



TOWN OF FAIRFAX

STAFF REPORT

December 3, 2014

TO: Mayor and Town Council

FROM: Garrett Toy, Town Manager
Jim Moore, Planning and Building Services Director

SUBJECT: Discuss/consider follow-up actions to the Town Forum regarding 10 Olema and School Street Plaza

RECOMMENDATION

Accept recommended follow-up actions to the Town Forum regarding 10 Olema and School Street Plaza.

DISCUSSION

On September 17, 2014, the Council conducted a Town Forum on the General Plan / Housing Element regarding the properties known as 10 Olema and School Street Plaza. This was the second General Plan Town Forum. For 10 Olema and School Street Plaza, the Housing Element envisioned rezoning the properties to allow the development of 22 and 9 housing units, respectively. At the meeting, staff discussed the site capacity studies done for the two properties. The studies evaluated the number of units that could be developed to meet the objectives of the Housing Element. Staff also discussed those issues previously raised by the community and Council regarding the sites. The issues included affordability restrictions, parking, scale of development, and traffic.

At the Forum, the property owners were provided an opportunity to speak. The owner of School Street Plaza used the opportunity to present a more intensive development concept for the property. In addition to being video recorded, staff summarized the community's comments on a flip chart at the meeting (see the attached summary). In our review of the comments, staff noticed some Frequently Asked Questions (FAQ's) and prepared the attached responses to the FAQ's.

In terms of the next steps, staff would recommend the following:

- Conduct a Town Forum on traffic. A major concern raised regarding development has been the impact on local traffic. At the last GPIC meeting, the members discussed the possibility of conducting a forum on traffic to discuss "Where the Traffic Comes From." The format for the Forum would be a panel discussion to discuss such issues as current traffic flows, future projections, and potential mitigation measures. The goal of the Forum is not to advocate for a specific action or development scenario, but to provide an opportunity to educate ourselves on existing traffic. Attached are notes from the GPIC meeting discussing the concept of a Traffic Forum. We would schedule the traffic forum sometime in the next 2 to 3 months.
- Direct the Planning Commission (PC) to conduct a workshop on the owner's proposal for School Street Plaza. The concept presented is much larger in scale than what was modeled for the site in the current Housing Element. In the past the PC has conducted workshops on specific development projects. Under this scenario, the Planning Commission would have an opportunity to receive public input and then work with the owner to address the community's concerns and offer suggestions to the owner to develop a project more appropriate to the character of Fairfax.

The results of the PC's efforts would be brought to the Town Council for consideration, perhaps in the form of a joint workshop with the PC and Council.

- Direct staff to develop zoning language or a development agreement to address the concerns regarding the 10 Olema site. The future zoning for 10 Olema is PDD per the Housing Element. A development agreement with the owner may be the best approach to address any issues because the conditions contained in such an agreement would only apply to the specific property. A development agreement can address such issues as affordability restrictions and parking.
- Prepare the Housing Element for HCD's Cycle 5. An update on the Housing Element is also scheduled for discussion on this evening's agenda

FISCAL IMPACT

Costs to conduct future Forums.

ATTACHMENTS

Summary of Speaker Comments

FAQ's

GPIC Notes

**Fairfax Town Council
September 17, 204 Special Joint Meeting
General Plan Forum II**

**Summary of Speaker Comments
Recorded on Flip Chart at the Forum**

10 Olema Property

- What does workforce housing mean?
- Parking close to Sir Francis Drake makes drive ugly – landscaping?
- Wildlife corridors needed – protect where deer go
- You can't restrict houses to just Fairfax residents
- Doing nothing is an option
- What will be affordable? No guarantee
- Uncomfortable with no maximum # of units. Would prefer a limit.
- Concern each unit will come with at least 2 cars. Traffic going in and out for 22 units? Right next to the stop sign at SFD and Olema
- Not to supply additional housing is a choice. Land in short supply becomes expensive.
- Why don't people trust the Planning Commission?
- Feels like there are trade-offs. What is advantage of preapproving density?
- Do we have flexibility re: number of units?
- Upside [of building affordable housing] is more vibrant; Downside is more traffic. Have we had this discussion?
- Benefits: (1) modest-size housing that increases supply. For kids who grew up here. Older people. (2) More vibrant and less gentrified community
- She is not here because of RHNA, but because she believes we need more housing
- Know people who don't own/use cars and live where transit is available
- Concerned that people don't want houses to get in way of our cars
- Wants to acknowledge RHNA is one of the reasons we're talking about this

- What's affordable? What does low income mean? How do those units not later become market-rate housing?

School Street Plaza Property

- Central Commercial (CC) allows for 2nd floor residence by right?
- Concern with Bank Street right of way – easement?
- References May 6 letter proposing 30-50 condos and retail/office: way too much density
- Why beneficial to designate site PDD instead of submitting the project?
- Who is in charge of making it affordable and how affordable?
- If 58 units here at SSP, can there be fewer elsewhere?
- 10 low-cost senior housing units – seems kind of a low number
- Sees profit going to landlord and not people of Fairfax and current School Street Plaza tenants
- Concern with comment re blank wall across from Lumber – wants it beautified
- Sees project as not in character of Fairfax. Concerned current tenants not being addressed.
- Wants casual setting for people to discuss needs, etc.
- Seems too dense for Fairfax – like NYC
- Guarantees re rents? Workforce?
- Question re number of units per acre
- Interested in pursuing a maximum number of units
- Doesn't believe the residential need exists in Fairfax
- Concern that easement by ball field would be affected by this project
- Good to see this example of PDD proposal
- Would like this to be smaller
- Likes to see small business ensured
- Likes residential units above shops
- Suggests community land trusts for small business, artists on this site

- Notes differences between General Plan policy and ordinances, and then projects. We are at Policy level. Need zoning before project in order to assess project
- Maximum number is limited by lots of stuff: setbacks, area-floor ratio
- Encroaching on ball field would be prevented by Fairfax residents
- Reason not to build: quality of life
- Wants to explore co-housing: artists, seniors, kids, teens
- On 10 Olema, co-housing could include the Mandarin
- Tiny houses are another option
- Grateful to 1000 signers of referendum to get rid of rezoning and to look at each project individually
- How many units would be sold and how many rented; what's the guarantee of affordability from owner to owner and tenant to tenant?
- What about 2nd units to be part of next RHNA round? Many ways of meeting numbers. How to do it the Fairfax way?
- Find out our mutual needs and be a community. Learn from each other.
- Need policy discussion about what we do need and want -20 units is huge for Fairfax – Plan shown tonight shocked - Create CCRs with criteria – Oma Village in Novato
- If we designate sites for density – open us to lawsuit from developers?
- This is good conversation between different viewpoints
- Concerned that current tenants will be pushed out
- School Street Plaza is already a valuable community resource – deserves protection. *Frogs* has existed over 20 years there.

General Q & A

- Traffic concerns. Mass transit not provided until a project is built.
- Demand in Marin is so high that he doesn't believe price will go down
- Water concern
- Water concern again

- When is a town built out?
- Climate change issues. Ways for community to come together
- "Parking restrictions" are unrealistic
- 10 Olema – Lots of deer, kids. The traffic would diminish quality of life.
- Put 22 units at School Street Plaza and 8 at Olema instead
- Be thoughtful, careful in policy-making
- Ecology House in San Rafael is a nice example
- Put out intentions as to what we want to have in Fairfax
- Demand will fill the supply quickly and have no effect on the price
- The way Fairfax is laid out with one-road valleys creates worse traffic congestion
- We can do it – doesn't have to be either/or with problems and providing affordable housing

**Fairfax Town Council
General Plan Forum
Frequently Asked Questions**

1. What does workforce housing mean?

Workforce housing refers to housing specifically designated for employment categories such as teachers, fire personnel, police officers, and service workers (e.g., retail, food) who work in Town.

2. What is the advantage to preapproving density?

Designating a group of parcels, or a land use area, for a certain amount of development potential in advance of any specific project application, allows the Town to plan for infrastructure needs (utilities, road improvements, services and service personnel). Doing so also allows the Town to analyze the potential impacts of projects under the California Environmental Quality Act (CEQA). Potential project sponsors also are alerted to Town's preferred development parameters prior to incurring predevelopment costs, thereby reducing uncertainty in the development process.

Further, under California law illegal "spot zoning" may result when a small parcel of land is subject to more or less restrictive zoning than surrounding properties. In that regard, comprehensive land use planning reduces the risk of litigation over spot zoning that could be construed as "irrational discrimination".

3. What does affordable mean?

One's ability to pay for housing (ownership or rental) defines affordability. Spending 30 percent of household's gross income on housing (principal, interest, property taxes, and insurance) is the measurement for calculating affordability. For example, a middle school teacher earning \$70,493 per year should only pay a maximum of \$1,762 per month for housing (ownership or rental); a postal clerk earning \$45,767 per year would only pay a maximum of \$1,144 per month for housing (ownership or rental).

4. What does *low-income* mean?

As defined by the California Housing Element law, low income means households earning less than 80 percent of the Marin County annual median income adjusted for household size. For 2014, the annual median income in Marin County for a family of 4 is \$97,100. A family of 4 is considered low income if they earn less than \$88,600 per year. A very low income family of four earns less than \$55,350 per year. A one-person household earning less than \$38,750 per year is considered very low income, and if less than \$23,250 per year, extremely low income.

5. How do those units later not become market-rate housing?

The most common method to ensure that the units remain affordable is to place a deed restriction on the project, which places limitations on the use of the property. Deed restrictions can regulate the type of housing, and run with the land – meaning they cannot be changed or removed by subsequent owners. Often times the financing for affordable housing projects requires a 55-year affordability restriction.

6. How does Central Commercial (CC) allow for second floor residences by right?

Section 17.52.040 of the Town's Zoning Ordinance includes a list of 55 uses that are allowed "by right" in the CC zone, meaning that a Conditional Use Permit process is not required for those specific uses. Number 43 on that list is "Residential uses on the second floor".

7. What is the easement at the Bank Street right of way?

There is a public easement across the southern portion of the former gas station site. The Town could use that easement to connect Bank Street to Sir Francis Drake, or for other uses.

8. What is the benefit in designating the School Street Plaza site Planned Development District (PDD) instead of just submitting a regular project application?

By designating the School Street Plaza site PDD, with or without establishing an allowable "base density", the Town is able to include the site's development potential in the impact assessment under the CEQA and adds certainty to the process for both the town and applicant. Conversely, a regular project application under the current Limited Commercial (CL) zoning, where residential uses require a "conditional use permit", adds uncertainty to the process and is a disincentive to a potential project sponsor.

9. Who is in charge of making it affordable, and how affordable?

The project sponsor and the Town work together to determine how many units in a specific project are designated as affordable. The project sponsor's funding mix can influence and/or restrict affordability. The Town's General Plan and zoning ordinance can also influence affordability.

10. What about using second units as part of the next RHNA round? (Part of comments regarding School Street Plaza)

The Town included three new second units (e.g., illegal second units coming into compliance through an amnesty ordinance and/or new second units created) in the most recent Housing Element, which was the most that the State Office of Housing & Community Development (HCD) would allow since the Town's prior recent history of adding second units had been minimal and because there was just one planning year left in that RHNA period (cycle 4). Staff intends to include 16 new second units in the next RHNA round (cycle 5) since there have been two new second units permitted in the last year and there will be eight years left (e.g., $2 \times 8 = 16$) in the new RHNA cycle 5 (assuming that the Town completes the next Housing Element update by May 31, 2015, otherwise the town will be on a four year cycle going forward).

Attached is a graphic showing the last RHNA allocation of 172 units by income group and how the town addressed meeting those numerical targets.

11. How can it be done the “Fairfax way”?

By changing the zoning for the specific Opportunity Sites identified in the 2010 Housing Element, in advance of any development proposals, to accommodate a variety of affordable housing, the Town was providing the leadership to meet the State’s housing requirements.

12. When is the Town built out?

Within the existing Town boundaries, the Town is already nearly built out in that there is a limited amount of vacant undeveloped land, much of which is either very steep or constrained by other environmental characteristics. There are however, underdeveloped “infill” opportunity sites, some with, and some without environmental constraints.

The Town is expected to experience slight growth in the next 10 to 15 years, and the job market is also expected to increase slightly. Between 2010 and 2020, the Town is expected to gain approximately 200 new residents and 120 new jobs. Please note: Though unlikely for the Town of Fairfax, annexation of adjacent undeveloped land is one way that some municipalities expand to accommodate additional growth when available land within existing boundaries is no longer available.

Notes from meeting 9/17/14 about a possible Traffic Forum:

At the direction of GPIC, Larry Kennings and Bruce Ackerman met to discuss the feasibility of a public forum on the subject of "Where the Traffic Comes From" that also could evaluate the future prognosis for traffic and possible actions that could mitigate it. Planning Director Jim Moore was able to join us for part of the discussion. The following ideas are being submitted to GPIC for consideration.

There is unquestionably more traffic in and/or through Fairfax than there was 20 years ago; it was about then that Fairfax installed its first traffic signal (when?)

There have been few new housing units built in Fairfax during that time period. (How many houses? How many new second units that the Town knows of? When was Bennett House opened? When was Sherwood Oaks opened?) So what else is the cause of the increased traffic?

Larry suggests a panel discussion, with experts presenting information to address these questions. Or there could be two panels, one to present historical findings and the second to explore the future including proactive actions. Possible participants to invite:

- David Parisi (consultant who has worked on numerous traffic studies including in Fairfax)
- Robert Harrison (planning consultant, used to work for county, lives in Tiburon)
- Carolyn Cole (consulted on the Circulation Element of the Fx GP, including traffic counts)

Wendi Kallins has said she would be happy to help.

This forum is envisioned as primarily a chance to educate ourselves on the important subject of traffic, so that the town and Town Council can make informed decisions. It is not envisioned as advocating for or against any particular actions, and is not envisioned as an opportunity for the public to argue for or against particular actions, but more for us all to learn.

More cars per household? More trips per car? Get studies that might estimate these effects.

Traffic is noticeably greater when schools are in session. What do we know to quantify this? Safe Routes to Schools: what effect has it had, and what is possible? Drake High School (could we get some information on the changes in use of cars by students?)

How much of Fairfax traffic is actually people avoiding Highway 101 by going around Petaluma Valley Road, Nicasio Valley Road and Sir Francis Drake? (Traffic counts reported in the Circulation Element provide one measure of this effect. Other studies have been done.)

SMART is being built: what might be the benefit to Fairfax? Also portions of Hwy 101 are being widened.

What might be the effect of such ride-sharing applications as Uber, Lyft and Carma, and casual carpooling? See <http://patch.com/california/sanrafael/bp--bringing-casual-carpooling-to-the-north-bay>

Bicycling for local trips has been reported as increasing locally (get numbers from MCBC, Andy Peri?)

Public transit: Describe what transit services we currently have (GGT, Marin Stage, Whistlestop Wheels), with, if possible, ridership, challenges, successes and future plans. Jim says there is a study being done due 9/15 to look at transit options in the Ross Valley, and that a dedicated head lane for buses is one option being looked at.

Can the effect on traffic of Good Earth's expansion, or of the bars, or of weekend recreational bicyclers who arrive by car or SUV, be estimated?

As climate change progresses, it is likely that there will be pressure to minimize the use of gasoline, and electric vehicles are unlikely to displace all gasoline vehicles immediately; this could lead to a decrease in traffic.

Jim suggested other ideas:

- If a connection were opened up to Terra Linda, people could go to Kaiser and Northgate without using the freeway.
- Jim has a graphic showing an enormous benefit to the county when cars are taken off the road.

Would it be possible to mount a camera on the roof above the Fairfax Roasters, to capture a one-day video of the congestion in the Broadway/Bolinas/Klaus intersection?

Next Steps if GPIC decides to pursue this:

- Larry will inquire with possible presenters as to their ideas and their travel schedules so we would know what dates would work.
- GPIC could propose such a workshop to the Town Council, resulting in possibly setting a date.
- The Women's Center could be used; staff support for that; modest funding for large-format graphics and other preparation?