

## *Thirty Years of Research in Fairfax, Marin County and the Problem of Community in Housing Policy<sup>1</sup>*

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A small town's history is reviewed in the context of housing needs and population change. The economic conditions of growth and of the building of community over a 100-year period is described in the context of changing concepts of housing as a dwelling versus an asset. The consequences of state housing policy on local stakeholders at a time of rapid financialization is a central factor. These include a degradation on social capital, creation of disorder and reduction of trust and community feeling.

**Keywords:** Housing, small town, government, real estate, contractors, permits.

Here are my views gained over the past 30 years in the Marin County, California town of Fairfax. We find a community created of the 20<sup>th</sup> century and a contrast to the vista of the 21<sup>st</sup>. Fairfax is a town whose origins began with the arrival of Italian immigrants brought to the locale to build the county's dams in the late 19<sup>th</sup> century (Sagar and Sagar 2005). Before being incorporated, the town attracted blue-collar workers and locations for cheap vacation homes for San Francisco white-collar workers in the 1920s and 30s. These one and two room shacks by the thirties were turned into affordable dwellings for laboring families. Through the WWII to the early 1950s the town grew into small neighborhoods characterized by extended families whose sons and daughters largely located their new families nearby.

### **Basic Data**

Today, Fairfax has a population of approximately 7,610 people; this is close to the 1970 total of 7,661. According to the US Census, 94.9% are U.S. citizens, 11.1% were born outside the USA. About 83% identify as White, 4% as Asian, 4% as White Hispanic, 8.7% as Hispanic, 1% African American and 1% Pacific Islander. Median earnings for men were \$57,488 and women \$62,292 for 2021. This is an interesting reversal to the general national trend. Median household income for 2020 was \$111,290. 63.3% have a Bachelor's degree or higher. 46% are married, 44.2% define themselves as religious, 31% are Catholic, 9% are some denomination of Protestant, 1.8% Judaism, 1.4% report as believers of eastern faiths, 0.4 are Moslem. Marin County reports 30.5% Catholic, 5.14% Protestant, 1.75 % Judaism, 1.37 Mormon.

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## Nature of Community

In the 1960s and 70s, these organic communities could be described by the interactions of the women who often were the “homemakers” of crafts-employed men, electricians, plumbers, truck drivers, etc. But also came droves of hippies from the City and especially musicians who had interacted with local rock bands in San Francisco. The blend of working class families and hippie “families” created some tension, but lead to a general openness and tolerance, perhaps derived from the earlier immigrant experience (Handlin 1951). During the days children would return from school, those whose mothers worked to be cared for by the “stay at home moms” and a fluid mechanism of family spread over the town. The inexpensive housing inventory created by the early development of the town, was added to in the 1960s and 70s with a small number of spec homes and a few apartment buildings designed for working class families and priced moderately. This was not uniform; rather there was a mix of women who worked in the city of San Francisco or nearby sites in a variety of jobs. Still the overall impression I derived from interviews taken over 30 years was that the general pattern was that most women who were married cared for the home and their children, though some of these also took part time jobs or had volunteer positions in local non-profits.

In the 1980s, a change in housing financing and investing reduced the construction of multi-family buildings across California (Lewis 2003), though this change is often attributed to local resistance to density via zoning and environmental concerns it was more effected by incipient trends toward financialization of housing (Farha 2017). Housing has never been sufficient in America, especially after the 20<sup>th</sup> century campaign to achieve a form of standardized housing and reduce vernacular construction with both its curiosities and dangers (Fossum 1965, Lewis 1973). By the 1990s, waves of new families began to arrive in the town whose cheap housing made it a magnet for those leaving expensive San Francisco. Why Fairfax housing was cheaper is explained by my informants in a number of ways. First is the small size of the homes built, especially when vacation cabins were turned into yearly rentals and then purchased by individuals or just married couples. The affordability of the housing stock had remained static and this is verified by reference to both the U.S. Census data from years 1930 to 1980 and County records of property sales. Why was this true of Fairfax and not the rest of Marin that experienced a wave of large housing construction after the Second World War is unclear.

Local attitudes argue that houses tended to stay in families and were often rented out to relatives or friends or to newly married sons and daughters. The fact that few homes were also enlarged or remodeled until the 1990s is also a curious fact. While Fairfax’s families seem to have been as large statistically as the rest of Marin, the addition of a room, generally of 200 to 300 square feet seems to have been more typical than major renovations to transform a 900 square foot home into a 2,000 or 4,000 square foot one as was seen in the rest of Marin from the 1970s to 2000. Again, the modest nature of the size of homes is curious and some respondents suggested that it was due to town policy, but others pointed to the cultural history of the early inhabitants who came from small villages with small houses. It is interesting in

this regard, that even today in 2024 Fairfax has a reputation for being anti-development, and to be opposed to major changes in home size and to a general change of the character of the town. This attitude is specifically embedded in the town's General Plan, written by committees of local residents. While this is changing, possibility due to a large influx of new residents in the past 20 years, there is also pressure from the state of California in new laws that require towns to grow, to increase the number and size of residential housing units and also by the effects of the financialization of housing.

### **Conflict of Housing Costs, Change in Jobs**

Until the 1980s, most of Fairfax's residents were economically what would be called, working class, lower middle and upper lower income earners, most on hourly and timecard pay schemes, according to my respondents. Mr. Frank Egger was one of these who married in Fairfax, where he and his wife raised a family. Mr. Egger also notes the economic changes in residents in the 1990s, but also the attitude of builders and real estate agents as Fairfax was "under built", a comment often made by real estate agents. Efforts by these groups was aimed at increasing house size to accommodate a richer clientele and thus more income for them. Mr. Egger and other long-time residents responded to national and regional efforts to produce an environmentally sound landscape and city, using the town government as a means to do so. They thwarted efforts of developers by passing ordinances and local laws to prohibit large homes and homes on hillsides, to maintain low local density and provide for a safe natural mix of wild life and semi-urban impacts. This worked well until the 1990s when economic pressures focused on Fairfax as a Marin "gem" for young families moving from the city of San Francisco in search of a "1950s style urban experience".

So, the new residents can be seen as different economically and culturally from the pre-1990s population. These families appeared richer and less rooted in working traditions, they were laden with cash from new industries the Bay Area fostered and they were in search of an idyllic America of community that Fairfax seemed to provide. They tended to use either professional childcare instead of sharing or using neighbor's daughters, and house chores like gardening which had been a family enterprise, became increasingly a hired professional service. This may also reflect on a lack of time due to families having two wage earners and women having careers in a technology milieu where work and family time are no longer separated.

In studies of community and reciprocity, both Simmel (1903) and Merton (1947) placed emphasis on proximity and interaction. Thus choices on community began to change with the advent of social media, where parents of different families joined together to share clothes, toys and tasks, which mimicked the local tradition of sharing and caring for children. But the extent of this phenomenon in Fairfax seems limited based on my interviews and when questioned about frequency of exchange, most parents admitted the use of social media and sharing was more theoretical than practical given two parent careers and costs. Data on this concentrates on the use of the media and indicates that most parents are sharing experiences

and not tasks (e.g., Dawson 2018). My review of local social media site, Next Door, indicated that many parents have established some physical sharing of materials and activities with other parents.

The general split in Fairfax residents during this time was also reflected in the arguments over the need for growth and affordable housing. While it was acknowledged by most that the housing that was being built was unaffordable for most, and tended to rehab small older affordable homes (single family and multi-units, like duplexes) into larger less affordable ones, newer residents and developers pushed for simply more building without reference to actual cost. The “traditional” group favored and promoted legalizing second units and helping elderly residents rent out extra rooms in their homes. The main goal of this group was to promote affordability and not density. However, a survey of landlord and tenants found that second units and rented rooms did not necessarily result in lower rents and neighbors often complained of increased traffic, noise and trash, especially after online vacation rentals like Airbnb penetrated their business into town. Offended neighbors used the term, “rooming houses” often when referring to these rentals.

The crux of the problem is who is the builder and controls the process. In San Francisco, like many other cities, towns and counties, the process of building, from permits to plans to execution is largely under the control of the builders’ associations, investors and real estate interests (Sward 2000). Their ability to transform the landscape and produce expensive and non-utilitarian housing can only be understood by an examination of the political process, political donations and muscle.

### **The Power of Builders and Investors in the Political Process**

The situation regarding affordable housing is a crisis. One only needs to look at the California Budget and Policy Center's September study (Anderson and Kimberlin 2017) showing that “high rents are one of the major causes of poverty in our state”. And it seems dysfunctional to build so-called commuter or transit hub housing when you do not provide new transit assets to move people from those units to work. If pollution is the target to attack as well as housing, then work done by UC Davis scientists, Lin and Prince (n.d.) shows that by raising the gas tax above \$1.37 would result in behavior change reducing pollution and it could produce sufficient funds for new public transit.

Claims that environmentalists are responsible for high rents, is undermined by the 2003 study by Paul Lewis of the Public Policy Institute of California which looked at changes in housing law that have limited the ability of local authorities in controlling housing, as in housing elements and other local influences on housing, including zoning. They found these limitations on local control had little effect on the production of affordable housing. However, people like Scott Wiener have been pushing more restrictions on local elected officials' influence on housing development supposedly to produce more housing. Graham MacDonald (2017) of the Urban Institute has shown that luxury apartments and homes of over \$1,000,000

in sales and new construction have outpaced those under \$1,000,000 since 2015, but blames the lack of new units in general for the crisis.

Supporters of Senator Wiener's position invoke supply and demand theory to explain the need for housing, but they misunderstand how it works. Cities in America do not build housing today. Some did in the past, and a few are attempting to do so again. In the 1970s I was part of a group of housing advocates who helped set up community development corporations and I sat on the board of one. We built housing and the process was daunting in the attempt to produce affordable units.

As housing spills out across the country and the "densification" movement makes the towns and cities unlivable by destroying amenities (parks, low rise housing, neighborhoods with character, etc. see Heathcote 2015) the goal of densification became clear. The citizenry saw that the propaganda from developers was just that, a means to more housing not better communities with affordable housing. While hiding behind the idea of affordable housing and energy efficient high rises with "in-filling" projects, the real effect was just to make money. The kind of construction that was produced was also questionable as in the Grenfell Tower that took 79 lives (Bubola 2022). We need to have a Localism Act in California to give back our control of our cities and towns.

In Fairfax, those promoting the idea of building more housing produced arguments charging the "no-growth" group with racism and elitism. While there was little evidence of this in interviews with town's people I conducted over 30 years in door-to-door and other sessions, it had considerable effect and especially with those genuinely concerned with these issues. It would be distorting to present Fairfax as divided between new and old residents or traditional vs "modern", it has unfolded in a more complex fashion with many in the building and trades industry divided into both "camps" as well as real estate agents, lawyers and architects. Peoples' views of development, density and diversity were expressed and molded in various contexts and influenced by personal friendships and perceived ideological positions. Often, however, those promoting development hid their personal investment or interests from their public positions.

### **Social Capital and Reciprocity**

Forms of reciprocity acted as social glue building social credit among families and produced solidarity, though the town's politics was not without conflict. Nevertheless, the town's neighborhoods functioned to ameliorate struggle via reciprocity as Durkheim (1915) argued and we see in communities across cultural lines (e.g., Firth 1936). This is seen embedded in exchange where custom and institutions are a framework for individual behavior engendering trust and discouraging malfeasance (Granovetter 1985), limiting the transformation of conflict into aggression as seen in Melanesia among the Manu (Fortune 1935) in the intercession of Sir Ghosts in regulating kin behavior in relation to others.

Contradictory elements embody the existence of this community in the 21<sup>st</sup> century. On the one hand, there was an attraction to the sense of interrelations which typify the idea



of an American community, yet at its core a fierce desire to protect a necessary privacy and individualism (Hsu 1972).

Fairfax's coffee shops teem with old friends and families eating and drinking together, of children who grew up locally and those of new arrivals. Families, friends and business associates spend time in each other's homes and the schools provide platforms for them to work together for community ends as they are defined. And while a general feeling acknowledges that parents desire their children to locate in town or nearby, the housing shortage and exploding costs of local existing housing makes that unlikely at best. Though census data show that only 59% of Americans live in the state where they were born and fewer in the town where they grew up (US Census 2015). Yet, at the same time there is a general agreement, often unspoken, but acted on in voting and initiative, that the town should not grow, that its character is threatened by growth, but every effort at affordability is defeated by the outside forces that determine housing policy and financing.

### **Disinformation as a Housing Policy Tactic**

The elements of community discussed briefly above, were often expressed as ideals (e.g., "we must preserve our small-town character") or laments with a political subtext as in, "housing is so expensive our children cannot afford to live here". Often there was a monetary motive, as in the public relations efforts of the building and real estate industries. Such values were generally expressed in Town meetings, local coffee houses, in local newspapers and political meetings at the local library or in homes during political campaigns. These ideas were not unique to Fairfax. Housing became the central issue over the past 30 years in town and as opposed to the bigger cities; it is not linked to homelessness. We can see these topics and the various slants they are treated to in the international press. A writer for the *Financial Times* has made a number of contributions to this problem.

An article by John Burn-Murdoch (2023b) points to one of the most significant factors in the decline of affordable housing, affordability. He also emphasizes a consequence of the current lack of affordability, young people living with their parents. However, I think this is a mistake. As someone who grew up in a farming family, our neighbors and we lived as three generations under one roof. Extended families in major cities were also common until the post-WWII period when large tracts of multi-unit housing were demolished during redevelopment and the elimination of the long existing ethnic neighborhoods of the major metropolitan areas. Immigrants have long used extended family arrangements to save for generational expenses including homes. PewResearch found that there has been an increase in multi-generational households from 1940 to 2020 (32million to 49 million) with a dip in 1970 to 26 million (<https://www.pewresearch.org/social-trends/2010/03/18/the-return-of-the-multi-generational-family-household/>), however, there has also been a very significant increase of single individuals living alone and couples without children.

For young adults, the Urban Institute found the situation was even worse with homeownership in 2022 at 37% a marked decline from 2010 (Goodman et al. 2023). It appears

the purchase of homes for rentals and (especially vacation units) by hedge funds, LLC holding groups and other investors has maintained the tight market and lack of affordability. The figures for people of colour, and especially African Americans reflects this substantial collapse to economic security that is growing for the median American family.

Another factor is the increase in dwelling size from 1900 to 2020 where the average family size has decreased. Therefore, the housing industry is building larger homes for fewer people. What we need are smaller units, single room occupancy buildings, condos of small size and efficiencies of under 500 square feet to meet the demand by young people for affordability in starter homes. Short-term, vacation rentals should be banned should also be banned as they reduce the very type of unit needed for a local workforce of young people to begin saving at affordable rates.

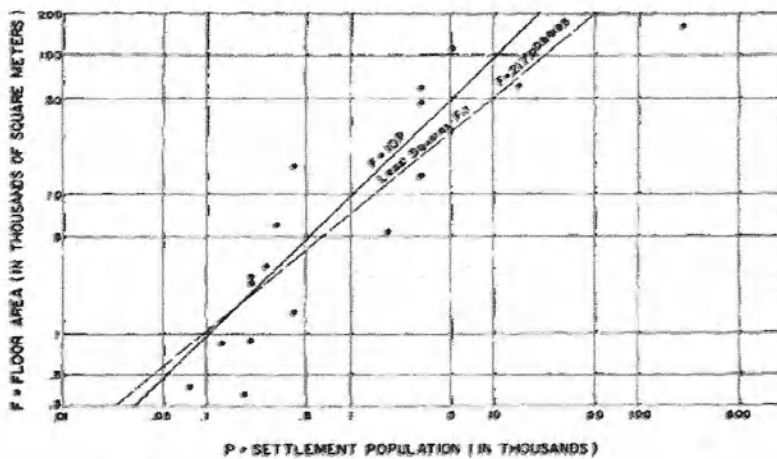


FIG. 1 [NAROLL]. Relationship between floor area and population in the largest settlements of 18 societies on a

The number of houses built by a people was a sum of the fertility (rate of population increase, decrease or stability), cost of building and degree of shelter provided versus the need for intimacy and other comfort factors. As Naroll (1962) demonstrates in his graphic representation of a study of housing density over time and cross-culture data. The larger and denser a population, the more space tends to be allocated.

In the past century considerations of housing condition, including safety and hygiene became important. Housing was considered to be substandard if it did not meet certain levels of health conditions defined differently in different industrialized nations (Fossum 1965). In the past 4 decades the idea of housing affordability became a central issue in urban economic studies and rocketed into the political scene in the past 30 years (Hulchanski 1995).

Homes have been getting bigger as families have gotten smaller and with current trends of people living alone we have a specter of the average 2,000 square foot home occupied by one person as opposed to 1920 with a 1050 square foot home with 5 people (see data below).

In 1940, data from the U.S. Census indicates about 20.2% of all homes in America were overcrowded, today that figure is 5.7%. We have succeeded in banishing the

overcrowding problem, but produced a space problem, too much space for too few people. Mr. Lake wants to reverse a sound trend to produce smaller, more efficient dwelling units for the McMansions of the 89s and 90s. This is not sustainable.

| Year | Av.House<br>Size sq ft. | floor<br>area | housing<br>starts | GDP per cap | Year | Av.House<br>Size sq ft. | floor<br>area | housing<br>starts | GDP per cap |
|------|-------------------------|---------------|-------------------|-------------|------|-------------------------|---------------|-------------------|-------------|
| 1920 | 1048                    | 242           | 247,000           | \$10,164    | 1950 | 983                     | 292           | 1,950,000         | \$16,057    |
| 1921 | 1011                    | 233           | 449,000           | \$9,743     | 1951 | 874                     | 262           | 1,490,000         | \$17,059    |
| 1922 | 811                     | 188           | 716,000           | \$10,141    | 1952 | 910                     | 274           | 1,500,000         | \$17,452    |
| 1923 | 742                     | 171           | 817,000           | \$11,284    | 1953 | 917                     | 279           | 1,440,000         | \$17,972    |
| 1924 | 777                     | 179           | 893,000           | \$11,409    | 1954 | 1140                    | 341           | 1,550,000         | \$17,560    |
| 1925 | 967                     | 223           | 937,000           | \$11,500    | 1955 | 1170                    | 351           | 1,650,000         | \$18,483    |
| 1926 | 994                     | 229           | 849,000           | \$12,086    | 1956 | 1230                    | 370           | 1,350,000         | \$18,547    |
| 1927 | 989                     | 228           | 810,000           | \$12,038    | 1957 | 1305                    | 392           | 1,220,000         | \$18,599    |
| 1928 | 1222                    | 282           | 753,000           | \$12,025    | 1958 | 1289                    | 386           | 1,380,000         | \$18,158    |
| 1929 | 1233                    | 284           | 509,000           | \$ 9,668    | 1959 | 1300                    | 389           | 1,550,000         | \$19,084    |
| 1930 | 1129                    | 275           | 330,000           | \$ 8,751    | 1960 | 1289                    | 387           | 1,300,000         | \$19,180    |
| 1931 | 1213                    | 295           | 254,000           | \$ 8,128    | 1961 | 1284                    | 382           | 1,370,000         | \$19,351    |
| 1932 | 889                     | 216           | 134,000           | \$ 7,035    | 1962 | 1309                    | 396           | 1,490,000         | \$20,220    |
| 1933 | 1267                    | 308           | 93,000            | \$6,906     | 1963 | 1450                    | 435           | 1,640,000         | \$20,799    |
| 1934 | 826                     | 201           | 126,000           | \$ 7,603    | 1964 | 1470                    | 441           | 1,560,000         | \$21,698    |
| 1935 | 992                     | 241           | 221,000           | \$ 8,223    | 1965 | 1525                    | 461           | 1,510,000         | \$22,820    |
| 1936 | 1129                    | 275           | 319,000           | \$9,226     | 1966 | 1570                    | 476           | 1,200,000         | \$24,046    |
| 1937 | 1135                    | 276           | 336,000           | \$9,639     | 1967 | 1610                    | 491           | 1,320,000         | \$24,438    |
| 1938 | 959                     | 233           | 406,000           | \$9,248     | 1968 | 1665                    | 515           | 1,550,000         | \$25,383    |
| 1939 | 1046                    | 254           | 515,000           | \$9,904     | 1969 | 1640                    | 514           | 1,500,000         | \$25,923    |
| 1940 | 1177                    | 321           | 603,000           | \$10,687    | 1970 | 1500                    | 478           | 1,470,000         | \$25,677    |
| 1941 | 1153                    | 314           | 706,000           | \$12,458    | 1971 | 1520                    | 489           | 2,050,000         | \$26,192    |
| 1942 | 2044                    | 557           | 356,000           | \$14,652    | 1972 | 1555                    | 508           | 2,360,000         | \$27,277    |
| 1943 | 1692                    | 461           | 191,000           | \$16,914    | 1973 | 1660                    | 551           | 2,050,000         | \$28,542    |
| 1944 | 837                     | 228           | 142,000           | \$18,046    | 1974 | 1695                    | 571           | 1,340,000         | \$28,134    |
| 1945 | 797                     | 217           | 326,000           | \$17,677    | 1975 | 1645                    | 560           | 1,160,000         | \$27,807    |
| 1946 | 817                     | 223           | 1,020,000         | \$15,467    | 1976 | 1700                    | 588           | 1,540,000         | \$29,023    |
| 1947 | 903                     | 254           | 1,270,000         | \$15,008    | 1977 | 1720                    | 601           | 1,990,000         | \$30,057    |
| 1948 | 800                     | 229           | 1,360,000         | \$15,364    | 1978 | 1775                    | 625           | 2,020,000         | \$31,395    |
| 1949 | 767                     | 224           | 1,470,000         | \$15,018    | 1979 | 1760                    | 633           | 1,750,000         | \$32,035    |



|      |       |       |           |          |
|------|-------|-------|-----------|----------|
| 1980 | 1740  | 630   | 1,290,000 | \$31,589 |
| 1981 | 1720  | 630   | 1,080,000 | \$32,088 |
| 1982 | 1710  | 629   | 1,060,000 | \$31,174 |
| 1983 | 1725  | 632   | 1,700,000 | \$32,324 |
| 1984 | 1780  | 657   | 1,750,000 | \$34,368 |
| 1985 | 1785  | 664   | 1,740,000 | \$35,508 |
| 1986 | 1825  | 684   | 1810,000  | \$36,423 |
| 1987 | 1905  | 716   | 1,620,000 | \$37,348 |
| 1988 | 1995  | 756   | 1,490,000 | \$35,566 |
| 1989 | 2,035 | 777   | 1,380,000 | \$39,610 |
| 1990 | 2,080 | 791   | 1,190,000 | \$39,919 |
| 1991 | 2075  | 789   | 1,010,000 | \$39,363 |
| 1992 | 2095  | 800   | 1,200,000 | \$40,225 |
| 1993 | 2095  | 788   | 1,290,000 | \$40,796 |
| 1994 | 2100  | 787   | 1,460,000 | \$41,931 |
| 1995 | 2095  | 791   | 1,350,000 | \$42,566 |
| 1996 | 2120  | 800   | 1,480,000 | \$43,668 |
| 1997 | 2150  | 814   | 1,470,000 | \$45,086 |
| 1998 | 2190  | 836   | 1,620,000 | \$46,547 |
| 1999 | 2223  | 852   | 1,640,000 | \$48,174 |
| 2000 | 2266  | 865   | 1,570,000 | \$49,600 |
| 2001 | 2324  | 901   | 1,600,000 | \$49,588 |
| 2002 | 2320  | 899   | 1,700,000 | \$49,995 |
| 2003 | 2330  | 907   | 1,850,000 | \$50,927 |
| 2004 | 2349  | 914   | 1,960,000 | \$52,380 |
| 2005 | 2434  | 947   | 2,070,000 | \$53,632 |
| 2006 | 2469  | 961   | 1,800,000 | \$54,541 |
| 2007 | 2521  | 985   | 1,350,000 | \$54,982 |
| 2008 | 2519  | 984   | 905,500   | \$54,309 |
| 2009 | 2438  | 949   | 554,000   | \$52,338 |
| 2010 | 2392  | 924   | 586,000   | \$53,218 |
| 2011 | 2480  | 969   | 608,800   | \$53,662 |
| 2012 | 2505  | 982   | 780,000   | \$54,451 |
| 2013 | 2598  | 1,023 | 924,000   | \$54,859 |
| 2014 | 2657  | 1,046 | 1,000,000 | \$55,762 |
| 2020 | 2300  | 920   |           |          |

Chart 1: House size and size per person with total units built and media income, by the author.  
<https://247wallst.com/special-report/2016/05/25/the-size-of-a-home-the-year-you-were-born/> and Statista

It is obvious that most nations the world over are searching for answers to the housing problem. Some examples in the press that are reported to be positive do not stand up on inspection. For example, in another article Burn-Murdoch (2023a) uses some recent studies to make rather illogical statements. He begins by twisting an old saw concerning capitalism, “All other things being equal, if the supply of a good or service increases, its price will decrease, unless that thing is housing”. As Adam Smith noted some 3 centuries ago, all other things are never equal and human self-interest is at the center of the process. The supply and demand factors are never operating in a vacuum of human perception or interest. As for all goods and services, housing also is affected by the needs of the builders, investors and landlords. These actors want the highest possible return on their investment; as a result holding off production to keep demand high is an obvious tactic. This is one reason why so many people mistake the reason for the high percentage of vacant properties in the US and the UK, though speculation by hedge funds and LLCs parallel those strategies of small owners and investors. This is not only due to government regulations or the cost of financing, but also because investors need to find a market that will return their investment at rates that

allow for them to continue in business. Keeping units from the market is one means of achieving this end.

While people desire large units and our cities and housing are largely designed for car use, the fact remains that we are not building affordable units but luxury units as shown both in recent studies in New York (Chen 2022) and San Francisco (Badger 2022, Nielsen 2022). Our building trends are not moving people to more desirable units or areas, but farther from work and city centers, increasing commute times and pollution. The problem is not NIMBYS or in builders or investors but in the lack of affordable social housing, built as quality units and amortized to provide for proper maintenance and security. But this is a worldwide trend related to the rise of the global economy from the 70s to the 2010s (Sassen 2012).

### **Local Effects of Lies and Distortion**

Lies, rumor and propaganda function in this environment to distort conditions and confuse people as well as delegitimize leaders, institutions and organizations that might oppose development. Respected local, national and international organizations are the objects of abuse if they are perceived to resist. The Sierra Club has faced numerous threats and submitted to many dubious compromises in the face of relentless pressure from developers (see, for example, Solnit 2004). Ben Christopher's article (2024) on the new bills on housing, including that by State Sen. Catherine Blakespear, reports on another attack by the building industry on local control and protections of the environment. Under the guise of a housing crisis of their own making, builders and investors have taken aim at democratic institutions and laws protecting our natural environment like the California Coastal Commission and CEQA.

In the context of Fairfax, the use of distortion and falsehood by developers, real estate agents and builders has the effect of disarming local support for open space, low-density ordinances, zoning and permits. Real estate agents routinely told home buyers to ignore local ordinances requiring permits for things like additions, remodel of existing structures, updating plumbing and electrical. In the campaign to defeat Councilman Frank Egger, these actors blamed Egger for rising costs, permit delays, denials of permits (even when the permit requests were clearly in violation of codes or building practice or they were incomplete as filed). As a result, and in an attempt to clarify the situation, I began a study of permitting. Permit delays are often blamed for the housing crisis as are inspections, and plan authorizations (Gardiner and Nielsen 2022). The situation is not so clear and there is evidence, parallel to my report here that towns and cities are doing a careful, professional and due diligence in the time to process permits (Gardiner 2022). While there is a considerable body of building and real estate industry funded research on permits, they focus on small samples and appear to inflate and distort the situation. A national study by the Federal Reserve Bank of St. Louis (Famiglietti 2019) found that permits and cost of housing were not closely related. Permits do not mean housing starts, but are forward looking actions by builders or investors, often based on interest rates, available land and land and financing costs.

Dishonesty appears in a community based on a number of factors that determine its frequency of expression and form as Hsu (1972) noted in his comparison of Chinese and American cultures. Cheating on taxes or manipulating appraisal to increase or decrease value are common factors affecting housing. A national scandal over falsified appraisals resulted from a study in 2007 by New York's attorney general (Said 2007). So, while the real scandals were in tax evasion, especially in construction by various means including using undocumented labor (Hardy and Danch 2023), cheating taxes on payroll (Nation 2006) and appraisals, and the credit crisis magnified by sub-prime loans, the public was distracted by false issues like permits. Tax evasion is neither new nor limited to the USA in construction, as Luzgina (2017) has summarized.

It is not just the political consequences of propaganda that is a problem but also the poisoning of the community spirit, a campaign of division is organized and a victim focused on. This has become commonplace in 2023 in the wake of Donald Trump's presidency and the MAGA campaigns on the 2020 election, though the fabric of such behavior was seen in the Tea Party and anti-communist activities of people like Joe MaCarthy (Carleton 1987). I had seen some underhanded political acts, mudslinging in exaggeration and the use of hearsay and rumor both in San Francisco from the 1960s to the early 1990s as well as in Hayward and Castro Valley where I grew up. What was astonishing was the vitriol and pure anger that was joined to wild distortions and lies in the campaign to defeat the re-election of Mr Egger. This process of creating anger and aiming it at certain individuals as scapegoats is not new, nor making the government foreign, as in most populist movements as the "deep state" claims of right-wing Trump supporters of various types of conspiracy theories (Tuters and Willaert 2022). We see a long history, especially in the modern context of land use and ownership changes as Hobsbawm (1959) has described.

Early in the election cycle signs appeared on buildings and posts urging people to "Dump Egger Protect Property Rights", along with "Oust Egger" bumper stickers. One argument that seemed reasonable was that Mr. Egger was the longest sitting councilperson in California and his opponents argued that it was time for a change. But when asked why this was a problem, they had no specific explanation. Questions like, do not people have the right to elect whomever they want? They would only answer in vague statements like, "He has it sewn up". It has always seemed strange to me that the people behind term limits initiatives and recalls are generally Republicans. They usually hide a basic fear or antagonism of the general voting public, and their propaganda is usually laced with platitudes about the need to have "new" or "younger" people run or that the unions dominate the election of incumbents. When I complain that term limits undermine my freedom to choose who I want to represent me, the answer is often that I am biased. Yet in the context of Republican led programs to suppress the vote across the country it is hypocritical (Kamarck 2023).

### **Who Benefits? The Disuniting of Civic Life**

In 1991 Arthur M. Schlesinger, Jr. wrote *The disuniting of America*. He was concerned that the civic institutions that promoted integration and the idea of the "Melting Pot" of our

national ideal were under attack and faltering. Oliver Roy (2024) has expanded this same paradigm to most of the world, arguing that there is a crisis, rather a fault zone between classes and youth and tradition where association and belief in institutions is eroding. The lack of trust and general agreement in how to govern is under attack at a time when concepts of nationalism and belonging as members of traditional social organization are evaporating. Corruption and belief in an unfair economic system are central and this pertains to our local problem with construction and local government. Before the 2007 credit crisis, bribery and corruption was so embedded in the world construction industry that the Executive Director of the World Economic Forum, Peter Matthews (2016), in a comprehensive world assessment pointed out the institutional pattern.

Even today, but as in the 1990s in Fairfax, we hear that it is near impossible to acquire building permits and planning authorization for the simplest repairs or alterations to a home let alone for new construction. The literature on this question is unclear due to, 1. The poor quality of most published materials, often ranging from promotion to opinion, and 2. The fact that application of regulation varies widely usually because of variation in law, local land availability and conditions and differences in the political processes governing implementation (Quigley and Rosenthal 2005).

As a homeowner, I was concerned about getting permits for work on my house. As a Councilperson, I canvassed surrounding communities to compare Fairfax with other towns in Marin and the Bay Area in general. The results of my survey show that the time and effort expended in acquiring a permit for any purpose does vary significantly in the Bay Area. However, Fairfax's practice, at least shown by data randomly collected from 3 of the 4 years of the highest number of claims and associated with the drive against Mr Egger (2000 to 2004), does not significantly differ from that found in the rest of the Area. If this is true, then what is the reason for the attitude we find that is contrary to fact?

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### **Cultural Elements and Attitudes**

Fairfax has a reputation as a "laid back" hippie town as well as an old resident ethnic tradition (mainly Italian) and this creates a milieu of significant tolerance. Another characteristic I found was a general attitude, especially among older resident families of being left alone, an independence of mind very different from political independents. The town was seen as more than liberal and its "green" credentials grew from the 50s to the 2000s.

Often builders would propose buildings or renovations that were in violation of zoning, yet would lobby, threaten lawsuits with their lawyers and be given exceptions, called "variances" from the zoning. While this shocked me, I found most townspeople considered it to be acceptable, a sort of "live and let live" approach. For example, one resident was told by a real estate agent that permits were not necessary when he first moved into town. This attitude by some real estate agents was verified by numerous respondents in interviews. The outcome, however, was that small houses that should not have been demolished or allowed to be turned into "McMansions".

### **Some Findings on Contractors, Permits and Town Staff**

I surveyed homeowners in Fairfax over the past 30 years to find out if their experiences could establish some guidelines for understanding both the behavior of contractors and real estate agents, and that of town staff. The findings are as follow:

1. Many contractors refused to write contracts. This seemed to be made more frequent after Covid hit.
2. Many contractors offered substantial discounts if paid in cash.
3. Many contractors suggested that permits were unnecessary and simply slowed the job and made it more expensive, implying permits were just a means for towns to make money. Most also offered discounts if they did not have to get permits, or suggested the homeowner get the permits and pretend they were doing the work.
4. Some real estate agents suggested that permits increased assessments and property taxes, which is true, and it was best to avoid them as they seldom affected resale.
5. A majority of real estate agents referred homebuyers to specific contractors who could “get by” permit problems or non-conforming elements of a house that otherwise would have to be modified or abated.
6. A number of contractors failed to provide a valid license (some were working with another individual’s license or an expired license). When challenged and when a provided license was checked with the State of California’s Contractor’s State Licensing Board (CSLB), discrepancies were found.
7. A substantial number of contractors required or strongly suggested it best for homeowners to get permits themselves if they wanted them. This indicates that they may have legal problems with their permits or have lawsuits against them for substandard work, etc. Though a search for confirmation of such problems did not support that conclusion in many cases. Some contractors may simply want to avoid regulation or taxes.

Obviously, the most contractors and real estate agents are professionals and eschew such behavior, but a minority are producing an effect which gives the negative attitude about permits support.

It does seem that some portion of this response is due to political attitudes of anti-government beliefs as some respondents volunteered. The effect on homeowners can be economically positive if the contractors are honest despite their negative attitudes on permits.

Though the gray area is “homeowner” work, which in many cases is exempt from permits or inspections. When a homeowner declares they are doing the work themselves, several town building inspectors told me they are less likely to be fined or made to make changes.

### **Conclusions**

This trend is not new, nor is it particular to Marin County. In an earlier essay Caldararo, (2017) reported on a study of the South of Market community in San Francisco where a



vibrant working-class community, interspersed among warehouses, small factories, workshops and a Filipino community was destroyed in less than 2 decades and replaced by luxury apartments and condos and new high-rise commercial buildings. This transformation was discussed below in my book on the Goodman Building, and both can be viewed in the fashion which Krase (2012) has delineated in both culture change and change of economic interests, neighborhood and community and class.

So, I have documented how builders, developers, real estate agents and land investors and housing speculators, all in the course of their perception of their businesses act to destroy community and make housing unaffordable. This is not to say they are evil, but only to note, as Hsu (1972) has that the character of culture promotes certain economic forms of activity. It is obvious too, that community, while a popular ideal is also considered the enemy of progress. This contradiction has had a number of effects on demography. It is also true that where one has benefits and value, as in small town lack of density, tree lined streets, small schools and vibrant community organizations that promote high social capital, you also have the opportunity to profit from these conditions. Selling the small town ideal results in increased housing prices by big city residents moving to what they believe is a positive value. Building more housing in the small town and densifying its neighborhoods, reduces the benefits of social life.

The trend of adult children living at home, having decreased from 1900 to the 1960s and then increased again, and especially during the past 20 years, has had some positive results. Aside from caring for elderly parents and grandparents, there has been a reinvigoration of extended families and this has had an important effect on local communities and economies (Arnett 2020). In Fairfax, with its large number of small homes, additions, notably of second units have helped in this process. What form this will take in the future is difficult to assess from available data, but it might change or reverse patterns of atomization that have characterized the past 50 or 60 years.

Some psychologists and technology critics have argued that smart phones, computers and other electronic devices are contributing to atomization, depriving children of social interaction and dividing family life (Haidt 2024). But these fears have attended the appearance of new technologies, suburbs and changes in jobs for parents for more than 200 years. When I have observed children using electronic devices like smart phones, I have noted that it is not fundamentally different from when children play alone, create their own stories and games and magnify these with imagination that creates a rich background for social interaction. As a person who played alone as a child, I can add that I do not think it made me anti-social or deprived me of a rich family life or playmates. The future will describe how these new maps to human consciousness will function and contribute to society. Perhaps a greater problem, and one that is seen in the wake of the Covid pandemic, is the break from the lack of free time for children prior to the disease. The idea of the “over-scheduled child” where each hour of each day is filled with activity was replaced by a lack of structure much more typical of previous periods of childhood (Rosenfeld and Wise 2001, deMause 1974).





Fig 2. Image of a child playing with an electronic device (ipad) at a family party with mostly adults present. The ability of the child to entertain themselves can be a sign of maturity (by the author).

Problems with permits and housing cost as well as other pressures on honest reporting of problems in housing are beset with many political interests and stakeholder investments. As in the cases of kickbacks and bribes found among real estate agents, loan officers, insurance agents, contractors and builders in 2005 under then California State Insurance Commissioner John Garamandi, the problems are systematic and embedded and require considerable resources to correct (Abate, 2005). The main problem, however, as noted in this study, is not local democracy or the environment.

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