

## ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202 )

**Jurisdiction** City of Walnut Creek  
**Reporting Period** 1/1/2017 - 12/31/2017

**Table A**

### Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information								Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income			See Instructions	See Instructions	
none							0				
(9) Total of <b>Moderate and Above Moderate</b> from Table A3 ▶ ▶ ▶ ▶ ▶ ▶ ▶					6	119	125				
(10) Total by income Table A/A3 ▶ ▶ ▶					6	119	125				
(11) Total <b>Extremely Low-Income</b> Units*											

\* Note: These fields are voluntary

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**Table A2**

**Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant**

**to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c )(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	n/a
(2) Preservation of Units At-Risk				0	n/a
(3) Acquisition of Units				0	n/a
(5) Total Units by Income	0	0	0	0	

\* Note: This field is voluntary

**Table A3**

**Annual building Activity Report Summary for Above Moderate-Income Units  
(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for <b>Moderate</b>				6		6	
No. of Units Permitted for <b>Above Moderate</b>	35	29	55			119	

\* Note: This field is voluntary

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**Table B**  
**Regional Housing Needs Allocation Progress**  
**Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.												Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed Restricted	604			42							42	562
	Non-deed restricted												
Low	Deed Restricted	355			16							16	339
	Non-deed restricted												
Moderate	Deed Restricted	381											361
	Non-deed restricted		1	2	11	6					20		
Above Moderate		895	325	184	392	119						1,020	-125
Total RHNA by COG. Enter allocation number:		2,235											
Total Units ▶▶▶			326	186	461	125						1,098	1,137
Remaining Need for RHNA Period ▶▶▶▶▶													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

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**Table C**  
**Program Implementation Status**

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report - Government Code Section 65583.</b> Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
H-1.A. Mixed Use Zoning Designations The City shall develop new zoning designations that are consistent with the Mixed Use General Plan Land Use Designations and require that new development includes a residential component in the Mixed Use/Residential Emphasis land use categories. Include measures in the new Mixed Use Residential and Mixed Use Commercial zoning districts, consistent with the General Plan adopted in 2006, that encourage and facilitate the development of new housing for lower-income families by: <ul style="list-style-type: none"> <li>• revising Design Review standards and processes;</li> <li>• revising permitting process procedures; and</li> <li>• providing incentives and flexibility in development standards.</li> </ul>	N/A	FY 15-16	The City adopted new zoning regulations for Mixed-Use Commercial (MU-C) and Mixed-Use Residential (MU-R) general plan land use classifications in October 2016. These new regulations include specific provisions which encourage the development of new housing, as well as flexible design and development standards. The West and North Downtown Specific Plans will designate new sites for mixed-use zoning, and both plans are anticipated to be adopted in 2018.
H-1.B. Second Family Units The City shall review, and update as necessary, the City's Second Family Unit Ordinance to address concentration issues that would provide more flexibility aimed at increasing the supply of second family units. The City shall consider modifying or removing the Zoning Ordinance requirement that the number of second units in a Census Tract may not exceed 5 percent of the number of single-family homes in that Tract. The City shall promote the Second Family Unit Ordinance as a method for creating affordable housing and meeting inclusionary housing requirements by continuing to post information on the City website and by distributing handouts.	40 second family units in the 8-year cycle	ongoing	The City continues to implement the second family unit (now ADU) ordinance, and adopted a significant update in 2017 which removed the limits on the number of ADUs permitted in each census tract and significantly lessened the parking requirements.
H-1.C. Innovation Through the Planned Development Process The City shall encourage the use of the planned development process to allow innovative approaches aimed at increasing affordable housing and developing residential projects on smaller lots. During the Preliminary Review Team process, the City shall facilitate maximum allowable density and good design by explaining benefits of the Density Bonus Ordinance, by offering reduced parking requirements for low-income housing, and allowing flexibility of development and parking standards within Planned Development re-zoning.	N/A	ongoing	The city continues to encourage the use of the planned development process to allow for innovative approaches to developing residential projects. In 2016, staff worked with several developers seeking guidance on the application of the local and state density bonus law.

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<p>H-1.D. Opportunities Sites Inventory The City shall make available to developers a list of Opportunity Sites potentially suitable for affordable housing by posting the list on the City website and providing copies of the sites and Housing Element to developers in one-on-one meetings. The City shall update the Opportunity Sites at least annually, or as projects are approved on the sites or key other sites become available.</p>	N/A	Annual Updates	<p>The opportunity sites inventory is periodically reviewed and updated as projects are approved on the sites or as other sites become available. Since the time of the last Housing Element update, construction has started on 58 affordable units on the Kneppers Property in opportunity site C-10 (1511 Riviera Avenue) and the Oliver Properties in opportunity site C-11 (1716-1738 Riviera Avenue). Of these 58 units, 41 will be affordable to very low income households, 16 will be affordable to low income households, and 1 (the manager's unit) will be affordable to a moderate income household. The Housing Element identified a realistic net new capacity of 53 units, whereas the actual construction is resulting in a net increase of 55 units.</p>
<p>H-1.E. Reuse of Institutional Sites As institutional sites become available for redevelopment or reuse, the City shall consider whether or not residential uses would be appropriate for the sites. Based on the findings of the study, if the sites are found to be suitable for residential uses, the City shall take appropriate actions to encourage the development of the sites, such as contacting developers, including affordable housing developers.</p>	N/A	Ongoing	<p>The BART transit village received its approvals in 2015. The mixed use project will provide 600 units, and pay between \$6-\$7 Million into the City's Housing Trust fund. Construction began in Fall, 2017.</p>
<p>H-1.F. Monitor Sewer and Water Capacity The City shall monitor the capacity of sewer and water systems. Should a constraint develop, the City shall give priority to residential land uses over non residential land uses, regardless of the demand generated by these uses. Specifically, consistent with State law, the City shall provide priority status for water and sewer services for residential projects serving lower-income households.</p>	N/A	Ongoing	No update
<p>H-2.A. Pursue State and Federal Funding for Affordable Housing The City shall work to secure additional funding from State, Federal, and regional sources and support applications for funding that can be used to help increase the supply of affordable housing in Walnut Creek. Such programs may include, but are not limited to:  <ul style="list-style-type: none"> <li>• One Bay Area Grants awarded by the Association of Bay Area Governments;</li> <li>• HUD Section 811 funding for supportive housing for extremely low-income residents;</li> <li>• HCD Local Housing Trust Fund Program;</li> <li>• The state Infill Infrastructure Grant program, sponsored by the Department of Housing and Community Development (HCD); and</li> <li>• The state Multifamily Housing Program (MHP), sponsored by HCD.</li> </ul>           The City shall also identify Community Development Block Grant (CDBG), City revolving bond funds, and other sources of funding to assist with the purchase of land for affordable housing.</p>	Secure new funding to support 100 affordable units	At least once a year, evaluate the feasibility of pursuing additional funding from other sources, such as HCD and HUD	<p>The City is actively reviewing and researching grant opportunities as they come up. Two current affordable housing projects have been successfully competed for 9% tax credits (with City funding already committed and counted as leverage). The City is also awaiting the call for projects for the One Bay Area Grants which should come out soon. Several staff in the CED department, including the Housing Program Manager, are on the HCD and HUD email list for notification of upcoming grant opportunities.</p>

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<p>H-2.A. Local Funding for Affordable Housing The City shall continue to allocate commercial linkage and housing impact fees for extremely low-, very low-, low-, and moderate-income housing for the City's approved housing programs, which may include new construction, acquisition, and rehabilitation of affordable housing, as well as other housing programs such as first-time homebuyer assistance.</p>	<p>Allocate funding to leverage additional resources to create 170 affordable units in the 8-year cycle.</p>	<p>Ongoing</p>	<p>In 2017, the City allocated \$2.5 million to fund new affordable housing developments in Walnut Creek, including \$1.5 million committed to St. Paul's Commons, a proposed 45-unit affordable rental project (for a total commitment of \$5 million).</p>
<p>H-2.C. Allocate CDBG Funding The City shall continue to participate in the Contra Costa Consortium and shall continue to set aside a portion of the City's Community Development Block Grant (CDBG) annual allocation for housing programs, consistent with the Contra Costa Consortium Consolidated Plan and the City's Annual Action Plan requirements.</p>	<p>N/A</p>	<p>Set aside funding annually</p>	<p>The City continues to allocate and use CDBG funds annually for housing programs, including the Home Rehabilitation Loan and Emergency Grant Program. The city continues to be an active participant in the Contra Costa County Consortium.</p>
<p>H-2.D. Inclusionary Housing Ordinance The City shall continue to implement the Inclusionary Housing Ordinance. The City shall evaluate whether it is necessary to prepare an updated nexus study. If a nexus study is conducted, the City may update the Inclusionary Housing Ordinance based on the findings of the study.</p>	<p>N/A</p>	<p>FY 20-21</p>	<p>The City continues to implement the Inclusionary Housing Ordinance. Due to recent housing cost increases for both rental and ownership housing, the City contracted with a consultant to update the residential Nexus Study in October 2015. The draft studies were completed in early 2016 and policy and fee recommendations were reviewed by Planning Commission in July 2016 and by City Council in January 2017. The policy and fee recommendations were discussed at a joint City Council/Planning Commission meeting in 2017. City staff updated the Inclusionary Housing Ordinance to reflect new state law, restoration of inclusionary rental units (after AB1505 passed), an increase to the Housing In Lieu Fee to \$18.00 per sq.ft., and other changes such as eliminating a tier fee system, requiring the ordinance and fee be applied to developments with one or more housing units with the exception of ADUs, and revising the definitions to require development projects to either pay a Housing In Lieu Fee or provide affordable units. City Council adopted the revised Inclusionary Ordinance in November 2017 and the Ordinance took effect in January 2018 and would apply to development projects approved after January 2, 2018.</p>
<p>H-2.E. Nexus Study for Commercial Linkage Fee The City shall prepare an updated the nexus study for the Commercial Linkage Fee and, based on the findings of the nexus study, the City may update the fee.</p>	<p>N/A</p>	<p>FY 15-16</p>	<p>The City contracted with Economic and Planning Systems, Inc. (EPS) to update the Residential and Commercial Nexus study in October, 2015. The draft studies were completed in early 2016 and policy and fee recommendations were reviewed by Planning Commission in July, 2016; and by City Council in January, 2017. The policy and fee recommendations were discussed at a joint City Council/Planning Commission meeting in 2017. City staff updated the Commercial Linkage Fee Ordinance and the City Council adopted the revisions in November 2017. The primary changes include the elimination of the first 1,000 sq.ft. exemption and an expansion of use classifications subject to the commercial linkage fee such as skilled nursing facilities and hospitals.</p>
<p>H-2.F. Housing Proponents The City shall maintain a list of housing advocates and provide information regarding affordable housing projects and potential housing opportunities to these organizations and individuals on an as-needed basis.</p>	<p>N/A</p>	<p>Update List Annually</p>	<p>The City maintains a list of housing advocates and provides information regarding affordable housing projects and opportunities. The City also maintains an "Interest List" of people who are seeking affordable housing. Additionally, interested parties are now able to sign up online to receive notifications of all public meetings for the City and affordable housing news and information.</p>

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<p>H-2.G. Community Housing Forums The City shall work with local community organizations to organize housing forums to discuss community housing and homeless issues, brainstorm solutions, raise community awareness of the critical housing needs of local residents, and educate the public on the myths and realities of multi-family housing, affordable housing, and supportive housing.</p>	N/A	15-16 and annually thereafter	<p>City staff is an active participant in the local Community Task Force on Homelessness (comprised of City staff, police department, county departments, local businesses, and community partners), which discusses homeless issues, including challenges, success, and the emergent needs of the homeless, and how to address those needs. As an action item towards City Council's 2017-2018 top priority of Improving the Affordability and Availability of Housing, the City created a public information campaign to educate and engage the community on housing affordability and affordable housing. The campaign uses a broad range of education and outreach methods to provide diverse accessible opportunities for community input. Staff offers presentations to community groups covering a range of issues, including the state-wide housing crisis, its causes, impacts, and possible solutions, and information on the City's policies and programs. Presentations were given to educate and inform the Methodist Church and Youth Commission in the fall of 2017, and to City Council and Civic Affairs Committee in the winter and spring of 2018. Walnut Creek released a Housing Affordability Survey asking the community for their thoughts on housing affordability. The results show high awareness of the housing crisis and high support for affordable housing development, with concerns about potential impacts such as traffic and safety. Staff have also reached out to members of the community to get personal stories to put a face to the impacts. The campaign content is promoted through various social media outlets such as Facebook, Twitter, Nextdoor, Nutshell Newsletter, City webpage, and a subscriber email list. Walnut Creek is involved in the East Bay Organizations' (EBHO) 2018 Affordable Housing Week as city staff wrote an article that will be published in EBHO's 2018-2019 Affordable Housing Guidebook that will be distributed throughout the East Bay Area region. The City will also host a panel discussion event in Walnut Creek during Affordable Housing Week to educate the community about housing affordability and affordable housing. Furthermore, the City purchased an ad on EBHO's guidebook to promote Walnut Creek's affordable housing programs.</p>
<p>H-2.H. Mortgage Revenue Bonds The City shall continue to collect and to allocate revenues generated from the early redemption of Mortgage Revenue Bonds 1984 Issue for affordable housing programs.</p>	N/A	Allocate Funding Annually	<p>The one mortgage revenue bond that generated revenues was paid off early and is no longer generating revenues.</p>
<p>H-2.I. Mortgage Credit Certificate Program The City shall continue to participate in the Mortgage Credit Certificate Program, administered by the Contra Costa County Department of Conservation and Development, to assist low-income first-time homebuyers purchase a home. The City shall publicize the program on the City website and prepare and distribute written materials.</p>	30 Credits over 8-year cycle	Ongoing Promotion of the MCC program via website and brochure	<p>The City has links to the MCC program on its website.</p>
<p>H-2.J. First Time Homebuyer Assistance Program The City shall continue to provide assistance to eligible first-time homebuyers in Walnut Creek through the City's First-Time Homebuyer Assistance Program.</p>	40 loans over the 8 year cycle	Ongoing	<p>The City continues to administer the First Time Homebuyer Assistance program. The program is currently underutilized due to the widening affordability gap in ownership housing. The City is still considering revising some of the program criteria, such as higher maximum loan amounts, to increase use. One loan has been approved in 2017. There has been interest from lenders to be involved in the program and become participating lenders. The City retains and updates a list of participating and interested lenders and may hold a First Time Homebuyer Lender Training in 2018 to train and retrain lenders to participate in the program.</p>

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<p>H-2.K. HOA Helper Grant Program In partnership with the Contra Costa Association of Realtors (CCAR), the City shall continue to offer eligible new first-time homebuyers grants to cover a portion of their homeowners association dues.</p>	20 grants over the 8-year cycle	Ongoing	In 2015, the HOA Helper grant was fully expended and the CCAR is not able to renew for another year. The City will continue to seek opportunities to partner with the CCAR for future programs.
<p>H-2.L. Housing Choice Voucher Program The City shall continue to coordinate with the Contra Costa County Housing Authority to ensure full use of the Section 8 Rental Assistance Payments Program in Walnut Creek.</p>	300 extremely low- and very low-income households	Ongoing promotion via the City website and brochure	Utilization of Housing Choice Vouchers in Walnut Creek has become increasingly difficult due to the vast discrepancy of market rate housing costs and HUD's FMR's for the voucher program. In 2015, the City partnered with other agencies and jurisdictions in Alameda and Contra Costa County's to hire a consultant to do a market rent study, the results of which helped to increase the HUD's FMR determination. However, the waitlist for Housing Choice Vouchers continues to be long, and recipients still have challenges finding units affordable enough to use the program.
<p>H-2.M. Density Bonus Ordinance The City shall continue to allow density bonuses consistent with State law and the City's Density Bonus Ordinance. The City shall update the Density Bonus Ordinance to allow units that are required to be maintained as affordable units pursuant to the City's Inclusionary Housing Ordinance to be considered restricted affordable units for the purposes of determining whether the housing development qualifies for a density bonus. The City shall promote the Density Bonus Ordinance by maintaining materials on the City website and by discussing the density bonus with developers at preliminary application review meetings.</p>	50 low- and very low- income units	FY 15-16	The City continues to implement the Density Bonus Ordinance by allowing density bonuses and concessions/incentives consistent with State law. In May, 2017, the City gave a presentation on the Density Bonus Ordinance to local developers. In the past year, several residential developers have shown interest in requesting density bonuses, and one submitted a pre-application in October 2017 that utilizes the Density Bonus. The City released a Request for Proposals (RFP) in January 2018 to seek professional planning services from qualified consultants to prepare an update to the City's Zoning Ordinance in order to address changes in State law related to Density Bonus that took effect on or before January 1, 2018. The consultant will also conduct outreach and analysis, and provide options and seek input for additional local incentives to facilitate affordable housing. The selected consultant will review and update the City's existing Zoning Ordinance related to Density Bonus, and Inclusionary Housing. The proposed amendments to the City's Ordinance seek both to expand the City's Density Bonus regulations and to ensure the City's compliance with State Laws related to Density Bonus.
<p>H-2.N. Legislative Advocacy for Affordable Housing The City shall continue to actively advocate for additional financial resources for affordable housing as legislation that supports affordable housing advances through the State or Federal legislature.</p>	N/A	Ongoing	The City continues to actively advocate for additional financial resources for affordable housing as legislation that supports affordable housing advances through the State or Federal legislature. In 2017 the City sent a letter in support of several of the housing bills.
<p>H-2.O. Coordinate with Contra Costa County for Affordable Housing The City shall support the efforts of the Contra Costa County Housing Authority and the Contra Costa County Consortium to increase the supply of affordable housing in Contra Costa County. The City shall coordinate with the Contra Costa County Housing Successor Agency on the Las Juntas site. The City shall also jointly apply for federal grants, such as Homeless Prevention and Rapid Rehousing funds.</p>	N/A	Ongoing	The City continues to participate in the Contra Costa County CDBG and HOME Consortiums and maintains a close working relationship with County Housing staff. The City, County and Habitat for Humanity worked together to finalize a purchase and sale agreement for the Las Juntas site owned by the County's former redevelopment agency, with final sale occurring in 2016.



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<p>H-2.P. Affordable Housing and Anti-Displacement Strategies in the West Downtown Specific Plan Area The City shall analyze potential affordable housing and anti-displacement policies and develop a strategy to protect and improve housing affordability and protect lower-income renters from displacement in the West Downtown Specific Plan Area. The City shall study and consider possible implementation policies including:</p> <ul style="list-style-type: none"> <li>• requiring replacement housing for all units affordable to lower-income renters that are removed or converted to non-residential use;</li> <li>• increasing the relocation assistance to renters who are displaced as a result of development activity enabled by the Specific Plan to the level of assistance required by the Federal Uniform Relocation Act, or comparable levels of assistance, which would allow displaced residents to continue to live in Walnut Creek;</li> <li>• encouraging or requiring developers to dedicate land in the West Downtown Specific Plan area for affordable housing development; and</li> <li>• increasing the City's housing impact fee, commercial linkage fee, and inclusionary requirement.</li> </ul>	N/A	Strategies to be developed FY 2014-2015	The revised draft of the West Downtown Specific Plan was released for public review on February 24, 2018 and identified a range of potential anti-displacement strategies, with several recommended for future pilot programs, and one (increased displacement assistance for tenants) recommended for adoption concurrent with the Plan's adoption.
<p>H-2.Q. Act as Successor Agency and Housing Successor Agency for Redevelopment Agency The City shall act as the Successor Agency and Housing Successor Agency and carry out the responsibilities and obligations for the former redevelopment agency.</p>	N/A	Ongoing	The City of Walnut Creek is acting as both Successor Agency and Housing Successor Agency for the former Redevelopment Development Agency. The City continues to carry out the responsibilities and obligations for the former redevelopment agency.
<p>H-2.R. Land Value Recapture Strategy The City shall study the benefits and drawbacks of implementing a land value recapture strategy to generate resources for affordable housing, infrastructure improvements, and/or other community benefits. The City shall consult with members of the non-profit and private sectors in conducting the study.</p>	N/A	FY 2014-2015	The City has explored a community benefits zoning strategy for the West Downtown Specific Plan and the North Downtown Specific Plan that would have the same or very similar benefits to affordable housing development as a land value recapture strategy. However, in light of the recently adopted changes to the State's housing laws, it was found infeasible to offer additional bonuses or incentives above what is possible under state law.
<p>H-2.S. Analyze Boomerang Funds The City shall conduct an analysis of funds received as part of a one-time distribution of liquidated Low-Moderate Income Housing Trust Funds of the former Redevelopment Agency (aka "Boomerang funds") and consider options for allocating a portion of the Boomerang Funds for the development of affordable housing.</p>	N/A	FY 2014-2015	Because they City's Redevelopment Areas were winding down at the time of the dissolution, any potential boomerang funds would have been minimal.
<p>H-2.T. Regional Collaboration on Affordable Housing and Homelessness The City shall participate in regional educational forums, including the Contra Costa Mayors' Conference and other venues, to exchange ideas and discuss strategies to address homelessness and affordable housing.</p>	N/A	Ongoing	The City participates in the local Community Task Force on Homelessness (comprised of City staff, police department, county departments, local businesses, and community partners), which discusses homeless issues, including challenges, success, and the emergent needs of the homeless, and how to address those needs. The City also participates in the Contra Costa Continuum of Care Council on Homelessness and the Contra Costa Mayor's Conference. The Housing Program Manager is on the Coordinated Entry Oversight Committee, which has oversight of the new county-wide homeless service delivery system (Coordinated Entry).

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<p>H-2.U. Priority Review of Affordable Projects The City shall develop a procedure to provide priority review to affordable housing developments (i.e., projects in which all units are affordable to moderate-, low-, very low-, or extremely low-income households).</p>	N/A	FY 2016-2017	<p>The City prioritizes review of affordable housing projects and works closely with the affordable developers to meet their funding timelines and related deadlines. Planning Staff diligently worked to streamline the entitlement process for St. Paul's Commons (100% affordable rental project - 45 units) in order to meet the March, 2016 AHSC grant application deadline. And later, staff streamlined a funding request for St. Paul's Commons in order to meet the 9% tax credit application deadline.</p> <p>As part of the City's "Blueprint for Success" process, the City is actively piloting strategies for priority review and permitting for affordable housing developments. The City anticipates formalizing those strategies into a shared internal policy by spring 2018.</p>
<p>H-2.V. Score Opportunity Sites The City shall collaborate with local non-profit organizations to "score" the Opportunity Sites based on proximity to location amenities that are part of the scoring criteria for the Low Income Housing Tax Credit program (e.g., proximity to transit, public parks, libraries, grocery stores, schools).</p>	N/A	FY 2015-2016	<p>MidPeninsula Housing conducted a LIHTC analysis of the City's opportunity sites based on proximity to location amenities that are part of the scoring criteria for the Low Income Housing Tax Credit program.</p> <p>A majority of the parcels included in the housing element score well for LIHTC. Cumulatively, the parcels that fared well when compared to site and amenity criteria could result in 1,445 additional very-low and low-income homes, exceeding the city's VL/LI allocation of 959.</p> <p>Compatibility against LIHTC criteria is one component of the adequate sites inventory. Other key considerations will influence whether development takes place at all or whether development that moves forward is affordable. The following were some concerns raised by the reviewer:</p> <ul style="list-style-type: none"> <li>• All but 4 of the sites identified are smaller parcels with different owners.</li> <li>• There are currently existing uses on the identified sites</li> <li>• Lack of affordable housing protections for opportunity sites</li> </ul>
<p>H-3.A. Funding to Assist the Homeless and Special Needs Housing The City shall continue to provide CDBG and CSG funding, when appropriate, to organizations that provide emergency shelter, transitional housing, and support services to assist the homeless. The City shall pursue opportunities to work with non-profits and recommend funding, as feasible, for a permanent homeless shelter and a winter nights shelter in Central Costa County. The City shall also continue to participate in the Contra Costa Consortium to apply for HOME and HOPWA funds for homeless, transitional, and other special needs housing.</p>	N/A	Allocate Funding Annually	<p>On July 5, 2017, the City Council approved a new "Homeless Services Fund" to supplement CDBG and CSG grants. The Homeless Services Fund receives \$200,000 annually from the City's General Fund, and in 2017 was used to fund a temporary, overnight Winter Shelter program for the homeless at the local Armory as well as a second Coordinated Outreach, Referral, and Engagement (CORE) homeless outreach team shared with the City of Concord. The emergency shelter opened in December 2017 and will close in March 2018. The City also provided CDBG and CSG grant funding to several agencies that provide emergency shelter and services to homeless residents and low income households at risk of homelessness, including Trinity Center, Shelter, Inc., Contra Costa County's Emergency Shelter, and Contra Costa County's CORE homeless outreach program.</p>
<p>H-3.B. Public Outreach to Increase Awareness of Homeless Issues The City shall work with non-profits and service providers that serve the homeless to conduct a public outreach campaign to increase awareness of homeless issues in Walnut Creek. The City will publish articles in The Nutshell City newsletter highlighting the needs of homeless residents to help educate the community about the myths and realities of homelessness.</p>	N/A	Publish First Article in FY 2014-2015	<p>In 2017, the City Council did education and outreach on housing affordability and the affordable housing crisis as one of their four priorities. Staff developed a public information and outreach campaign, including online materials, in-person presentations to community groups, and surveys on public attitudes. The City's Nutshell newsletter featured an in-depth story on the housing crisis and homelessness in the Winter 2017 issue. In addition, the license agreement with the National Guard for use of the Armory as a winter emergency shelter was a public process, and was followed by a public use permit process as well. The City and Trinity Center did outreach and held community meetings in addition to the regular public meetings. As part of the management agreement for the shelter, the City convened an Ad-Hoc Advisory Committee, comprised of shelter staff and neighboring residents to create a forum for discussion issues and solutions related to the shelter operations.</p>

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<p>H-3.C. Coordinate to Update the Consolidated Plan The City shall coordinate with the County and other entitlement cities to develop the Five-Year Consolidated Plan for 2015-2020 and 2020-2025 to address the housing and social service needs of the homeless and other special needs groups in Contra Costa County.</p>	N/A	2015 and 2020	The City worked with the Contra Costa Consortium to complete the 2015-2020 Consolidated Plan. The plan was approved in May 2015 and is currently being implemented.
<p>H-3.D. Support Counseling and Housing Services for Seniors and Low-Income Households The City shall continue to work with and provide funding, as available, to nonprofit organizations that provide counseling and housing services to senior citizens and low-income families throughout the City.</p>	N/A	Allocate Funding Annually	The City continues to fund ECHO Housing to provide tenant landlord and fair housing services to Walnut Creek residents. The City also funds Senior Legal Services to provide legal assistance to low income seniors as well as Senior Outreach Services that operates Meals on Wheels, as well as other support services for seniors.
<p>H-3.E. Work with St. Paul's Episcopal Church and Trinity Center The City shall cooperate with St. Paul's Episcopal Church and Trinity Center to develop new permanent supportive housing on their property.</p>	40 units of permanent supportive housing	ongoing	In 2017, the City approved an additional \$1.5 million for Resources for Community Development for St. Paul's Commons, a 45-unit affordable housing project proposed to be developed on St. Paul's property in Walnut Creek. Combined with the funding award from 2015 and 2016, St. Paul's Commons has received a total of \$5 million.
<p>H-3.F. Encourage Development of Housing for Persons with Disabilities The City shall reach out annually to developers of supportive housing to encourage development of projects targeted for persons with disabilities, including developmental disabilities. The City shall support applications for County, State, and Federal funding in support of housing construction and rehabilitation for persons with disabilities, including developmental disabilities.</p>	N/A	Initiate in 14-15, reach out annually to developers, and support applications as needed.	In 2015, construction on the Arboleda (48 affordable units) was completed, with 15 units reserved for households with disabilities. The project also provides on-site services to support the independence of people with disabilities. Arboleda's grand opening was in May of 2015 and is fully leased up.
<p>H-3.G. Coordinate with the Regional Center of the East Bay The City shall work with the Regional Center of the East Bay to implement an outreach program informing residents of the housing and services available for persons with developmental disabilities. The City shall make information available on the City website.</p>	N/A	Fy 15-16	Information on all of the City's affordable housing units is available online, and the City maintains a list of residents interested in affordable housing of all types. The City also has resource and referrals online for persons with disabilities.
<p>H-3.H. Identify Incentives for Larger Housing Units The City shall conduct an analysis of potential incentives for encouraging larger units (i.e., units with three or more bedrooms) in both market rate and affordable housing developments in order to encourage more housing for large households.</p>	N/A	FY 17-18	No actions in 2017

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<p>H-4.A. Lot Consolidation The City shall facilitate lot consolidation where possible, particularly as it relates to parcels included in the Housing Element sites inventory. For example, the City will work with non-profit developers and owners of small sites to identify and consolidate parcels to facilitate the development of housing affordable to lower-income households. The City will also post the lot consolidation procedure on the City website and discuss the procedure with developers during the preliminary review team process. Lot merger requests in the same zoning district will be processed ministerially. Incentives offered for lot consolidation could include allowing higher FAR ratios in MU-R and MU-C zones for larger parcels once consolidated, and flexibility in development standards.</p>	N/A	Ongoing	<p>Riviera Family Apartments, a 58-unit affordable project consisting of two separate multi-family developments (and entitled in 2015), involved the consolidation of several lots. The City worked closely with the developer to secure and acquire the sites. Riviera Family Apartments broke ground in late 2016.</p> <p>The City's lot merger procedures and application are available on the website.</p> <p>In 2016, the City adopted new zoning regulations for MU-C and MU-R general plan land use classifications, including higher FAR ratios for larger parcels which will encouraging lot consolidation.</p>
<p>H-4.B. Exemptions of Transit Priority Projects from Environmental Review The City shall implement the provisions of SB 375 streamlining the CEQA process for Transit Priority Projects and projects that conform to the Sustainable Communities Strategy (i.e., One Bay Area Plan) and meet specific criteria set forth in SB 375.</p>	N/A	Ongoing	No transit priority projects have been submitted.
<p>H-5.A. Residential Rehabilitation Loan and Emergency Grant Program The City shall continue the residential rehabilitation loan and emergency grant program to provide loans and emergency grants, using CDBG funds, Housing Successor Agency, or other sources of funds, to low- and moderate-income households for single-family housing rehabilitation and maintenance.</p>	50 low- and moderate- income households over 8 year cycle	Ongoing	The City is continuing to administer the Home Rehabilitation Loan and Emergency Grant program. One rehab loan was processed in 2017. The City has updated the Home Rehabilitation Loan Program that instead of partnering with Contra Costa County, now partners with Habitat for Humanity to administer new rehabilitation loans beginning December 2017.
<p>H-5.B. Foreclosure Assistance The City shall continue to provide assistance to homeowners who may be at risk of foreclosure by continuing to fund nonprofit organizations that provide housing counseling and foreclosure prevention assistance to residents.</p>	40 households over 8-year cycle	Ongoing	The City continues to fund ECHO Housing, a non-profit housing counseling agency that provides assistance to Walnut Creek residents. The City also funds Senior Legal Services, a non-profit that provides legal services to low-income seniors.
<p>H-5.C. Clarify Condominium Conversion Ordinance The City shall develop and consider adopting clarifying language in the Condominium Conversion Ordinance (Article 7 of the Subdivision Ordinance) to correct ambiguous language.</p>	N/A	FY 15-16	No action in 2017.
<p>H-5.D. Code Enforcement The City shall continue to investigate complaints and take action about Building and Housing Code Violations in single- and multi-family rental housing to encourage the rehabilitation of substandard residential properties by homeowners and landlords and improve overall housing quality and conditions in the city.</p>	N/A	Ongoing	The City continues to investigate complaints and take action on Building and Housing Code Violations in single and multi-family rental housing.

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<p>H-6.A. Funding to Support Fair Housing The City shall continue to allocate funds to support local non-profit organizations for fair housing counseling and education and outreach efforts, and shall provide information on fair housing services at City Hall, the library, City website, and other community facilities.</p>	N/A	Allocate Funding Annually	The City continues to fund ECHO Housing, a non-profit housing counseling agency to provide fair housing services to Walnut Creek residents. ECHO Housing conducts trainings and public awareness events throughout the County. The City has flyers available at City Hall, and information on the City's website regarding fair housing services. A Housing Counselor is available once a week to meet with residents, particularly seniors, at the Walnut Creek Senior Center. ECHO conducts annual fair housing audits in Walnut Creek.
<p>H-6.B. Analysis of Impediments to Fair Housing The City shall continue to implement the actions included in the Contra Costa Consortium's Analysis of Impediments to Fair Housing Choice (AI). As part of the annual Housing Element review, the City will review and report on implementation of the AI.</p>	N/A	Implement consistent with HUD requirements	The City continues to implement the recommendations outlined in the Analysis of Impediments to Fair Housing Choice. In collaboration with the Contra Costa Consortium, the City updated its AI, which was submitted to HUD.
<p>H-7.A. Residential Energy Conservation Program The City shall implement the Climate Action Plan to reduce energy consumption in residential buildings.</p>	N/A	Ongoing	The City has a staff person (.5FTE) devoted to implementing the CAP. The City sponsored the California Youth Energy Services program for the third time in 2017, which resulted in 77 residents (both tenants and owners in apartments and homes) receiving no-cost energy and water efficiency assessments; having energy and water saving equipment like LEDs and low-flow showerheads installed. The City added additional PACE (Property Assessed Clean Energy) providers operating in Walnut Creek, so residents have more options available that include financing for energy efficiency, water conservation, and solar improvements for single-family homeowners and multi-family properties with 3 or fewer units. In January 2017, the City launched Walnut Creek Saves, a community program designed to save residents' energy and water while lowering utility bills. The program served 145 residents (both tenants and owners).
<p>H-7.B. Energy Retrofits Through the Home Rehabilitation Loan Program The City shall continue to partner with Contra Costa County to fund energy efficiency loans through the Home Upgrade Program, providing loans with money from the Bay Area Regional Energy Network (BayREN).</p>	Loans to 4 households	Ongoing	The City shares information on Energy Upgrade California on its website ( <a href="http://www.walnut-creek.org/goinggreen">www.walnut-creek.org/goinggreen</a> ), its e-newsletter, social media, workshops, and the Nutshell. In 2017, the City hosted a contractor training for the program. In 2017, the EUC program completed 3 Advanced Home Upgrade and 31 Home Upgrade energy efficiency projects in Walnut Creek for single-family homes and small multi-family projects (4 units or less).
<p>H-7.C. Energy Upgrade California The City shall support regional efforts to implement the Energy Upgrade California Program, which offers incentives for single-family homeowners to retrofit homes for energy efficiency.</p>	N/A	Ongoing	The City shares information on Energy Upgrade California on its website ( <a href="http://www.walnut-creek.org/goinggreen">www.walnut-creek.org/goinggreen</a> ), its e-newsletter, social media, workshops, and the Nutshell. The City hosted an Energy Upgrade California workshop for contractors in August 2017. In addition, the City co-hosted and promoted a solar workshop with the Cities of Lafayette and Concord in 2017. In 2017, the EUC program completed 3 Advanced Home Upgrade and 31 Home Upgrade energy efficiency projects in Walnut Creek for single-family homes and small multi-family projects (4 units or less).
<p>H-7.D. Public Outreach for Energy Efficiency and Conservation The City shall continue and expand existing partnerships with the East Bay Municipal Utility District (EBMUD), PG&amp;E, and the Contra Costa Water District (CCWD) to educate residents and business owners about resources and opportunities for increased energy efficiencies. The City will further develop the City's sustainability website to help inform and educate the community about energy efficient behavioral changes, maintenance practices, and more, and develop public service announcements through Walnut Creek Television, promoting energy efficiency practices in action.</p>	N/A	Ongoing	The City shares information on energy efficiency programs, behavioral change, financing/rebates, and more through its website ( <a href="http://www.walnut-creek.org/goinggreen">www.walnut-creek.org/goinggreen</a> ), its Going Green Together e-newsletter, social media, workshops, tabling at community events such as Earth Day, and in the City's newsletter - the Nutshell. The California Youth Energy Services program is jointly funded and sponsored by PG&E, the City, and the water utility districts. In addition to sharing information about programs provided through PG&E or the water utilities, the City may also sponsor and promote its own programs. The City is now a member of MCE, a community choice energy program, which provides additional energy efficiency programs to the community and conducts outreach.

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<p>H-7.E. CalGreen Building Standards The City shall phase in adoption of the CALGreen tiers, with adoption of Tier 1 by 2014 and Tier 2 by 2017.</p>	<p>N/A</p>	<p>Adopt Tier 1 by 2014 and Tier 2 by 2017</p>	<p>In late 2016, the City adopted the 2016 Building Codes, including Tier 1. Tier 2 was not adopted in 2017 because the 2016 building code became significantly more stringent than originally anticipated when the Housing Element was drafted.</p>
<p>H-8.A. Annual Progress Report The City shall review and report annually on the implementation of Housing Element programs and the City's effectiveness in meeting the program objectives for the prior calendar year. The City shall present the annual report to the City Council at a public meeting before submitting the annual report to the California Department of Housing and Community Development (HCD) and the Office of Planning and Research (OPR).</p>	<p>N/A</p>	<p>Annually before April 1</p>	<p>The City presented this annual report to City Council at a public meeting on March 20, 2018 and the City Council directed staff to submit the report to HCD.</p>

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**General Comments:**