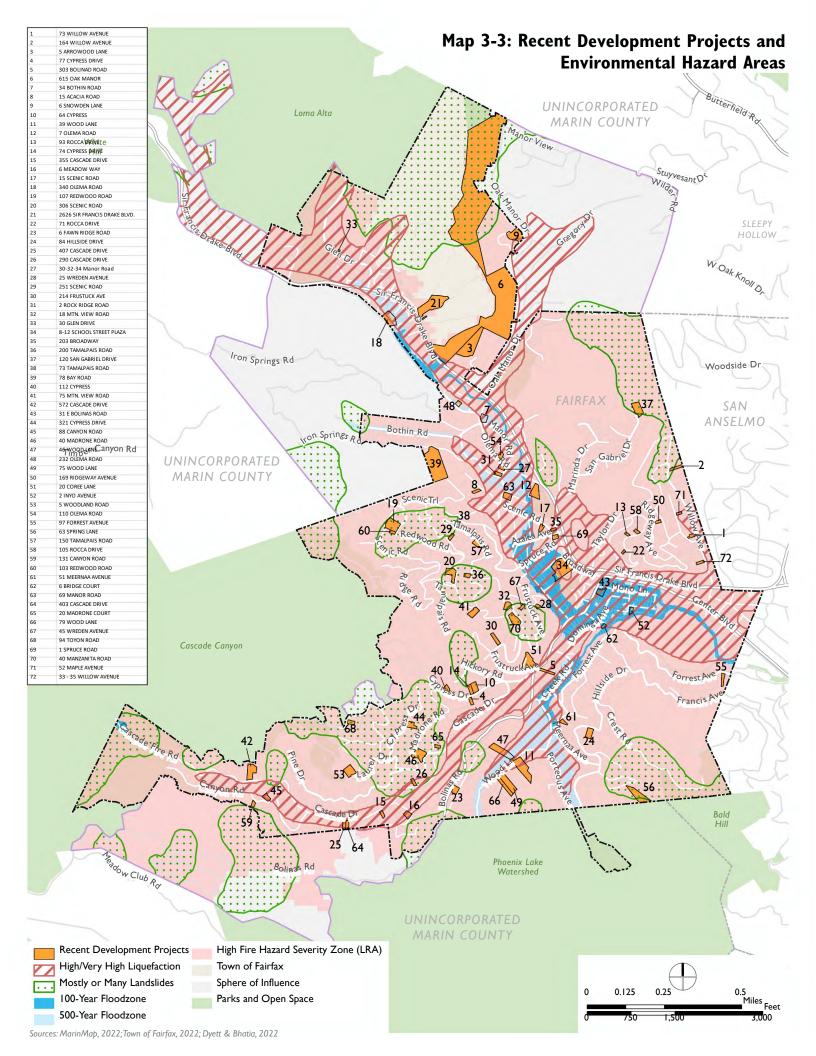
Table 3-3: Vacant Single-Family

Town-Owned Sites

Two adjacent properties owned by the Town (APNs 002-123-17; 002-144-01 pictured on Figure 3-1) have been identified as candidates for redevelopment with workforce housing to increase opportunities for restaurant employees, service workers, teachers, public servants and others who earn less than 80 percent of the area median income. Located along Forrest Avenue within walking distance to downtown, these two parcels have a total area of approximately 0.5 acres. Through Program 1-C in the Action Plan, the Town will seek to partner with a non-profit developer for the construction of workforce housing to meet the needs of lower income households in Fairfax. In making these properties available for affordable housing development, the Town will comply with the requirements of the Surplus Lands Act.

Figure 3-1: Town-Owned Sites for Workforce Housing





Accessory Dwelling Units

Residential land uses comprise more than 50 percent of all existing land use in Fairfax, meaning there is significant opportunity for development of accessory dwelling units (ADUs) and Junior accessory dwelling units (JADUs). Since they are typically smaller than a single-family home, ADUs and JADUs can be "affordable by design," meaning they cost less to build, buy, or rent. As such they can offer affordable opportunities for older adults living on fixed incomes, employees of Fairfax's small local businesses, artists, musicians, and others in the community. Demographic factors point to a growing need for this type of housing in Fairfax. Older adults now account for nearly 25 percent of the local population and their share has tripled since 2000, with 30 percent of older adults facing some level of housing cost burden. Additionally, employment data shows that there are now more jobs in retail, service, and other sectors with monthly wages between \$1,250 and \$3,300 than can be met by the local labor pool, indicating a need for workforce housing that can be met in part with ADUs and/or JADUs.

Fairfax has had an amnesty program in place to incentivize the legalization of unpermitted ADUs/JADUs and the Town currently offers an incentive program that provides a 50 percent reduction in processing and building permit fees to encourage legalization and creation of ADUs/JADUs (this 50 percent fees reduction also constructing legal ADUs/JADUs). Also, for legalizing unpermitted ADUs/JADUs, as part of the amnesty program the Town will not assess penalties. Since 2018, the Town has seen strong interest from local property owners in developing this type of housing and has issued a total of 54 construction permits for new ADUs and JADUs, as summarized in Table 3-4. Safe harbors in State Housing Element law allow for the use of trends since 2018 to project the future rate of ADU production. By this measure, Fairfax can project at least 11 ADUs annually throughout the planning period. However, as noted in HCD's Housing Element Site

Inventory Guidebook, this methodology represents "a conservative option [that] only account[s] for the effect of the new laws without local promotional efforts or incentives." The Housing Action Plan contains a robust suite of strategies to further facilitate and incentivize ADU/JADU production (Programs 1H through 1-M). On this basis, the Town projects 20 new ADUs/JADUs annually throughout the planning period for a total of 160 new ADUs by 2031.

Based on the findings of the ABAG ADU Affordability Study for the San Francisco Bay Area, it is assumed that 60 percent of these units (48 units total) would be affordable to low and very low-income households, 30 percent of these units (24 units total) would be affordable to moderate-income households, and 10 percent (8 units total) would be affordable for above moderate income households.

Table 5-4. Tainax ADO Termitting Trend 2010-2022					
APN	Address	ADU/JADU	Count	Construction Permit Date	
001-131-08	7 OLEMA ROAD	ADU	I	2018	
001-225-27	93 ROCCA DRIVE	ADU	l	2018	
003-201-34	74 CYPRESS DRIVE	JADU	l	2018	
003-102-11	355 CASCADE DRIVE	JADU	l	2018	
003-102-19	6 MEADOW WAY	ADU	l	2018	
001-146-03	15 SCENIC ROAD	JADU	I	2018	
003-201-34	74 CYPRESS DRIVE	ADU	I	2018	
174-141-52	340 OLEMA ROAD	ADU	I	2018	
001-023-16	107 REDWOOD ROAD	ADU	I	2018	
	1 · · · · · · · · · · · · · · · · · · ·	E	:	1	

Table 3-4: Fairfax ADU Permitting Trend 2018-2022

APN	Address	ADU/JADU	Count	Construction Permit Date
001-051-19	306 SCENIC ROAD	ADU DETACHED	I	2018
001-225-20	71 ROCCA DRIVE	ADU	I	2018
002-052-10	6 FAWN RIDGE ROAD	ADU	I	2018
002-152-04	84 HILLSIDE DRIVE	ADU	I	2018
003-121-06	290 CASCADE DRIVE	JADU	I	2018
001-092-17	30-32-34 Manor Road	ADU	I	2019
002-013-07	25 WREDEN AVENUE	ADU	I	2019
003-192-07	214 FRUSTUCK AVE	JADU	I	2019
001-092-22	9 IRON SPRINGS ROAD	ADU	I	2019
002-011-34	18 MTN. VIEW ROAD	ADU	I	2019
174-170-03	30 GLEN DRIVE	ADU	I	2019
001-149-03	203 BROADWAY	ADU	I	2020
001-052-28	200 TAMALPAIS ROAD	ADU	I	2020
001-261-81	120 SAN GABRIEL DRIVE	ADU	I	2020
001-123-02	73 TAMALPAIS ROAD	ADU DETACHED	I	2020
001-093-21	78 BAY ROAD	ADU	I	2020
003-163-18	112 CYPRESS	ADU DETACHED	I	2020
001-063-39	75 MTN. VIEW ROAD	ADU	I	2020
003-153-29	321 CYPRESS DRIVE	ADU	I	2020
003-031-23	88 CANYON ROAD	ADU	I	2020
003-132-06	40 MADRONE ROAD	JADU	I	2020
002-041-25	46 WOOD LANE	ADU DETACHED	I	2020
002-013-07	25 WREDEN AVENUE	ADU	I	2021
01-272-09	232 OLEMA ROAD	ADU	I	2021
002-062-02	75 WOOD LANE	ADU DETACHED	I	2021
002-022-39	20 COREE LANE	ADU	I	2021
002-123-37	2 INYO AVENUE	ADU DETACHED	I	2021
003-053-10	5 WOODLAND ROAD	ADU DETACHED	I	2021
001-103-19	110 OLEMA ROAD	ADU	I	2021
002-192-23	97 FORREST AVENUE	ADU	I	2021
001-121-80	150 TAMALPAIS ROAD	ADU DETACHED	I	2021
001-215-17	105 ROCCA DRIVE	JADU	I	2021
001-023-08	103 REDWOOD ROAD	ADU	I	2021
002-092-19	51 MEERNAA AVENUE	ADU DETACHED	I	2022
002-105-13	6 BRIDGE COURT	ADU	I	2022
001-131-37	69 MANOR ROAD	ADU DETACHED	I	2022
001-112-31	15 ACACIA ROAD	ADU	I	2022

 Table 3-4: Fairfax ADU Permitting Trend 2018-2022

APN	Address	ADU/JADU	Count	Construction Permit Date
003-133-05	20 MADRONE COURT	JADU	I	2022
002-014-07	45 WREDEN AVENUE	ADU	I	2022
003-081-15	94 TOYON ROAD	ADU DETACHED	I	2022
001-148-10	I SPRUCE ROAD	ADU	I	2022
003-121-06	290 CASCADE DRIVE	ADU	I	2022
002-011-08	40 MANZANITA ROAD	ADU	I	2022
001-204-30	52 MAPLE AVENUE	JADU	l	2022
001-236-44	33 - 35 WILLOW AVENUE	JADU	I	2022
		TOTAL	54	
		Annual Average	10.8	

Table 3-4: Fairfax ADU Permitting Trend 2018-2022

Underutilized Commercial Properties

There are <u>19a number of vacant and</u> underutilized <u>commercial</u> properties with potential for redevelopment with <u>workforce</u> housing during the planning period. These sites are <u>centrally</u> located along Sir Francis Drake Boulevard and Broadway, two of the Town's primary commercial corridors. These sites all provide convenient access to transit and the local transportation network. Most of the sites are also within the Town Center area, which includes downtown Fairfax, and as such provide easy walking access to shops, services, employment, and parks. Some of the sites have businesses that have closed in recent years, such as the former Pancho Villa restaurant or the Bank of America building on Broadway, which no longer offers walkin client services and is currently for sale.

A two-step process was used to identify underutilized sites that are candidates for redevelopment with housing. First, a parcel-based analysis of properties within the Town limit was conducted using County Assessor data. Several metrics were used to identify underutilized parcels: assessed value ratio (A/V), low as-built floor area ratio (FAR), existing use, and age of existing structures. A/V ratio considers the relationship between the value of the land and the improvements constructed on it. Where the value of the land is worth substantially more than the value of the structures on it, there is an incentive for the owner to redevelop with new uses that command higher rents or sales prices. Similarly, a low FAR means that the square footage of buildings is small compared to the overall size of the site, indicating the potential for redevelopment with other uses. A commercially zoned property containing a low-slung shopping center with large areas of surface parking could be considered underutilized. Next, having identified a list of candidate commercial properties, the Town conducted a series of property owner forums between January and March 2023 to discuss potential changes to land use and zoning regulations that could facilitate housing development for interested owners, as well as other related opportunities and challenges. In total, seven small group discussions with owners were conducted and the list of candidate sites was refined based on owner interest.

A feasibility analysis was then conducted on the 19 sites that resulted from the process to evaluate the viability of redevelopment with housing during the planning period. The results are summarized below in Table 3-5. The following five criteria were considered for each site, and in general, if a site met at least three of the five it was deemed feasible:

• **Existing FAR:** As described above, a low as-built FAR means that the square footage of buildings is small compared to the overall size of the site, indicating the potential for redevelopment with

other uses. A typical suburban community commercial shopping center may have an existing FAR of 0.3. Therefore, for the purpose of this analysis sites with as-built FAR of less than 0.3 were deemed feasible.

- Assessed Value (A/V) Ratio: As described above, an AV ratio of less than one (meaning existing buildings/structures on site are worth less than the land) is an indicator of redevelopment potential. For the purpose of this analysis, sites with an AV ratio of less than 1.0 were deemed feasible and sites with an AV ratio of less than 0.5 are considered strong candidates for redevelopment.
- **Existing Use:** The nature of current activities on the site can be an indicator of redevelopment potential, such as if the business has ceased operations or if a lease will not be renewed.
- Age of Existing Structures: For the purpose of this analysis, sites with existing structures 30 years or older were deemed feasible.
- **Property Owner Interest:** Expressions of interest from property owners were taken as an indicator of redevelopment potential.

These indicators are consistent with the characteristics of non-vacant commercial sites in Fairfax and surrounding Marin County communities that have recently been redeveloped with housing, as documented in Appendix G, Housing Precedents, of this Draft Housing Element.

The zoning applicable to the <u>19</u> underutilized commercial sites is Limited Commercial (CL), Highway Commercial (CH), and Central Commercial (CC). Multifamily residential uses are permitted by right on upper stories in the CC district and with a use permit in the CL and CD districts. While no density range is specified, high densities may be allowed subject to approval of a Use Permit in these zoning districts.

APN	Address	Existing Land Use	Zoning	Acres	AV Ratio	FAR	Built year	Owner Interest	Lotsqft	Bldg sqft	Net Acreage	Capacity
001-104-12	10 OLEMA	Retail/General Commercial	CL	1.21	0.52	0.12	1903	Y	52,795	6,113	1.07	31
174-070-50	2600 SIR FRANCIS DRAKE BLVD	Church/Religious Facility	UR-7	6.22	0.69	0.01	1973	Y	271,109	3,600	1.00	29
002-122-47	95 BOLINAS RD	Retail/General Commercial	СС	0.51	0.96	0.50	0	=	22,155	10,975	0.26	7
001-226-53	1810 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СС	0.33	0.43	0.48	1914		14,525	6,940	0.17	5
001-183-17	2000 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.51	0.00	0.06	1956	Y	22,331	1,274	0.48	14
002-213-25	1577 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.25	0.30	0.11	0		10,962	1,238	0.22	6
002-213-04	1591 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.09	2.52	0.76	1955	Y	3,740	2,852	0.09	2
002-211-20	1601 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.23	1.07	0.21	0		10,050	2,150	0.18	5
002-211-21	1625 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	CH/RD -5.5-7	0.26	1.50	0.46	0	Y	11,272	5,144	0.14	4
001-183-10	1626 SIR FRANCIS DRAKE BLVD	Vacant	СН	0.41	0.00	0.00	θ	¥	-18,042	θ	0.41	12

TABLE 3-5: UNDERUTILIZED COMMERCIAL PROPERTIES

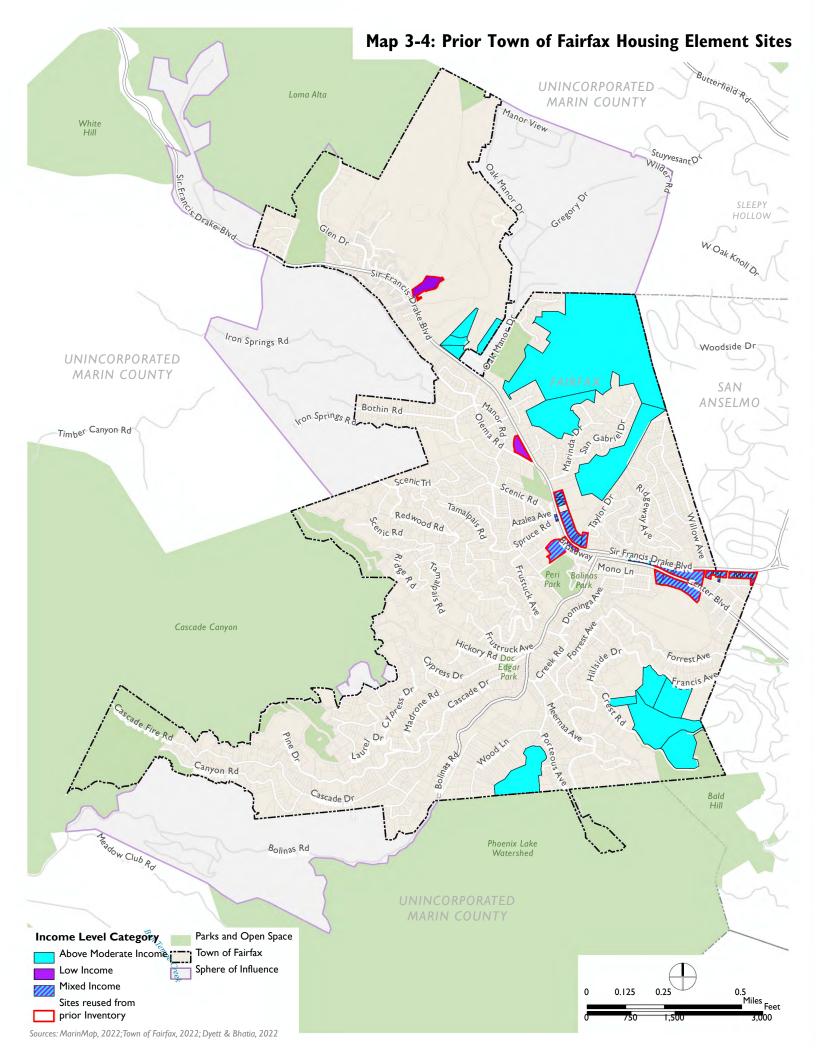
APN	Address	Existing Land Use	Zoning	Acres	AV Ratio	FAR	Built year	Owner Interest	Lotsqft	Bldg sqft	Net Acreage	Capacity
001-183-12	2090 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.17	2.39	0.55	1955		7,304	4,000	0.17	5
001-183-14	2086 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.19	1.53	0.39	1955		8,362	3,296	0.19	6
001-183-15	2082 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.19	0.78	0.51	1960		8,303	4,230	0.19	6
002-211-05	1607 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.11	0.88	0.57	1930	Y	4,904	2,781	0.11	3
002-213-05	I 589 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.05	1.75	0.96	1939	Y	2,261	2,164	0.05	2
002-213-06	I 585 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.10	1.33	0.33	1934	Y	4,376	1,428	0.10	3
002-213-07	1583 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.08	1.33	0.99	1933	Y	3,613	3,577	0.08	2
002-213-10	1573 SIR FRANCIS DRAKE BLVD	Retail/General Commercial	СН	0.20	0.64	0.15	1906	Y	8,662	1,302	0.20	6
002-113-08	89 BROADWAY	Retail/General Commercial	сс	0.35	2.01	0.36	1960		5524	15445	0.35	10
		.ă	.å	ā							Total	159 146

TABLE 3-5: UNDERUTILIZED COMMERCIAL PROPERTIES

Additionally, through discussions with local landowners and outreach conducted for the property owner forums, two vacant properties along Sir Francis Drake Boulevard were also identified as candidates for high density workforce housing based on property owner interest. These properties are:

- 1626 Sir Francis Drake Boulevard, a 0.41-acre vacant property immediately north of the Fairfax Market site; and
- A 1-acre portion of 615 Oak Manor Drive that fronts Sir Francis Drake Boulevard whose owner has submitted a letter of interest expressing intent to subdivide the property and pursue development of high density on the newly created 1-acre parcel (see Appendix F).

State law allows jurisdictions to use higher density as a proxy for lower income affordability if the zoning allows at least the 20 du/acre Marin County default density deemed sufficient density to accommodate the economies of scale needed to produce affordable housing. Therefore, to ensure these properties having adequate zoning, Program 2-A has been added to the Housing Action Plan in Chapter 4. Under this program, the Town will adopt a workforce housing overlay applicable to these <u>1920</u> sites and 6 School Street <u>Plaza</u> that permits multifamily housing in either a standalone or mixed use format at a maximum base density of 20 du/ac, with allowance for more density in exchange for greater affordability. Further, as shown on Map 3-4 and Table 3-6, several of these sites were included on the Town's 2009 and 2015 Housing Element inventories to accommodate lower income RHNA. As such, Program 2-B has been included in the Housing Action Plan to permit residential development by right pursuant to Government Code section 65583.2(i) for projects that make at least 20 percent of the proposed units available to lower income households through long term affordability agreements.



<u>APN</u>	<u>ADDRESS</u>	<u>EXISTING USE</u>	<u>ACREAGE</u>	PRIOR INVENTORIES
<u>002-112-13</u>	<u>6 SCHOOL ST</u>	<u>Retail/General</u>	<u>1.92</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
001-183-10	_	<u>Vacant</u>	<u>0.41</u>	<u>2009 / 2015</u>
002-213-07	1583 SIR FRANCIS DRAKE BLVD	<u>Retail/General</u>	<u>0.08</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
001-183-17	2000 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.51</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
002-213-04	1591 SIR FRANCIS DRAKE BLVD	<u>Retail/General</u>	<u>0.09</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
001-183-14	2086 SIR FRANCIS DRAKE BLVD	<u>Retail/General</u>	<u>0.19</u>	<u>2009 / 2015</u>
		Commercial		
001-183-15	2082 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.19</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
002-211-21	1625 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.26</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
002-213-10	1573 SIR FRANCIS DRAKE BLVD	Retail/General	0.20	<u>2009 / 2015</u>
		<u>Commercial</u>		
001-183-12	2090 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.17</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
002-211-20	1601 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.23</u>	<u>2009 / 2015</u>
		Commercial		
002-213-05	1589 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.05</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
002-213-06	1585 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.10</u>	<u>2009 / 2015</u>
		Commercial		
002-211-05	1607 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.11</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
001-183-04	2040 SIR FRANCIS DRAKE BLVD	Retail/General	<u>1.04</u>	<u>2009 / 2015</u>
		<u>Commercial</u>		
002-213-25	1577 SIR FRANCIS DRAKE BLVD	Retail/General	<u>0.25</u>	<u>2009 / 2015</u>
		Commercial		
001-104-12	2170 SIR FRANCIS DRAKE BLVD	Retail/General	<u>1.21</u>	<u>2009 / 2015</u>
		Commercial		
174-300-05		Vacant	<u>11.77</u>	<u>2009 / 2015</u>

Table 3-6: Non-Vacant Sites Reused from Prior Inventories

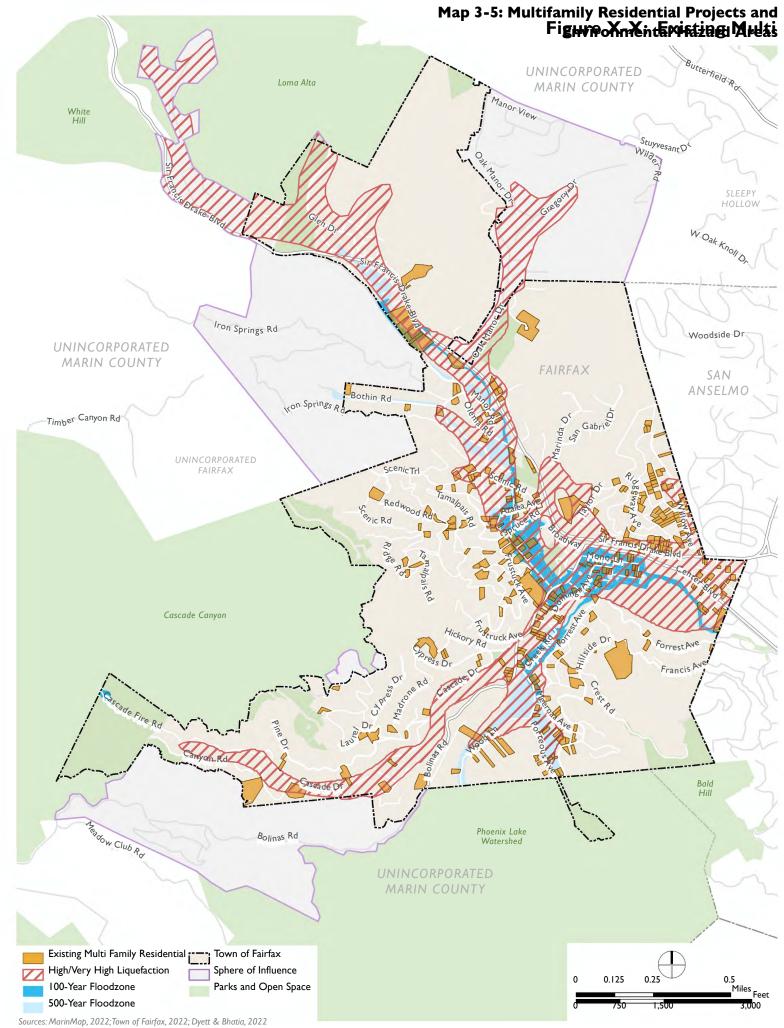
As described above, State law stipulates stringent criteria for the adequacy of sites included on the inventory to accommodate lower income RHNA, including that that they be of appropriate size, be free from environmental constraints, be zoned to accommodate housing, have appropriate development standards, and be served by public facilities. All of the-19 underutilized commercial properties are located in areas classified as having high liquefaction risk and 1615 of 1918 are less than 0.5 acres in size. As such, none of the parcels meets the established criteria. Given the extent of natural hazard risk areas in Fairfax and the small size of many parcels in the Town Center area, there are not more than a handful of parcels in Fairfax that meet the established site suitability criteria for lower income RHNA sites, and none of those parcels was found to be a viable candidate for multifamily housing. Therefore, based on consultations with HCD staff, the Town undertook additional analysis to assesasses the feasibility of housing development on

similarly constrained parcels in Fairfax. Map 3-34 shows the location of all housing construction in Fairfax between 2015 and 2022 in relation to areas of environmental hazard. In total, there were six multifamily projects constructed in Fairfax during the period. Three of the six were located in high liquefaction risk areas and four of these were on sites between 0.13 and 0.18 acres in size. Further, Map 3-5 shows the location of existing multifamily residential development within areas of environmental risk, illustrating the extent to which housing has been constructed in areas of liquefaction risk in recent decades. As such, while environmental hazards add cost and complexity for new development in Fairfax, they do not appear to have been a significant constraint on multifamily development in the community. Nevertheless, to facilitate housing development in areas of high liquefaction risk in the Town Center area, Program 2-J has been added to the Action Plan, under which the Town will undertake a focused geologic study to identify a range of measures that developers could incorporate to reduce project costs and codify specific standards to address associated risks. The intent of this program is to reduce the time and cost of development in areas of high liquefaction risk is envisioned by reducing the need for applicants to apply for additional permits, hire their own consultants, and pay for any outside consultants the Town needs to assist staff with project review.

On this basis, the Town has determined that redevelopment of these <u>1918 underutilized commercial</u> properties and two vacant properties with housing at densities sufficient to accommodate lower income RHNA during the planning period is feasible.

REALISTIC CAPACITY ASSESSMENT

As described above, a survey of recently approved and constructed affordable housing projects in Fairfax and surrounding peer jurisdictions in the region was conducted and the results are documented in Appendix G. The findings of the survey indicate an average density of 29 du/ac in multifamily residential projects on sites of comparable size and conditions. This has been used for the purpose of capacity projections. Sites with a business that has closed or where leases are set to expire, realistic capacity was determined by applying an assumed density of 29 du/ac to the total gross site acreage. For sites with an operating business or an active existing use, the square footage of existing buildings and structures was subtracted from the total lot area, and an assumed density of 29 du/ac was applied to the remaining net site area to establish realistic capacity. This methodology provides a conservative estimate of development potential, essentially allowing for the possibility of non-residential uses on the site together with housing. On this basis, the realistic capacity of the <u>1918</u> underutilized properties <u>and two vacant sites that would be included in the workforce housing overlay</u> is projected to be <u>159188</u> new housing units over the planning period. <u>Parcels smaller than 0.25 acres in size with existing commercial uses are assumed to redevelop with shopkeeper housing and live/work units that would be affordable to moderate income households.</u>



CAPACITY TO ACCOMMODATE RHNA

Map 3-56 shows the sites identified to accommodate Fairfax's 2023-31 RHNA and Table 3-67 summarizes the capacity of the sites, with a breakdown by RHNA category. The inventory identifies sites with a total realistic capacity of 583608 new housing over the planning period, sufficient to meet RHNA obligations for all income categories with a buffer to ensure the Town can navigate the no net loss provisions of State law in the event that sites do not develop as projected.

Table 3-67: Sites Inventory

	Total Units	Low/Very Low	Moderate	Above Moderate
Vacant Single-Family Sites	60 56			60 56
Pipeline Projects				
School Street Plaza	175	35		140
Fairfax Market	8			8
Various Single Family	11			11
Town-Owned Sites (002-123-17/144-01)	10	10		
Underutilized CommercialWorkforce Housing Overlay Sites	159<u>188</u>	129<u>148</u>	30<u>40</u>	
ADU/JADU Projection (@20/yr)	160	96	48	16
Total	583<u>608</u>	270<u>289</u>	78<u>88</u>	235<u>231</u>
RHNA	490	235	71	184
Buffer	93<u>118</u>	<u>3554</u>	7 <u>17</u>	<u>5147</u>

Administrative and Financial Resources

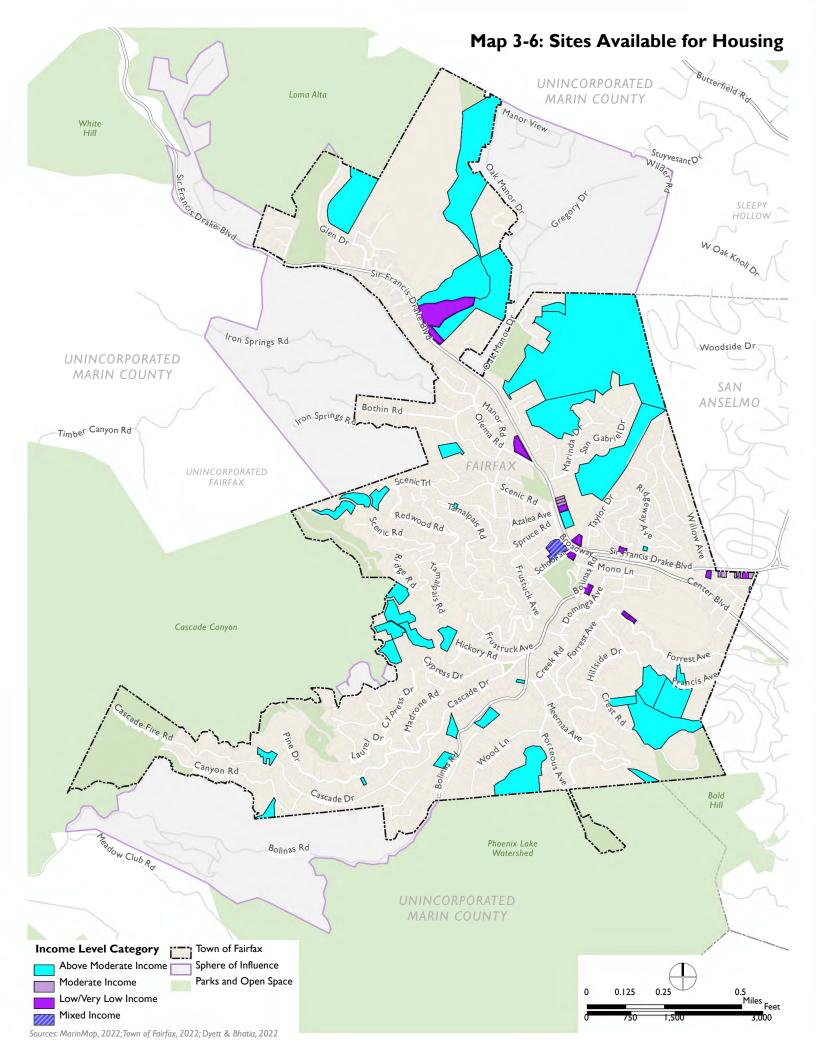
This section describes the public agencies involved in housing activities and the funding sources potentially available to support development in Fairfax.

TOWN OF FAIRFAX

As a small jurisdiction, Fairfax has a relatively limited number of housing resources and programs. Furthermore, due to its population size, the Town does not receive direct federal or State funding allocations. The Planning and Building Department is responsible for coordinating the review and approval of new housing and for administering housing-related grants and programs.

MARIN COUNTY

Due to its population size, the Town does not receive direct federal funding allocations; instead, Community Block Development Grants (CBDG) and other federal funds are provided to Marin County by the U.S. Department of Housing and Urban Development (HUD) on an annual formula basis for use within constituent jurisdictions. The County acts as the administrative jurisdiction for these funds that are available to support various services and activities, including housing related activities, that would benefit residents of urbanized areas.



HUD Community Planning and Development Grants

The County is the lead agency for purposes of receiving HUD Community Planning and Development entitlement grants on behalf of all jurisdictions within Marin County, including Fairfax. The County receives approximately \$1.6 million in Community Development Block Grants (CDBG) and \$800,000 in HOME Investment Partnership (HOME) funds for a variety of housing and community development activities annually. The CDBG program provides funds for a range of community development projects that benefit low- to moderate-income people. The program can fund a variety of activities such as: acquisition and/or disposition of real estate or property, public facilities and improvements, public services, relocation, rehabilitation of housing, and homeownership assistance. HOME funds can be used for activities that provide affordable housing opportunities for low to moderate income households, such as development of new affordable units, owner-occupied housing rehabilitation, homebuyer assistance, and tenant-based rental assistance. The County uses HOME funds to gap-finance affordable housing projects throughout the County. The County's Priority Setting Committee (PSC, a Fairfax councilmember is a member) makes recommendations to the Board of Supervisors as to allocation of CDBG and HOME funds each year.

Permanent Local Housing Allocation (PLHA)

In 2017, Governor Brown signed a 15-bill housing package aimed at addressing the State's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2, 2017), which establishes a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. As the number of real estate transactions recorded varies from year to year, the revenues collected will fluctuate. The first year of SB 2 funds are available as planning grants to local jurisdictions. For the second year and onward, 70 percent of the funding will be allocated to local governments for affordable housing purposes. A large portion of year two allocations will be distributed using the same formula used to allocate federal Community Development Block Grants (CDBG). SB2 PLHA funds can be used to:

- Increase the supply of housing for households at or below 60 percent of AMI
- Increase assistance to affordable owner-occupied workforce housing
- Assist persons experiencing or at risk of homelessness
- Facilitate housing affordability, particularly for lower and moderate income households
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation

The County anticipates receiving between \$750,000 to \$1,500,000 in PLHA annually and has committed funds to projects for allocations received to date, although no funds have been committed in Fairfax. As above, the PSC makes recommendations to the BOS as to allocations for PHLA funds.

Affordable Housing Trust Fund

The County's Affordable Housing Trust Fund was established in 1980 by Resolution 88-53. Projects throughout Marin County, which serve low, very low and extremely low income households, are eligible for funding, but priority is given to rental projects located in the unincorporated County that serve the lowest income levels. Funding is to be used for land and property acquisition, development, construction, or preservation of affordable units. Applications are submitted to the Community Development Agency, and staff makes funding recommendations to the Board of Supervisors as grant requests are received. The Affordable Housing Trust Fund is primarily funded through residential in-lieu fees, commercial linkage

fees, and, since 2009, the County's Affordable Housing Impact Fee. In recent years, the Board of Supervisors has allocated \$250,000 annually from the general fund to the Affordable Housing Trust Fund. In the last twenty years, the Housing Trust has been a major funder of every affordable housing development in the unincorporated County. During the Fifth Cycle Housing Element period (2013-2021), \$13,545,980 from the Housing Trust Fund was dispersed and helped develop 120 units and rehabilitate 83 units. As of April 30, 2022, the Fund's balance is \$10,822,352.60.

In January 2023, the Marin County Board of Supervisors approved a loan in the amount of \$4 million from the Affordable Housing Trust Fund to MidPen Housing Corporation ("MidPen") for the acquisition and rehabilitation of the 80-unit Sherwood Oaks Apartments in Fairfax. Located at 200 Bolinas Avenue, Sherwood Oaks Apartments is comprised of five 2- and 3-story residential buildings adjacent to downtown Fairfax. Located in a high resource area, the property is in an excellent school district and within walking distance of amenities such as grocery stores, parks, and public transit. MidPen will convert the naturally unregulated affordable property into a regulated affordable housing asset. Making the units permanently affordable with restrictions will help prevent future displacement of existing residents and add to the affordable housing inventory.

STATE OF CALIFORNIA

The State of California has several active funding programs for the planning and construction of new affordable housing development, including several new or recently expanded sources. These funding sources have different criteria and goals, and Fairfax's competitiveness is therefore likely to vary by program.

- Affordable Housing and Sustainable Communities (AHSC) is a competitive state grant program that promotes infill development and the reduction of greenhouse gas emissions. AHSC favors combined investments in affordable housing, transit, and active transportation infrastructure.
- Multifamily Housing Program (MHP) provides deferred long-term loans for the construction and acquisition-rehabilitation of permanent and transitional affordable rental housing.
- No Place Like Home Program (NPLH) provides funding for the development of permanent supportive housing to assist persons with mental illness and/or experiencing homelessness. This program includes both competitive and noncompetitive allocations to counties.
- SB 2 (Building Homes and Jobs Act) imposed a new real estate recording fee of \$75 on selected real estate transactions. In the first year, SB 2 Planning Grants were made available to local governments for planning and technical assistance to streamline housing development. Subsequent phases of the program will include funds for the development or preservation of affordable housing.
- Infill Infrastructure Grant (IIG) Program and Transit Oriented Development (TOD) Housing Program. These are recently expanded programs that primarily target the construction of new affordable housing and related infrastructure near transit.
- Local Early Action Planning (LEAP) is a one-time planning grant program to support cities and counties as they plan for the upcoming 6th RHNA cycle.

FEDERAL

Several funding sources are available at the federal level for affordable housing development and preservation.

Low Income Housing Tax Credits

The LIHTC program is a federal tax subsidy that gives investors a roughly dollar-for-dollar credit on their tax liability in exchange for equity contributions to subsidize affordable housing development projects.

LIHTC equity is often the largest source of subsidy for affordable housing production and may also be used for affordable housing preservation. The California Tax Credit Allocation Committee administers and allocates tax credits throughout the State of California.

Other Federal Sources

Other federal programs include Emergency Solutions Grants (ESG) and the Affordable Housing Program (AHP). Marin County is responsible for administering federal programs including HOME, Community Development Block Grants (CDBG), and Housing Opportunities for People with AIDS (HOPWA).

Quantified Objectives

California Government Code Section 65583[b] requires that housing elements contain quantified objectives for the maintenance, preservation, and construction of housing. The quantified objectives shown in Table 3-78 set a target goal for Fairfax to strive for, based on needs, available resources, and constraints.

Table 5-70: 2023-2031 Town of Fairlax Quantified Objectivities				
Income Category	New Construction ¹	Rehabilitation ²	Conservation/Preservation ³	
Very-Low	149			
Low	86	80		
Moderate	71			
Above Moderate	184			
TOTALS	490	80		

I. The new construction objective is equal to Fairfax's RHNA allocation.

2. The rehabilitation objective represents the 80 units in the Sherwood Oaks project on Bolinas Drive to be rehabilitated by MidPen Housing Corporation.

3. There are no assisted units at moderate, high, or very high risk of conversion in Fairfax during the planning period.

4. Housing Action Plan

The Housing Action Plan describes the specific goals, policies, and programs the Town will undertake to achieve the long-term housing objectives set forth in the Fairfax Housing Element. These goals, policies, and programs are intended to provide a framework for increasing the range of housing options in the community, removing barriers and constraints to housing construction, and providing equal access housing opportunities and services for all who live and work in Fairfax.

The Town's housing policies and implementation programs are organized around five key goals that correspond to community priorities. Quantified and qualitative objectives are described under each program. Assumptions are based on past program performance, development trends, land availability, realistic capacity, and future program funding.

Policies	
Policy 1-1	Maintain sufficient land designated and appropriately zoned for housing to achieve a complementary mix of single-family and multi-family development to accommodate RHNA allocations at all levels throughout the planning period.
Policy 1-2	Promote development of a variety of housing types, sizes, and densities that meet community needs and affordability requirements based on the suitability of the land, including the availability of infrastructure, the provision of adequate services and recognition of environmental constraints.
Policy 1-3	Promote mixed use developments with a residential component in Downtown Fairfax to provide workforce housing and locate higher density residential development in proximity to employment, shopping, transit, recreation, and other services.
Policy 1-4	Promote the provision of a variety of housing choices and types in the community, including innovative forms of housing with appropriate standards to ensure land use compatibility.
Policy 1-5	Partner with and support non-profit and for-profit organizations in their efforts to construct, acquire, and improve housing to accommodate households with lower and moderate incomes. Participation of non-profit and for-profit developers in an advisory role when implementing housing programs is desirable to help understand the needs and opportunities in the community.

Housing Goal #1. Increase the range of housing options to meet the housing needs for all economic segments of the community.

Programs

Program 1-A Develop and Adopt Town Center Plan. The General Plan includes an optional Town Center Element proposing adoption of a Town Center Plan that envisioned reinforcing the role of the downtown and strengthening the Town's economic base. Through this program, the Town will develop and adopt a Plan including goals, policies, and objective standards that will allow more development of the Town Center. Policies should provide for increasing residential development in an area that offers easier access to shops, services, and public transit. Additional residential development in the downtown will also support the vitality of existing commercial retail and service uses. Policies should include regulatory incentives to encourage residential and mixed-use development.

Responsibility: Planning and Building

Timeframe: Adopt Town Center Plan by the end of 2026.

Objective: Integrate workforce housing into Downtown Fairfax.

Funding: General Fund

- **Program 1-B** School Street Plaza. Centrally located on Broadway in Downtown Fairfax, this approximately 2-acre site is adjacent to Contratti Field and within easy walking distance of shops, restaurants, Fairfax Market, and transit services. The property owner has had pre-application consultations with Town staff regarding a high-density, mixed income residential development with an affordability component. Through this program, the Town will:
 - Establish objective standards for workforce housing in high density residential developments, including design criteria and affordability requirements
 - Meet quarterly with the property owner to help advance site planning;
 - Work with the property owner to identify incentives (such as reduced common open space requirements in view of park adjacency and shared parking provisions) that can be offered to facilitate provision of affordable housing units onsite;
 - Ensure that the residents of the 13 existing live/work units onsite have first right of refusal on new units, including rental or sales price concessions, and/or receive relocation assistance, consistent with the requirements of State law.

Responsibility: Planning and Building

Timeframe: Initiate quarterly meetings in Q3 2023; target completion of construction in 2028

Objective: 175 new housing units by 2028, including 35 affordable units

Program 1-CHousing on Town-Owned Sites. Two adjacent properties owned by the Town (APNs 002-123-17; 002-144-01) have been identified as candidates for redevelopment with workforce housing to increase opportunities for restaurant employees, service workers, teachers, public servants and others who earn less than 80 percent of the area median income. Through this program, the Town will rezone the sites and seek to partner with a non-profit developer for the construction of workforce housing to meet the needs of lower income households in Fairfax. In making these properties available for affordable housing development, the Town will comply with the requirements of the Surplus Lands Act.

Responsibility: Planning and Building

Timeframe: Prepare and release an RFP by Q2 2024

Objective: 10 lower income units by 2030

Funding: General Fund

Program 1-D Shopkeeper Housing. Shopkeeper units are dwelling units that are physically separated from a commercial space used for a business operated by the occupant of the associated residential unit. The commercial spaces are typically ground-floor retail or office spaces below living spaces where commercial spaces can only be leased to occupants of the residential spaces. Amending the Zoning Code to allow shopkeeper units as a type of residential use will provide an opportunity for those who want to live in proximity to their place of work. The Town will amend the Zoning Code to allow shopkeeper units on designated streets in all commercial districts subject to objective standards, density/intensity limits, and parking requirements to ensure that the residential uses and that the residential use will not interfere with commercial establishments on the same or surrounding properties.

Responsibility: Planning and Building

Timeframe: Adopt the Code amendments by Q3 2025

Objective: Five shopkeeper units by 2031

Funding: General Fund and State planning grants

Program 1-E Live-Work Units. In contrast to shopkeeper units, live-work units are a commercial use that allows residential occupancy incidental to an approved non-residential use. Zoning Code amendments will be developed that are appropriate for the Town based on live-work requirements enacted by other jurisdictions and will include definitions, use classifications, development standards, parking requirements, and other regulations for this use. The Town will amend the Zoning Code to allow live-work units in all commercial districts subject to objective design standards and density/intensity limits to ensure that this use will not interfere with or diminish the viability of commercial establishments on the same or surrounding properties.

Responsibility: Planning and Building

Timeframe: Adopt the Code amendments by Q3 2025

Objective: Five live-work units by 2031

Funding: General Fund and State planning grants

- Program 1-F Home Sharing and Tenant Matching. Home-sharing and tenant matching programs pair existing homeowners with renters in need of space. Home Match Marin, based in San Rafael, runs a Home Sharing Program that matches Home Seekers and Home Providers and offers supportive services such as background checks, applicant interviews/screening, and facilitation of living together agreements. These programs make efficient use of existing housing stock and provide affordable rental rates without the need for new construction. Home sharing can be a particularly effective tool to support independent living for seniors and disabled residents while also increasing local housing opportunities for lower income earners who work in Marin County. Through this program, the Town will promote participation by Fairfax homeowners in the Home Match Marin Home Sharing Program by providing information via the website, Town newsletters, and public contact events, referring interested parties to Home Match Marin.
 - Responsibility: Planning and Building
 - **Timeframe:** Promote Home Sharing Program events starting Q3 2023, may be combined with ADU/JADU events

Objective: 10 home sharing matches over the planning period

Funding: General Fund

Program 1-G Encourage Innovative and 'Non-Traditional' Forms of Housing. Provide opportunities and facilitate innovative housing approaches in financing, design, construction and types of housing to increase the variety and supply of lower and moderate-income housing. Examples include co-housing, eco-housing, manufactured housing, new construction or rehabilitation self-help or "sweat equity" housing for first time lower or moderate-income homeowners, and cooperatives or joint ventures between owners, developers and nonprofit groups in the provision of affordable housing.

Responsibility: Planning and Building

Time Frame: Ongoing

Objective: Increase opportunities for innovative housing types

- Program 1-HADU/JADU Awareness. The Town will initiate a program to inform the public about
benefits and incentives offered, with the objective of promoting the development of
ADUs and JADUs in Fairfax. The program will include the following elements:
 - Townwide email blasts and newsletter articles advertising incentives and resources available to interested homeowners;
 - Pop up presence at events around town to raise awareness and answer questions;
 - Community seminars providing advice and information to interested homeowners.

Responsibility: Planning and Building

Funding: General Fund

- **Objectives:** Outreach, including newsletters, pop ups, and seminars, will be conducted quarterly following program inception with the aim of issuing 20 ADU/JADU construction permits annually over the planning period
- **Timeframe:** Launch program in Q4 2023 with updates via Annual Progress Report to HCD
- **Program 1-I Pre-Approved ADU Floor Plans.** Designing an ADU can be a long and complex process. To streamline and simplify process for interested homeowners, the Town will solicit proposals from licensed architects and builders, including those who have experience in Fairfax and other Marin locations, for a range of schematic floor plans in different unit sizes, bedroom configurations, and designs. The Building Department will review floor plans submitted for compliance with applicable Town regulations and the Residential Building Code and pre-approve a selection from the proposals received, making them available on the Town website. Interested homeowners will then be able to select a pre-approved floor plan and contact the architect or builder to have them complete site design, accounting for site-specific context, required Title 24 energy calculations, structural engineering, and exterior building materials considerations.

Responsibility: Planning and Building

Funding: General Fund

Objectives: Construction of 20 new ADUs in Fairfax annually over the planning period

Timeframe: Solicit floor plans by Q2 2024; Pre-approve selection by end of Q3 2024

- Program 1-JTechnical Assistance. The Town already offers homeowners interested in
ADUs/JADUs an array of information and tools through ADU Marin, a partnership
between ten Marin County jurisdictions formed to facilitate ADU/JADU construction.
These tools include a step-by-step workbook and interactive website with sample floor
plans, a calculator to estimate construction costs, and inspirational stories from Marin
residents who have already built an ADU. The Town will complement these resources
by establishing a program of technical assistance that could include:
 - An ADU/JADU application checklist;
 - Informational handouts on cost-saving building materials and construction techniques;
 - A list of licensed architects, landscape architects, civil engineers and other design professionals with experience in Fairfax and Marin County;
 - Site assessment and referrals to categories of design professionals;
 - Consultation on applications and processing.

Responsibility: Planning and Building

- **Objectives:** Construction of 20 new ADUs/JADUs in Fairfax annually over the planning period
- **Timeframe:** Launch program in Q4 2024 with updates via Annual Progress Report to HCD; checklist and handouts will be ready at inception; target to provide 100 site assessments annually throughout the period after inception.
- **Program 1-K** Fee Discounts. Fairfax currently offers an incentive program that provides a reduction in processing and building permit fees to encourage legalization and creation of ADUs/JADUs (with legalization of unpermitted units there are no penalties assessed for a 9 year period). The Town will expand this program to offer a 50 percent reduction in application fees and a 75 percent reduction in any impact fees (except for those imposed by the school district) to further promote the legalization and creation of ADUs/JADUs townwide.

Responsibility: Planning and Building

Funding: General Fund

Objectives: Creation of 20 new ADUs/JADUs annually over the planning period

Timeframe: Update Town Code to enact incentives by January 31, 2024.

Program 1-L Financial Assistance Program. ADU/JADU design and construction involves a significant up-front investment from the homeowner. The Town will create a program offering additional assistance to help homeowners willing to commit to making an ADU/JADU available to Moderate or Lower Income households identify and access funding and grants. Through this program, the Town will connect homeowners to grant opportunities, such as the California Housing Finance Agency ADU Grant Program which provides up to \$40,000 towards pre-development and non-recurring closing costs associated with ADU/JADU construction. The Town will also identify local mortgage companies, credit unions, and other institutions that can offer low-interest loans and connect interested homeowners with those institutions. This program of additional assistance will be available to Fairfax homeowners who commit to making the units available to households with incomes less than 80 percent of the Marin County annual median though a recorded deed restrictions for a minimum term of 55 years.

Responsibility: Planning & Building, Finance

Funding: General Fund

Objectives: Creation of 32 new ADUs/JADUs for lower income households over the planning period

Timeframe: Identify lending partners by Q3 2024; launch program in Q2 2025.

Program 1-MZoning Incentives for ADUs/JADUs. The Town will consider amendments to the
Zoning Code to incentivize the development of ADUs and JADUs, including:

- Increasing the maximum allowable size of ADUs permitted by right;
- Allowing more than one detached or attached ADU on larger lots;

• Amending Chapter 15.16 of the Fairfax Buildings and Construction Code to allow "tiny homes;"

Responsibility: Planning and Building

Funding: General Fund

Objectives: Construction of 20 new ADUs/JADUs in Fairfax annually over the planning period

Timeframe: Update Zoning Code to enact incentives by January 31, 2024.

Housing Goal #2. Address housing affordability by addressing regulatory, process, and market factors that limit housing production and preservation in Fairfax.

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Policies	

- **Policy 2-1** Identify and work to reduce or remove regulatory and process-related barriers to housing development in Fairfax.
- Policy 2-2Ensure that development and design standards and guidelines provide an objective
basis for regulating projects and reviewing and acting on development applications.
- **Policy 2-3** Establish zoning and other regulations that comply with all applicable requirements of State law and promote the development of a wide range of housing to meet the needs of community residents.
- Policy 2-4When feasible, consider reducing, waiving, or deferring development fees to facilitate
the provision of true affordable housing.
- Policy 2-5Periodically review and revise Town development standards to facilitate quality housing
that is affordable to lower and moderate income households.
- **Policy 2-6** Monitor all regulations, ordinances, departmental processing procedures and fees related to the rehabilitation and/or construction of dwelling units to assess their impact on housing costs.
- Policy 2-7Ensure that water and sewer providers are aware of the Town's intentions for residential
development throughout Fairfax.

Programs

Program 2-A Workforce Housing Overlay. California Assembly Bill (AB 2011) of 2022 provides a streamlined ministerial approval pathway for multifamily projects on commercially zoned land that pay prevailing wages for construction work and meet specified affordable housing targets. The Town will adopt Zoning Code amendments in the form of a Workforce Housing Overlay District, to implement these provisions and provide an alternative to AB2011 as a means of promoting the construction of housing for teachers, restaurant and service workers, firefighters, police officers, and others employed in Fairfax and Marin County. The overlay will apply to properties shown on

Map 3-5 in the CL, CH, and CC zones, providing property owners with the option to redevelop their land with housing or mixed use projects should they elect to do so. Two subzones are envisioned: one for high density workforce housing in the downtown area, and another for medium density workforce housing along Sir Francis Drake Boulevard. The workforce housing overlay will:

- Allow for mixed use development and 100 percent residential buildings on commercial properties within in the overlay;
- Establish an "as of right" base density with a minimum percentage of affordable housing (40 units per acre in downtown and 20 dwelling units per acre along Sir Francis Drake Boulevard);
- Permit additional density on larger sites with additional on-site amenities and designs that provide transitions to adjacent lower density uses;
- Create a sliding scale that provides bonus density in exchange for a greater commitment to affordability;
- Incorporate objective design and development standards to accommodate higher density development and ensure appropriate buffering of adjacent residential land uses.

Responsibility: Planning and Building

Timeframe: Adopt the Workforce Housing Overlay by January 31, 2024

Objective: 159 moderate and lower income RHNA units by 2030

Funding: General Fund

Program 2-B Rezoning Sites from Prior Inventories. Several of the non-vacant commercial sites in the proposed workforce housing overlay were included on two prior Housing Element inventories and identified to accommodate lower income RHNA units (see Map 3-4). As these sites are also anticipated to accommodate lower income RHNA during the 2023-31 planning period, the Town will create a zoning provision to allow developments by right pursuant to Government Code section 65583.2(i) when 20 percent or more of the units are affordable to lower income households.

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: 159 moderate and lower income RHNA units by 2030

Funding: General Fund

Program 2-C Establish Objective Design and Development Standards.

This program commits the Town to adopting objective design and development standards for multi-family residential or mixed-use development. Fairfax is one of 285 California communities subject to SB 35 streamlining provisions that offer an expedited approval process for residential and mixed use projects in urbanized areas proposing to provide at least 10 percent of their units as affordable housing. As such, this program also includes codifying the administrative review requirements for projects pursuant to SB 35, which requires ministerial approval for projects meeting adopted objective design and development standards.

Responsibility: Planning and Building

- **Timeframe:** Zoning Code amendments drafted by end of 2023 for review and adoption by Town Council by June 2024.
- **Objective:** Design and development standards that fully comply with the requirements of State law including the Housing Accountability Act.

Funding: General Fund and planning grants.

Program 2-D Standards for Clustered Hillside Development on Large Sites. There are a number of large hillside sites with adequate access, utility services, and topography that might accommodate a clustered housing development, including both attached and detached single-family dwellings and accessory dwelling units. This program will review standards for clustered hillside development in peer jurisdictions and determine whether they might be adapted to the Town's needs to expand opportunities for market rate housing. Zoning Code amendments then will be prepared as appropriate to allow for this type of housing and to establish development standards and design review criteria, including requirements for discretionary review by the Planning Commission.

Responsibility: Planning and Building

- **Timeframe:** Zoning Code amendments drafted by end of 2023 for review and adoption by Town Council by June 2024
- **Objective:** Land use regulations and standards for clustered hillside development that expand opportunities for market rate housing

Funding: General Fund and planning grants

Program 2-E Affordable Housing Density Bonus. California's Density Bonus Law (Government Code Section 65915) gives housing developments with below market rate housing the right to additional density, to waivers of local standards that preclude development, to incentives that reduce affordable housing costs, and to reduced parking requirements. Even though the law applies to any proposed residential projects that are eligible for density bonuses and other incentives or concessions regardless of whether a jurisdiction has codified the requirements, amending Title 17 of the Fairfax Town Code to include these regulations and specific provisions for City officials to administer them will help to ensure that applicants and Town officials are aware of these requirements. As part of this program, the Town will consider whether to provide additional bonuses for projects that will help to achieve key housing objectives such as facilitating the development of workforce housing for individuals and families earning between 80 and 120 percent of the Areawide Median Income (AMI), which is not eligible for most of the existing government subsidies. This program also involves preparation of project checklists and public information materials to be available at the counter and on the Town website to help inform the public and potential developers of the new regulations.

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: Zoning consistent with State law.

Funding: General Fund

- **Program 2-F** Inter-Jurisdictional Planning for Housing. The Town will work with other jurisdictions to advocate for State legislation that would provide ongoing funds for nonprofit developers to build affordable housing and related infrastructure improvements, as well as other programs to facilitate a regional approach to housing and associated community support needs in Marin County.
 - **Responsibility:** Planning and Building; Coordination/support through the Marin County Mayors and Councilmembers (MCCMC) Legislative Committee on which the Fairfax Town Council is represented

Timeframe: Ongoing 2023-2031

Objective: Coordination with other jurisdictions on housing matters

Funding: General Fund

Program 2-G Processing and Permit Procedures. As is typical in communities throughout California, residential projects proposed in Fairfax require a combination of reviews that may include zoning compliance, conditional use permit, design review, and building permit plan checks. Some projects may also require approval or modification of a development plan, master plan, and subdivision map or parcel map. In 2012, in order to streamline planning reviews, the Town Council eliminated the separate Design Review Board and combined design review with the Planning Commission responsibilities. Nevertheless, the Town Code stipulates some additional review requirements that can contribute to the time and cost required to develop residential projects. These include the requirements for traffic impact permits (Chapter 17.056), ridgeline scenic corridor permits (Section 17.060), floodplain development permit (Chapter 17.068) and hill area residential development permit (Chapter 17.072). These requirements typically require applicants to hire special consultants and pay additional fees for review by staff or an outside consultant, which increase the time and cost of producing housing.

This program involves amending the Zoning Code to establish requirements for Minor Use Permits approved by the Planning and Building Director, to identify the uses that could be approved with such permits, and to allow multi-family projects with up to four units to be developed by right subject to compliance with new objective development standards. The adoption of objective standards pursuant to Program 2-C will provide a basis for reducing the time and cost of processing residential projects establishing standards that include requirements applicable to projects now subject to these additional permits.

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: Facilitation of 78 moderate-income units and 235 above moderate income units during the planning period.

Program 2-H Subdivision Requirements. The Town's subdivision fees are in line with or less than those charged by nearby communities but the Town's subdivision regulations (Municipal Code Title 16: Subdivisions) include requirements that increase the cost of subdivision in some situations. These include requirements for special studies and impact fees as a condition to approval of a tentative or parcel map that add to permit costs. The Town will review and revise its subdivision regulations and procedures to ensure decisions are based on objective and specific standards to reduce the need for case-by-case discretionary review. The Town will also create checklists for conducting resource conservation analyses to provide more specific direction to applicants when special studies are needed. The Town will also evaluate the feasibility and effect of eliminating or reducing impact fees the Town has imposed on residential development when projects propose low- and moderate-income housing.

Responsibility: Planning and Building

- **Timeframe:** Complete subdivision amendments, checklists, and recommendations for changes to impact fees by January 31, 2024.
- **Objective:** Recommend programs for minimizing construction cost for low-and moderate-income housing

Funding: General Fund

Program 2-I Buildings and Construction Code Requirements. In September 2021, the Town enacted requirements for all-electric building design based on its location along the wildland-urban interface and susceptibility to seismic and flooding hazards. The requirements are also to implement the Fairfax Climate Action Plan and Climate Emergency Declaration (Resolution No. 1904). This regulation anticipates State mandates that will ban the sale of natural gas appliances in 2030 and a change in the State Building Code that went into effect at the beginning of 2023. Although the cost difference between electric and gas appliances is not significant, the cost to operate electric appliances has historically been higher than the cost of gas, although that was not the case in 2022. The Housing Action Plan includes a program to monitor the effect of this requirement on the housing expenses of low- and moderate-income households and evaluate options for minimizing this impact.

Responsibility: Planning and Building

- **Timeframe:** End of Q1 each year of the planning period, with reporting through Annual Progress Reports
- **Objective:** Recommend programs for minimizing housing expenses for low-and moderate-income residents

Funding: General Fund

Program 2-JFocused Geologic Study in the Town Center Area. The Town will undertake a
focused geologic study in the Town Center area to identify a range of measures that
developers could incorporate to reduce project costs and codify specific standards to
address associated risks. The intent of this program is to reduce the time and cost of
development in areas of high liquefaction risk where workforce housing is envisioned
by reducing the need for applicants to apply for additional permits, hire their own

consultants, and pay for any outside consultants the Town needs to assist staff with project review.

Responsibility: Planning and Building

- **Timeframe:** Release RFP in Q2 2024; complete study by end of Q4 2024; incorporate appropriate development standards into Town Code by Q3 2025.
- **Objective:** Facilitate development of 159 units in Town Center over the planning period

Funding: General Fund

Housing Goal #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.

Policies

- **Policy 3-1** Promote the development of housing and programs for special needs populations, including seniors, single parents, persons with disabilities, and individuals and households experiencing homelessness.
- **Policy 3-2** In partnership with Marin County and non-profit affordable housing developers, seek out and support opportunities for the long-term preservation of naturally occurring affordable housing in Fairfax.
- **Policy 3-3** Support innovative public, private, and non-profit efforts in the development of affordable housing, particularly for the special needs groups.
- **Policy 3-4** Ensure that the Town's regulations, policies, practices, and procedures provide equal access to housing for persons with disabilities, including those with developmental disabilities.

Programs

- **Program 3-A** Zoning for Residential Care Facilities. State law requires that local jurisdictions allow small residential care facilities and group homes by right and under the same standards as apply to a single-family home in the residential district. This program will bring the Zoning Code into compliance with State law by establishing provisions that define residential care facilities as a residential use as defined by State law. 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. Changes will include:
 - Revising the Zoning Code to include a definition of residential care facilities consistent with State law and objective standards for facilities with seven or more persons.

• Revising the use regulations tables to show that residential care is allowed in all districts where residential uses are allowed subject only to the requirements applicable to the residential development of the same development intensity.

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: Revised use regulations and development standards consistent with State law

Funding: General Fund

- Program 3-BTransitional and Supportive Housing. Transitional housing acts as a bridge between
a crisis shelter and permanent housing, providing temporary housing while residents
develop more independent living skills and stability. Supportive housing offers
permanent, stable living situations for those in need of a continuum of care plan, such
as treatment for adult clients with serious mental illness and co-occurring disorders.
The Zoning Ordinance will be revised to comply with State law regarding the treatment
of transitional and supportive housing facilities. Changes will include:
 - Revising the Zoning Code to include a definition of transitional and supportive housing consistent with State law and facilitate the development of single-room occupancy units.
 - Revising the use regulations tables to show that transitional and supportive housing is a permitted use in all districts where residential uses are allowed subject only to the requirements applicable to the same type of residential development.

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: Consistency with State law

- **Program 3-C** Low-Barrier Navigation Centers. Government Code Section 65660 requires municipalities to allow a Low Barrier Navigation Center (LBNC) to be permitted by right in mixed-use districts and nonresidential zones that permit multifamily development. LBNC means a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. If the Town receives applications for these uses, it must process them ministerially as required by State law. The Town will amend the Zoning Ordinance to:
 - Revise the Use Classification Descriptions to identify LBNCs as a type of emergency shelter and define them as "A housing first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

- Allowing LBNCs as a by-right use in all zones where mixed-use development is permitted and in all nonresidential zones where multifamily uses are permitted.
- Establish standards applicable to LBNCs that incorporate best practices to entry, consistent with those identified in the Low-Barrier Navigation Center Checklist published by the Association of Bay Area Governments at: https://abag.ca.gov/tools-resources/digital-library/low-barriernavigationchecklistjune282021pdf

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: Zoning provisions consistent with State law

Funding: General Fund

Program 3-D Provide Reasonable Accommodation. Fairfax has not enacted regulations establishing procedures for persons with disabilities seeking "reasonable accommodation" involving changes, exceptions, or adjustments to regulations that are necessary to provide equal access to housing. Through this program, the Town will bring the Zoning Code into compliance with State law regarding reasonable accommodations by establishing procedures for processing request for reasonable accommodation pursuant to the federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended, 42 U.S.C. 3601-3619) and the California Fair Employment and Housing Act (California Government Code, Title 2, Division 3, Part 2.8). The revisions to the Zoning Code will authorize the Town Planning and Building Director to grant or deny requests for reasonable accommodation subject to appeal to the Planning Commission. The Director may impose conditions to ensure the accommodation would comply with the applicable laws and may condition the approval or conditional approval to provide for recission or automatic expiration as appropriate due to a change in occupancy or similar circumstances.

Responsibility: Planning and Building

Timeframe: Complete rezoning by January 31, 2024

Objective: Zoning provisions consistent with federal and State law

Funding: General Fund

Program 3-E Inclusionary Housing Program and Commercial Linkage Fee. Several jurisdictions in Marin County have adopted inclusionary housing programs as a means of increasing the local supply of below market rate housing. 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 long term affordability agreements. Inclusionary programs typically seek to offset the cost of providing affordable units by offering developers one or more incentives such as tax abatements, parking reductions, or the right to build at higher densities. Inclusionary housing programs may allow for payment of a fee in lieu of construction of the units. A commercial linkage fee is an impact fee levied on commercial development to address the affordable housing needs created by future employees. Before levying an impact

fee, jurisdictions are required by state law to complete a nexus study that shows the linkage between the new development and the increased demand for the facilities. The results of the nexus study establish the maximum legal fee that may be charged. Through this program, the Town will explore the feasibility of adopting an inclusionary housing requirement and commercial linkage fee tailored to the Town's needs and reflecting local development economics and land values in the Town.

Responsibility: Planning and Building

- **Timeframe:** Conduct feasibility study in 2024; present findings to Town Council in Q1 2025; if appropriate, prepare draft ordinance and present to Town Council by end of Q4 2025
- **Objective:** 25 percent increase in participation in Marin CIL programs and services by Fairfax residents (2023-31)

Funding: General Fund and grant funds

Program 3-FTenant Protection. Renters constitute 37 percent of all households in Fairfax and
face significant challenges in terms of cost and housing security. A full 72 percent of
renter households earn less than 80 percent of the area median income and over 50
percent of renters are either cost burdened or severely cost burdened. Recognizing
these challenges, the Town has enacted both a rent stabilization ordinance and a just
cause evictions ordinance, as described in Appendix E. Through this program, the
Town will implement the ordinances with steps that may include:

- Preparing and distributing brochures which describe the legal rights and duties of landlords and tenants;
- Posting information on legal rights and duties to the Town website;
- Reporting annually to the Town Council on the status of rental housing in Fairfax; and
- Council consideration of a Rental Housing Fee.

Responsibility: Town Manager

- <u>Timeframe:</u> Upon approval of staffing, hearings, software and outreach by the Town <u>Council</u>
- Objective: Enhance protections for 530 renter-occupied lower-income households experiencing cost burden in Fairfax

Funding: General Fund

Housing Goal #4. Foster equal housing opportunity for all residents of Fairfax, regardless of race, religion, sex, marital status, ancestry, national origin, color, or ability.

Policies

Policy 4-1Ensure that existing and proposed housing in Fairfax is available to households
regardless of ethnicity, race, family composition or source of income.

Policy 4-2	Diversify and expand the housing stock in Fairfax in order to better accommodate the varied housing needs of current and future residents.
Policy 4-3	Enforce fair housing laws and address discrimination in the building, financing, selling,

- or renting of housing based on race, religion, family status, national origin, disability, or other protected class.
- **Policy 4-4** Work collaboratively with local non-profit, public, and private sector partners to raise awareness and achieve implementation of fair housing practices.

Programs

- **Program 4-A** Affirmative Marketing of Affordable Housing Opportunities. All of Fairfax is designated as an area of High or Highest Resource by the California Tax Credit Allocation Committee (CTCAC), which facilitates the investment of private capital into the development of affordable rental housing for low-income Californians. In order to increase access to High/Highest Resource areas for Low, Very Low, and Extremely Low income households and special needs populations (including older adults, the disabled (including developmentally disabled), large households, femaleheaded households, people experiencing homelessness, and farmworkers), the Town will encourage and facilitate affordable housing development in Fairfax by:
 - Prepare information on available sites and potential opportunities for affordable housing in Fairfax, updating and distributing it annually to affordable housing developers;
 - Conduct targeted outreach to housing developers with experience in development projects that include units affordable to extremely low income households and households with special needs;
 - Continue to provide technical assistance to housing developers to assist with the development application process;
 - Annually explore various sources (e.g., HCD and HUD) for funding opportunities, including those available for housing for extremely low income and special needs households; and
 - Support applications for affordable housing funds for projects or programs that are consistent with the goals and objectives of the Housing Element.

Responsibility: Planning and Building

Timeframe: (a) Prepare materials by Q3 2023; (b) prepare list of experienced developers and contact them by end of Q4 2023; (c) conduct outreach in Q1 2024 and annually thereafter.

Objective: 149 Very Low and 86 Low income units by 2031

Funding: General Fund

Program 4-BWider Acceptance of Housing Choice Vouchers. Housing Choice Voucher (HCV)
holders often face significant barriers to housing opportunity, including
discrimination based on race and other characteristics. Fair housing tests conducted
by Fair Housing Advocates of Northern California (FHANC) in Marin County found
some discrepancy or disadvantage for testers receiving HCVs, particularly for Black

testers. Through this program, the Town will collaborate with Marin County and other local jurisdictions to address discrimination and promote the participation of rental property owners in the HCV program. Actions will include:

- Promoting participation by Fairfax property owners in the Marin Housing Authority's Landlord Partnership Program, which incentivizes landlord participation in the HCV program and provides security deposit assistance of tenants; and
- Facilitating outreach by FHANC and others to raise awareness of the State's Source of Income Protection bills (SB 329 and SB 222) that prohibit discrimination based on the use of public assistance for housing payments among Homeowners Associations, realtors, property managers, and brokers, as well as property owners of individual homes, duplexes, and ADUs used as rentals in Fairfax. Fairfax adopted a Source of Income Anti-Discrimination Ordinance in 2018 prior to the State adopting these bills to include this in State Fair Housing Laws.

Responsibility: Planning and Building

Timeframe: Annually throughout the planning period starting Q4 2023

Objective: Conduct one event in Fairfax annually each year throughout the planning period

Funding: General Fund

- **Program 4-C** Mediation and Enforcement. In conjunction with the Fair Housing Advocates of Northern California (FHANC), support FHANC's efforts regarding mediation and enforcement of rights and FHANC's efforts to eliminate housing discrimination by actively tracking and pursuing any complaints within Fairfax. Additional specific actions will include:
 - Make information detailing fair housing practices available at Town Hall and on the Town's website.
 - Partner with the FHANC through Marin County Planning to conduct workshops and seminars about landlord and tenant responsibilities and rights.

Responsibility: Planning and Building

Timeframe: Ongoing 2023-2031; (a) publish information by Q3 2023 and update annually as appropriate; (b) Conduct one event in Fairfax annually each year throughout the planning period starting in 2024

Potential Funding Source: General Fund

Objective: To assist 400 households during the planning period

Program 4-D Anti-Discrimination and Fair Housing Training. Support Community Action Marin and Marin City Health and Wellness Center, and other similar groups active in the county in their efforts to develop and conduct trainings on anti-discrimination and fair housing practices for realtors and lenders. Town actions may include participation in trainings or provision of meeting space.

Responsibility: Planning and Building

- **Timeframe:** Contact non-profit groups by Q4 2023; annual coordination on support activities throughout the planning period
- **Objective:** Increase awareness of fair housing practices among real estate professionals and lenders

Funding: General Fund

Program 4-E Support for Individuals with Disabilities. Fair housing complaints are disproportionately related to disability in Fairfax and Marin County, whether based on disability alone or in combination with another form of discrimination, such as source of income, race, gender, or familial status. Disability-related complaints in Fairfax are predominantly lodged by low-income residents. Through this program the Town will partner with the Marin Center for Independent Living (Marin CIL) to promote the availability of programs and services for individuals with disabilities in Fairfax. Serving Marin County since 1979, Marin CIL is a community based 501(c)3 non-profit organization that provides advocacy and services for persons with disabilities, including housing referral and navigation; home modifications; landlord/tenant facilitation; and support for acquisition and use of assistive technologies. Town actions may include providing information and links to Marin CIL programs and services in Townwide newsletters; and co-hosting informational events.

Responsibility: Planning and Building

Timeframe: Annually throughout the planning period starting Q3 2023

Objective: 25 percent increase in participation in Marin CIL programs and services by Fairfax residents (2023-31)

- Program 4-F
 Fair Housing Information. No violations of federal or State fair housing law have been documented in the Town but the fact that discrimination has been documented in other Marin County communities suggests that there may be unreported instances of housing discrimination in Fairfax, such as discrimination against renters because of their source of income or the presence of children. To ensure that all households have equal opportunity to live in the town regardless of their ethnicity, race, household composition, or source of income, the Town will take steps to educate property owners, staff members, current residents, and those seeking housing in Fairfax are aware of their rights and responsibilities through the following actions:
 - Make information available on the Town website and at the Planning and Building public counter about fair housing requirements, fair housing programs, and agencies where they can report cases of suspected discrimination.
 - Provide information to owners and managers of rental property and real estate agents located in or active in the community about fair housing laws. Encourage owners and real estate professionals to provide tenants with brochures on their rights and establish procedures for tenants to report discrimination, and programs offering anti-discrimination training to anyone involved in managing or renting property.

• Make sure Planning and Building staff are aware of fair housing requirements and resources in order to help them recognize and respond to possible instances of discrimination and report to the appropriate NGOs.

Responsibility: Planning and Building

Timeframe: Prepare informational materials and post to Town website by end of Q4 2023; update annually thereafter

Objective: Provide and regularly maintain information

Funding: General Fund and planning grants.

Housing Goal #5. Monitor the effectiveness of housing programs to ensure that they respond to housing needs.

Policies

- Policy 5-1Ensure that the Town is meeting State requirements as well as the housing needs of
current and future residents by developing and carrying out procedures for tracking
progress toward achieving adopted housing goals and objectives.
- **Policy 5-2** Work with community groups, other jurisdictions and agencies, non-profit housing sponsors and the building and real estate industry when implementing Housing Element programs.
- **Policy 5-3** The Town will provide outreach and information to the community on the availability of programs to address individual housing needs, and will actively involve the community through information, outreach and review.

Programs

Program 5-A Ensure Adequate Sites Available to Meet Town's Share of RHNA. To ensure adequate sites remain available for residential development to accommodate the Town's Regional Housing Need Allocation (RHNA) for all income categories, the Town shall annually review its Available Land Inventory to ensure the Town can accommodate its share of the RHNA throughout the planning period. As development projects are considered, the Town shall not take action to permit fewer units on a site than projected on the Available Land Inventory unless: 1) the reduction is consistent with the general plan and housing element; and 2) the remaining sites identified in the Available Land Inventory are adequate to accommodate the Town's share of the RHNA. If the remaining sites are not adequate to accommodate the Town's share of the RHNA, the Town will identify (and rezone, if necessary) sufficient additional sites to meet the Town's share of the RHNA.

Responsibility: Planning and Building

Timeframe: Complete review and submit report by April 1 of every year.

Objective: Conduct review and submit report to State Department of Housing and Community Development as required.

Funding: General Fund

Program 5-B Annual Review. In conjunction with State requirements for preparation and submittal of annual housing progress report (Government Code Section 65400), evaluate Housing Element implementation. Provide opportunities for public review and comment and submit to Planning Commission and Town Council for review and any necessary action.

Responsibility: Planning and Building

Timeframe: Complete review and submit report by April 1 of every year.

Objective: Conduct review and submit report to State Department of Housing and Community Development as required.

Funding: General Fund

Program 5-CADU/JADUMonitoring.The Town will monitor ADU and JADU
permitting/construction trends and affordability in Fairfax, reporting performance in
its Housing Element Annual Progress Reports. If actual performance is not in line with
projections in January 2026, the Town will review and take action as needed to ensure
compliance with "no-net loss" provisions of State law.

Responsibility: Planning and Building

- **Timeframe:** (a) reporting with annual report to HCD in April 2024; annually by April of each year thereafter (b) Q4 2026 for corrective action evaluation (if needed)
- **Objective:** Track progress toward Sixth Cycle RHNA production goals ensure compliance with State law

Funding: General Fund

Program 5-D Staff Housing Specialist. This Housing Action Plan establishes a robust suite of programs to address local housing needs and State legal requirements. Implementation will require ongoing coordination with a range of public, private, and non-profit sector organizations, agencies, and personnel to achieve the established objectives. Therefore, to ensure Fairfax can make adequate progress toward the goals of the Housing Element and comply with the mandates of State law, the Town will evaluate staffing resources and consider engaging, either directly or through a shared services agreement with other Marin County jurisdictions, a housing specialist to spearhead housing related programs and actions. The housing specialist should have experience in housing development, real estate finance, and design.

Responsibility: Town Manager

Timeframe: Initiate candidate search in Q3 2023 with the intent of identifying a candidate and making an offer by end of Q2 2024

Objective: RHNA compliance



DYETT & BHATIA Urban and Regional Planners