

2023–2031 HOUSING ELEMENT

August 2023

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ACKNOWLEDGEMENTS

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- Appendix C. Sites Inventory Form

ACRONYMS AND ABBREVIATIONS

AB	Assembly Bill
ABAG	Association of Bay Area Governments
ACS	American Community Survey
ADU	accessory dwelling unit
AMI	area median income
BART	Bay Area Rapid Transit
BLS	Bureau of Labor Statistics
CEQA	California Environmental Quality Act
CHAS	Comprehensive Housing Affordability Strategy
City or Walnut Creek	City of Walnut Creek
Consolidated Plan	Contra Costa County Consortium 2020– 2025 Consolidated Plan
Contra Costa or County	Contra Costa County
CUP	conditional use permit
DOF	California Department of Finance
FY	Fiscal Year
HCD	California Department of Housing and Community Development
Housing Element Update, Housing Element, or HEU	Housing Element
HSC	California Health and Safety Code
HUD	Housing and Urban Development
PLHA	Permanent Local Housing Allocation
RHNA	Regional Housing Needs Allocation
SB	Senate Bill

Acronyms and Abbreviations

SRO

State or California

single-room occupancy State of California

EXECUTIVE SUMMARY

The Housing Element presents a comprehensive assessment of local housing conditions and lays out a series of goals, policies, and programs to assist the city in meeting the housing needs of current and future residents at all income levels. State law requires that a housing element be included in the general plan as one of the seven mandatory "elements", or chapters, that express the community's values, goals, and vision for the future. The Housing Element identifies and analyzes the city's existing and projected housing needs, and contains a detailed work program for the preservation, improvement, and development of housing, including how and where the city can accommodate its fair share of the nine-county Bay Area region's need for new housing. The statewide housing mandate for all cities and counties to accommodate their share of housing needs is known as the Regional Housing Needs Assessment or RHNA. Walnut Creek, along with other jurisdictions statewide, face substantial challenges in provided sufficient affordable housing.

This Housing Element update covers the eight-year planning period beginning October 15, 2023, and ending October 15, 2031, (the "6th Cycle" planning period).__The update addresses numerous requirements resulting from a slate of new state housing laws designed to address factors contributing to the statewide housing shortage._One of the most consequential changes for the 6th Cycle is that the RHNA goals throughout the state have been significantly increased from previous cycles.__For Walnut Creek, this has resulted in an increase from 2,235 units for the 5th Cycle (2015-2023), to 5,805 units for the 6th Cycle (2023-2031).__In addition, the city must provide substantial evidence that nonvacant sites selected are appropriate and likely to be available for housing development during the planning period.

Another major change for the 6th Cycle is the state's "Affirmatively Further Fair Housing" (AFFH) requirements. Affirmatively furthering fair housing means taking meaningful actions that address significant disparities in housing needs and access to opportunity, replacing segregated living patterns with integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. This is accomplished through a detailed analysis of issues, evaluation of proposed housing sites, and development of housing element programs to address identified issues. The detailed AFFH analysis is provided as Appendix B, but the insights gained

from the analysis are threaded throughout the element and specifically reflected in the Sites Inventory and Housing Plan.

Chapter I - Introduction

The Housing Element for the City of Walnut Creek has been updated for the 2023–2031 6th Cycle Planning Period. The Housing Element is part of the Walnut Creek General Plan, adopted by the City in 2006 and updated multiple times, including the most recent update in 2020.

The guiding principle for housing in the City's General Plan states:

Walnut Creek supports housing of various types, densities, and prices to meet the needs of current and prospective residents of all income levels and ages._The City will promote opportunities for housing and will strive to meet the state-mandated regional fair-share numbers._The City encourages housing along transit corridors, housing for the local workforce, and housing that is attainable by and suitable for the diverse populations that call Walnut Creek home.

As widely reported, California is in the midst of a housing crisis where demand greatly outweighs supply. Additionally, overall wage growth has not kept pace with increases in housing costs, making median home prices and rents out of reach for a large population within the State. According to the Joint Center for Housing Studies at Harvard University, renters in California have to earn 120% or more of the area median income (AMI) to afford the median priced home. This severe spending on housing costs has contributed significantly to various housing problems, such as a lack of affordability and homelessness.

California Government Code requires that a Housing Element be included in a city's General Plan as one of seven mandatory elements that express the community's values, goals, and vision for the future. The City of Walnut Creek Housing Element identifies and analyzes the city's existing and projected housing needs and contains a detailed outline and work program of the city's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of housing for a sustainable future. The overall goal of this Housing Element is to provide safe and decent housing for all economic segments of the community.

Chapter 2 – Housing Needs Assessment

Walnut Creek is a growing community with an increasing need for housing to accommodate its population and serves as an important employment center for Contra

Costa County and the San Francisco Bay Area. To quantify housing needs the State of California develops housing demand projections and apportions these projections to each region. In the Bay Area, the Association of Bay Area Governments (ABAG) allocates the state's regional projected demand to individual jurisdictions. This is referred to as the Regional Housing Needs Assessment (RHNA) and is intended to reflect the projected housing demand of each jurisdiction for the upcoming planning period. State law requires that jurisdictions incorporate the RHNA allocation into their housing element update. The required RHNA for the City is based on housing needs over the next 8 years and is summarized in the table below.

Income Category	RHNA
Extremely Very Low/Very Low (0% - 50% AMI)	1,657
Low (51% - 80% AMI)	954
Moderate (81% - 120% AMI)	890
Above Moderate (over 120% AMI)	2,304
Total Units	5,805

Table ES -1. 6th Cycle RHNA

While the total number of RHNA required units is 5,805, HCD guidance requires that all cities and counties include more than the required RHNA - typically an additional buffer of 15 to 30% with special focus on lower income housing units. Therefore, the total number of units in any jurisdiction's housing element will exceed the RHNA to accommodate that buffer. With that in mind and based on the City's sites inventory analysis included in the Housing Element update, the City must accommodate a minimum of 6,330 total new units, allocated at different affordability levels, to comply with the 15% buffer for lower income units.

Demographic and housing data were analyzed to reveal Walnut Creek's housing needs and trends, which helps inform program development and prioritization. Key findings include:

Demographics

• The racial and ethnic composition of Walnut Creek has become more diverse in recent years. However, generally, Walnut Creek has a lower level of diversity

compared to the Bay Area. The City has a significantly larger percentage of White residents and a smaller percentage of Latinx and Black residents compared to the County and Bay Area.

 Approximately 22% of the population is under the age of 25, which is lower than the County percentage of 31%. Walnut Creek's seniors (individuals who are age 65 or older) make up 30% of the population, while the percentage of seniors in the County as a whole is lower at 15%.

Housing and Household Characteristics

- Walnut Creek's has 33,969 housing units comprised of approximately 37% singlefamily detached homes, 48% multifamily condominiums or apartments, and 15% single-family attached homes/townhomes.
- According to Zillow, the City's Home Value Index (a "smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type") was \$965,533 in 2020, higher than for the County and lower than for the Bay Area. All three areas have experienced large increases since 2011.
- The City's Zillow Observed Rent Index (a "smoothed measure of the typical observed market rate rent across a given region") reports that the median monthly rent in the City is \$2,750 compared to \$2,876 and \$3,039 in County and Bay Area, respectively.
- Walnut Creek is predominately made up of ownership households. According to ACS 2019 data, roughly 35% of the households in the City are renter-occupied and 65% are owner-occupied. Of the owner-occupied units, 30% are costburdened (spend more than 30% of gross income on housing) with 13% severely cost-burdened (spend more than 50% of gross income on housing). In comparison, 41% of renter-occupied units are cost-burdened with 21% severely cost-burdened.
- According to the Walnut Creek 2020 Annual Progress Report, 1,871 building permits for housing units were issued by the City between 2015 and 2020. Of this total, 1,692 were for above moderate-income units, 57 moderate-income units, 26 low-income units, and 96 very low-income units.
- Approximately 3,875 extremely low-income households reside in the City, representing approximately 12% of the total households. In comparison, the

County and Bay Area have slightly higher percentages of extremely low-income households with 13% and 15%, respectively.

Special Housing Needs

- Approximately 43% of the total households in Walnut Creek were senior households (2017 tabulation).
- Approximately 4% of total households were large family households. The most common household size is two people (38%), and the second most common household size is one person (35%) per 2019 ACS data.
- Approximately 12% of the City's population were identified as having a disability (2019 ACS).
- Walnut Creek has a small female-headed household population.
- Less than 2% of Walnut Creek residents are employed as farmworkers.
- According to the published August 2020 Contra Costa County Annual Point in Time Count Report conducted in January 2020, 2,277 individuals are experiencing homelessness in Contra Costa County.

Chapter 3 – Housing Constraints

The development and improvement of housing can be constrained by a number of governmental and non-governmental factors. State law requires the City analyze governmental constraints like land use controls, fees, and exactions, on- and off-site improvement requirements, building codes and enforcement thereof, permit and processing procedures, and potential constraints on the development or improvement of housing for persons with disabilities. Non-governmental constraints must also be analyzed (including the availability and cost of land, construction costs, and labor availability). **The constraints are identified in the following five categories**:

- Permit Processing and Procedures
- Development/Improvement of housing for people with disabilities
- Land Use Controls
- Availability and Cost of Land
- Construction Costs and Labor Availability

Table ES-2 provides a summary of all identified constraints which generally fall into 2 categories – constraints as a result of State law changes and market constraints (not governmental constraints) – as well as a sampling of programs to address or mitigate constraints.

Executive Summary

Table ES-2. Constraints and Programs- (Editor's Note: Table was updated with new programs)

<u>programs</u>) Constraint Category	Specific Constraint(s)	Constraint - Result of State Law Change?	Local (within City's Control) or Market (Private Market Constraint)	Program to Address Constraint
Downsitting	Processes and procedures that			H-4.D – Adopt SB 35 Streamlining WrittenProcedures.
Permitting Processing and Procedures	affect project permitting due to complexity, timelines, internal processes, and costs.	Yes	Local	H-4.1 – Amend Planned Development Permit requirements and discretionary review findings as necessary.
Development/ Improvement of housing for	provement of inclusion and accommodation	Local	H-3.A-H – Provide funding, services, and protocols for special needs housing. Amend Zoning Ordinance.	
people with disabilities	Restrictive land use policies and zoning provisions can constrain the development of housing for persons with disabilities.			H-4.C – Update Special Needs Zoning.
	Land use controls can constrain the maintenance, development, and improvement of housing through the establishment and distribution of different land uses.	Yes		H-4.A – Transit Priority Projects Exempt from EIR.
				H-4.C,E-F, and H – Update Zoning Ordinance for State Law Compliance (permit streamlining, employee housing accessory dwelling units, and definition of family).
				H-4.G – Amend General Plan to Remove Growth Limitation Plan.
Land Use Controls			Local	H-4.J – Measure A Outreach and Review. Potential consideration and action regarding a ballot measure to address any constraints.
			Analysis and pote amendments. H-6.G – Codify SE allowances beyo H-6.J – Housing M	H-4.K – Building Envelope Analysis and potential amendments.
				H- 6.G – Codify SB with allowances beyond State law.
				H-6.J – Housing Mobility to make sites available in single- family zones.

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Constraint Category	Specific Constraint(s)	Constraint - Result of State Law Change?	Local (within City's Control) or Market (Private Market Constraint)	Program to Address Constraint
	Limited supply of vacant land			H-1.C – Maintain/ Update Site Inventory.
Availability and Cost of Land	combined with high demand for residential units results in increased land costs.	No	Market	H-4.B – Parking Study/Adopt Zoning Ordinance amendments to Reduce Parking for Affordable Units.
Construction Costs and Labor Availability	Significant increases in lumber and other construction materials, as well as the high demand for housing, will likely further increase residential construction costs.	No	Market	H-2.A-C – Make federal, state, and local funding available for affordable housing.

Table ES-2. Constraints and Programs (Continued)

Chapter 4 - At-Risk Affordable Housing

State law requires that all income-restricted affordable units at risk of converting to market ratemarket-rate units be identified in the Housing Element update. The City has a total of **202 units at risk of conversion** with affordability restricted through Multifamily Mortgage Bonds, Section 8 Housing, and HUD 202 Program. The specific projects that make up the 202 units are listed below.

- Casa Montego 79 units
- Montego Place 33 units
- Tice Oaks 90 units

These projects are at low risk for conversion because they utilize Section 8 vouchers (property owner is made whole for market rent with these vouchers) and because all projects are owned by non-profit entities. The total cost to preserve or replace these the units is provided in Chapter 4, At-Risk Affordable Housing and available financial resources are described in Chapter 6, Housing Resources, of the Housing Element.

Chapter 5 – Housing Accomplishments

The City must evaluate the results from housing programs implemented during the previous 5th Cycle Housing Element. The review of past programs discusses the progress, effectiveness, and appropriateness of the previous goals, objectives, policies, and programs. **The City achieved many positive results**, including the major housing accomplishments listed below:

- City developed/approved 2,216 units (418 affordable units)
- City was able to achieve 99% of 5th cycle RHNA (2,235)
- Walnut Creek Transit Village provided 596 units
- Changes to Accessory Dwelling Unit regulations removed limits to increase production
- Objective Design Guidelines created to help streamline development
- Regional Collaboration resulted in more regional homelessness resources
- Inclusionary In-Lieu & Commercial Linkage Fees created more affordable housing funding
- Community Development Block Grant COVID funds for emergency rent & utility assistance created emergency shelter for families/individuals
- City funding Eden Housing Council for Hope & Opportunity created more housing for Seniors
- Lower income units (129) created for large families and female headed households
- Housing for the individuals with disabilities created (Arboleda 15 units and St. Paul's Commons- 44 affordable units)

Chapter 6 – Housing Resources and Opportunities

Walnut Creek is a leader in Contra Costa County for progressive housing policies. Table ES-3, Resources and Opportunities, identifies the federal, state, regional, and local resources, and opportunities the City has pursued for housing development:

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Table	ES-3.	Resources	and	Opportunities
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	Funding Source	Amount	Notes
Federal	Annual CDBG	\$240,000 - \$340,000	General Fund to supplement CDBG
	Housing Choice Vouchers	340 vouchers	From Contra Costa Housing Authority; As of June 2022
	Senate Bill 2	\$310,000	Funding for pre-designed ADU plans
	LEAP	\$300,000	Funding for Objective Design Standards
State	PLHA	\$830,000	Funding for Objective Design Standards and "Right Sized" parking study
	LHTF	\$1,900,000	Matching grant for affordable housing
	Other State Grants	TBD	Range from annual allocations of formula-entitled grants to vouchers and competitive funding programs.
	One Bay Area Grant (OBAG)	TBD	Grants local communities the flexibility to invest in transportation infrastructure that supports infill development by providing funds for bicycle and pedestrian improvements, local road repair and planning activities, while also providing funds for Safe Routes to School programs and for Priority Conservation Areas.
Regional	Advancing California Finance Authority	TBD	Provides secure, low cost and convenient financing for public agencies and their partners in the Bay Area.
	Metropolitan Transportation Commission Grants	TBD	Priority Development Area Planning Program grant funds Specific Plans that result in intensified land uses around public transit hubs and bus and rail corridors in the Bay Area. Housing Incentive Pool provides transportation grants to promote the production and preservation of affordable housing.
	Loog Llouing Trust		Inclusionary Housing Fees
	Local Housing Trust Fund	\$5,000,000	Commercial Linkage Fees
	Tona		LHTF Grant Award (\$1,900,000)
Local	General Fund	\$100,000	General Fund to supplement CDBG
		\$70,000	General Fund for homelessness
	Housing Successor Entity Funds	\$500,000	Anticipated for 2020-2024

Chapter 7 – Adequate Sites Inventory Analysis and **Methodology**

The sites inventory analysis demonstrates 121-127 sites (located near transit and jobs) that provide a total of 6,449-632 total housing units (including 3,122-076 units affordable housing units to lower income households) that can be accommodate the required RHNA through a combination of the remaining vacant residential sites in Walnut Creek and nonvacant sites that can be redeveloped with a residential component. Due to the City's forward-thinking planning to accommodate housing needs, this City will not require any rezoning to accomplish this.

Table ES-4, Capacity Determination (also shown as Table 7.2, Capacity Determination in Chapter 7, Sites Inventory, in the Housing Element) summarizes the City's determination that there is sufficient capacity to accommodate the City's RHNA by income and categorizes credits and sites by zoning, representing land suitable and available for residential development, remaining consistent with state planning guidance.

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	Units by Income Level				
	Very Low	Low	Moderate	Above Moderate	Total
RHNA	1,657	954	890	2,304	5,805
Alternative Me	thods to Me	et the RHNA	(Credits)		
Entitled or Proposed Projects	97	57	20	1,531	1,705
Accessory Dwelling Unit Potential	7	31	114	24	176
Subtotal	104	88	134	1,555	1,881
Net RHNA (after credits are applied)	1,553	866	756	749	3,924
Step #1 Determinat	ion of Adequ	uate Sites (Ex	xisting Zoning	g)	
Central Retail District	27	22	-	8	57
Duplex Residential	-	-	-	12	12
Mixed-Use - Commercial	1,036	505	420	185	2,14
Mixed-Use - Downtown	261	113	78	57	509
Mixed-Use - Planned Development	53	30	26	-	10
Mixed-Use - Residential	296	184	-	284	76
Multifamily High	131	79	369	85	66
Multifamily Medium	-	-	9	62	7
Planned Development	55	121	-	219	39
Single-family Low	-	-	-	14].
Single-family Medium	-	-	-	10	1(
Step #1 Subtotal (no zone change)	1,859	1,054	902	936	4,75
Total (Credits & Step #1)	1,963	1,142		2,491	6,632
Net Surplus/(Shortfall)	306	188	146	187	82
No Net Loss Buffer Surplus/(Shortfall), as a percent of RHNA1	18%	20%	16%	8%	14%

Table ES-4. Capacity Determination

¹ HCD recommends a 15-30% buffer for lower-income (very low and low) sites to protect the City from the No Net Loss provision. The City included a buffer for the moderate-income level for the same reason. The City calculated its buffer as a percentage of the gross RHNA.

When determining sites to include in the inventory to meet the <u>lower income</u><u>lower-income</u> housing need, HCD recommends that a local government first identify development potential in <u>high opportunityhigh-opportunity</u> areas. A large majority of the City's housing sites inventory is located within the Core Area, which is classified as a high/highest opportunity area (the Core Area is a 768-acre central district with higher densities than other parts of the city, centered on the Traditional Downtown and the Walnut Creek BART station). New State laws for the 6th Cycle Housing Element require that there be a 15-30% buffer of additional units particularly at affordable levels. Therefore, the sites inventory shown in the table above does exceed that shown in Table ES -1, 6th Cycle RHNA.

Capacity Analysis

Government Code Section 65583.2(c) requires jurisdictions to calculate the projected development capacity of the sites identified in the housing element that can be realistically achieved. As such, HCD requires a high level of justification for the inclusion of sites.

Walnut Creek is a mature city with little remaining vacant land. As a result, the Sites Inventory relies on infill and redevelopment parcels. In order to remain realistic in its projection of development, the City considered a number of requirements established by state law:

- "When establishing realistic capacity calculations, the jurisdiction must consider existing development trends of existing or approved residential developments at similar affordability levels in that jurisdiction"
 - The City applied a number of adjustments towards the calculation of units for each site. Adjustments included:
 - <u>A Mixed-Use Factor</u> for retail-space sites that reduces the estimated capacity to 50-60% to account for the expectation that a developer may want to replace the current commercial spaces.
 - <u>An Environmental Factor</u> for sites that overlap with Walnut Creek or Tice Creek that reduces the estimated capacity to 33-100% to account for the expectation that no construction could occur in the creek areas.
 - <u>A Floor Area Ratio Factor</u> for all sites of 100%. This is 100% because the average realized floor area as a percentage of the allowable floor area ranges between 94-107%.
 - <u>A Realistic Capacity Factor</u> for all sites. Although it is the norm for recently constructed and proposed developments to achieve more than 100% of the permitted density, the City applied the following factors:
 - 95% for all MU-C, Mixed-Use Commercial, and MU-D, Mixed-Use Downtown, sites. These zones have recently seen an average of 152% realized density as a percentage of permitted density.
 - 100% for all other sites, a conservative estimate considering the realized density as a percentage of permitted density ranges from 110% to 224%.

The adjustments applied by the City during the calculation of units for each site ensured that our estimates reflect the City's development track record while remaining conservative by using factors below what is typically true for Walnut Creek development.

Chapter 8 - Housing Plan

This section of the draft Housing Element establishes direction for policies, programs and actions for the goals related to community needs. Many of the goals, policies, and programs have not changed from the 5th Cycle Housing Element (2015-2023), while others have been modified to add specificity or reflect current practice. New goals, policies, and programs have been added to build upon Walnut Creek's success in building affordable housing throughout the community, and address the City's significant RHNA allocation, and to further AFFH housing mobility goals. Table ES-5, Housing Programs, identifies unchanged, modified, and new programs as needed to address constraints, new legislation, or fair housing issues.

Unchanged Programs	Modified programs	New Programs
H-2.C. Allocate CDBG Funding for Housing	H-1.C. Maintain/Update the Site Inventory - <i>modified to</i> <i>accommodate HCD</i> <i>requirements</i>	H-1.A. Encourage and Incentivize Accessory Dwelling Units (ADUs) - <i>in</i> <i>response to Assembly</i> <i>Bill (AB) 671</i>
H-2.F. Mortgage Credit Certificate Program	H-2.A. Pursue State and Federal Funding for Affordable Housing - <i>modified to</i> <i>accommodate HCD</i> <i>requirements</i>	H-1.B. Technical Assistance to Developers
H-2.H. Housing Choice Voucher Program	H-2.B. Local Funding for Affordable Housing - modified to include targeted report of available funding	H-1.D. Provide a Menu of Incentives/Concessions for Developers
H-2.J. Legislative Advocacy for Affordable Housing	H-2.E. Community Housing Engagement - enhanced the original program focused on Community Housing Forums	H-2.D. Facilitate Access to Affordable Housing for Residents

Table	ES-5.	Housing	Programs
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Unchanged Programs	Modified programs	New Programs
H-2.K. Coordinate with Contra Costa County for Affordable Housing	H-2.G. Improve First Time Homebuyer Assistance Program - modified to include a \$40K forgiveness incentive	H-2.M. Prioritize Review and Expedite Development of Affordable and Special Needs Projects
H-2.L. Regional Collaboration on Affordable Housing and Homelessness	H-2.I. Provide Density Bonus Ordinance Training/Education - modified Density Bonus Ordinance program to include training and education for other City departments involved in the entitlement and development process	H-2.N. Assist with Development of Lower- Income Housing - <i>created</i> <i>to comply with HCD</i> <i>requirements</i>
H-3.A. Funding to Assist the Homeless and Special Needs Housing	H-3.C. Support Counseling and Housing Services for Seniors and Low-Income Households- modified to increase CDBG spending for ECHO Housing	H-2.O. Funding, Incentives, and Concessions for Extremely Low-Income Developments - <i>created to</i> <i>comply with HCD</i> <i>requirements</i>
H-3.B. Public Outreach to Increase Awareness of Homeless Issues		H-2.P. Advertise Available Resources
H-3.D. Encourage Development of Housing for Persons with Disabilities		H-2.Q. Assist Faith-Based Organizations With Affordable Housing Development
H-3.E. Coordinate with the Regional Center of the East Bay		H-2.R. Amend Density Bonus Ordinance - required to ensure compliance with State law
H-3.F. Identify Incentives for Larger Housing Units		H-2.S. Continue to Allow By-Right Residential Development on Non- Vacant Sites Designated for Lower income

Unchanged Programs	Modified programs	New Programs
		Households and Used in the Previous Sites Inventory - created to comply with State law that requires the zoning code explicitly allow for by-right development
H-5.A. Residential Rehabilitation Loan and Emergency Grant Program		H-2.T. Clarify Mixed-Use Commercial Requirements
H-5.B. Foreclosure Assistance		H-3.G. Crisis Response Protocol
H-5.C. Code Enforcement		H-4.A. Exemptions of Transit Priority Projects from Environmental Review - <i>required to</i> <i>implement provisions of</i> <i>SB 375</i>
H-6.A. Funding to Support Fair Housing		H-4.B. Complete Parking Study and Continue to Implement Reduced Parking for Affordable Housing
H-6.B. Analysis of Impediments to Fair Housing		H-4.C. Update the City's Zoning Ordinance and Policies Related to Emergency Shelters, Low- Barrier Navigation Centers, Transitional and Supportive Housing, Group Care Facilities, the Housing Accountability Act, and the Housing Crisis Act of 2019 to Comply with Current Laws - <i>required for</i> <i>compliance with State</i>

Unchanged Programs	Modified programs	New Programs
		requirements, as established by AB 139, AB 2162, and Senate Bill (SB)48)
H-7.A. Residential Energy Conservation Program		H-4.D. Adopt SB 35 Streamlining Written Procedures
H-7.B. Energy Retrofits Through the Home Rehabilitation Loan Program		H-4.E. Update the City's Zoning Ordinance and Policies Related to Employee Housing to Comply with Current Laws
H-7.C. Energy Upgrade California		H-4.F. Update the City's Zoning Ordinance and Policies Related to Accessory Dwelling Units to Comply with Current Laws
H-7.D. Energy Efficiency and Conservation		H-4.G. Amend the General Plan to Remove Policy 9.3, Related to the Growth Limitation Plan
H-8.A. Housing Element Annual Progress Report		H-4.U. Definition of "Family"
H-7.A. Residential Energy Conservation Program		H-5.D. Continue the Preservation and Monitoring of Existing and Future Affordable Units
H-7.B. Energy Retrofits Through the Home Rehabilitation Loan Program		H-5.E. Replacement Housing

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Unchanged Programs	Modified programs	New Programs
H-7.C. Energy Upgrade California		H-6.C. Collaboration with Community-Based Organizations
H-7.D. Energy Efficiency and Conservation		H-6.D. Displacement Prevention
		H-6.E. Legal Assistance for Renters
		H-6.F. Provide Information and Education to Residents in the City's Website
		H-6.G. Codify Senate Bill 9
		H-6.H. Provide Missing- Middle Housing and /Housing Mobility Education
		H-6.I. Enhance Core Area Connectivity
		H-7.E. Reduce Exposure to Environmental Pollution

Appendix A – Public Engagement

State law requires that local governments "make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element." As documented in Appendix A, the City conducted a robust public outreach process that included:

- Two online community workshops.
- One online community questionnaire.
- Four stakeholder meetings with fair housing providers, developers and non-profit organizations.

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- Flyers handed out at public events (e.g., Farmer's Market), posted at public facilities and available at City Hall.
- Article in the Nutshell.
- Dedicated website.
- Listening sessions with the Planning Commission, Housing & Community
 Development Committee, and City Council.

The City conducted a robust public outreach process outlined in Table ES-6 below. The City gathered feedback from all outreach activities and evaluated the findings to identify the issues and topics that were most pressing to the Walnut Creek community. The guestionnaire results showed that the housing issues most important to the community are lack of affordability (most prominent issue), need for more multifamily development and ADUs, and need for additional fair housing support services. The City then used this information to help develop goals, policies, and proposed activities for the planning period as described in the Housing Plan section. The City continued to receive -comments as a part of adoption hearingspublic meeting regarding addenda to adopted Housing Plan as a result of these comments, particularly related to AFFH housing mobility and reduction of government constraints. A summary of the full public outreach process is outlined in Table ES-6 below.

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Table ES-6. Community Engagement (Editor's note: added the latest events)

Date	Meeting/Activity/Action
Janaury 31, 2022	Housing Committee Presentation - Discussion on community engagement for the Housing Element Update.
February 10, 2022	Planning Commission Meeting - Presentation discussing contents housing element update and next steps.
March 2022	City newspaper - An article was published in the Spring 2022 edition of In a Nutshell soliciting public input for the Housing and Safety Element Updates.
March 4, 2022	City Webpage - Notifying residents of the housing element update and how to be a part of the conversation. The City also published a Housing Element 101 Fact Sheet in English, Spanish, and Chinese.
March 10, 2022 - April 20, 2022	Community Survey - published 03/10/22, the City received 112 responses. Affordability was the primary issue identified by respondents Most important factors in choosing housing are cost & desirable neighborhood 78% of respondents think housing is not affordable 64% of respondents want to buy a home but can't afford to 59% of respondents have left the City (or know someone who has) due to high housing costs
March 14-21, 2022	Bulletin Reports - Reports show correspondence related to the Housing Element Update survey and workshops sent to over 3K+ recipients.
March 21, 2022	Community Workshop #1 - Presented General Plan update focusing on Housing and Safety Elements. Community participants had opportunity to attend virtually, participate in polling during the presentation, and a Q&A session after.
April 20, 2022	Community Workshop #2 - Presented General Plan update focusing on Housing and Safety Elements. Community participants had opportunity to attend virtually, participate in polling during the presentation, and a Q&A session after.
April 20, 2022	C4 Affordable Housing Developer Panel - Contra Costa County Collaborative held a panel discussion on discussed the challenges of building affordable housing, and identified incentives, solutions, and project characteristics most conducive to realizing affordable housing including finding local funding, land acquisition, form-based codes, community opposition, the strict sequence of events that must be followed to secure tax credit funding, permit processing timelines, and labor shortages, among others.
May 4, 2022	City Homelessness Task Force Meeting - Meeting to update the task force participants on the Housing Element Update and provide answers to any inquiries regarding opportunities for the community to be involved and the outcome of survey results.
May 25, 2022	Community Advocates & Affordable Housing Property Strategy Session - Meeting with advocates and property owners to gather insight and thoughts on how the City can encourage affordable housing development along with some of the challenges/opportunities faced as an affordable housing developer.
May 25, 2022	Market rate Developer Strategy Session - Meeting with developers to gather insight and thoughts on how the City can encourage affordable housing development along with some of the challenges/opportunities faced as an affordable housing developer.
May 26, 2022	Affordable Housing Developer Strategy Session - Meeting with developers to gather insight and thoughts on how the City can encourage affordable housing development along with some of the challenges/opportunities faced as an affordable housing developer.
May 27, 2022	Bayrock Multifamily Strategy Session - Input from Bayrock Multifamily, LLC on City's Regional Housing Needs Allocation (RHNA) along with how the City can how the City can encourage affordable housing development along with some of the challenges/opportunities faced as an affordable housing developer.
July 28, 2022	Planning Commission Meeting - Draft presentation of Housing Element Update and answered inquiries from the planning commission.

Table ES-6. Community Engagement (Continued)

Date	Meeting/Activity/Action			
August 2, 2022	HCD Committee Meeting - Draft presentation of Housing Element Update and had an opportunity to ask clarifying questions regarding the process and HEU contents.			
September 20, 2022	City Council Meeting - Review of the Draft Housing Element including hearing public comments, responding to questions, and proving input on the HEU document and process.			
January 12, 2023	Planning Commission Meeting - Review the second Draft Housing Element following comments from HCD, heard public comments, responded questions, and provided input on next steps.			
January 17, 2023	City Council Meeting - Review the second Draft Housing Element following comments from HCD, heard public comments, responded questions, and provided input on next steps.			
January 24, 2023	City Council Meeting - The Draft Housing Element was adopted by the City Council via Resolution No. 23- 07, along with findings and determinations regarding CEQA and substantial compliance with state housing element law.			
March 21, 2023	City Council Meeting - The First Addendum was adopted by the City Council via Resolution No. 23- 24 following a seven-day public review period. The Council heard public comments and responded to questions and comments.			
August 1, 2023	City Council Meeting - The Second Addendum was adopted by the City Council following a seven- day public review period. The Council heard public comments and responded to questions and comments.			
	Housing Element Flyer - Publication inviting community input and ideas on the planning and future of housing in the City.			

Appendix B – Affirmatively Furthering Fair Housing (AFFH)

All Housing Elements prepared on or after January 1, 2021, must addresses the requirements of AB 686 to affirmatively further fair housing (AFFH).Jurisdictions must take "meaningful actions "to combat discrimination overcome patterns of segregation, and foster inclusive communities free from barriers that restrict access to opportunity for persons of color, persons with disabilities, and other protected classes through the administration of programs and activities relating to housing and community development.

Table ES-7<u>-</u> presents the_ **fair housing findings** (i.e., fair housing issues identified by the data) which include the following:

- Lack of Access to Housing Opportunity a lack of affordable housing choice
- Displacement Risk
- Fair Housing Enforcement
- Environmental Hazards
- Lack of Regional and Local Cooperation

Table ES-7 also lists a sampling of programs in the AFFH to address or mitigate these findings/issues.

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Table ES-7. AFFH Findings and Programs

AFFH Finding	Lack of Access to Housing Opportunity (lack of affordable housing)	Displacement Risk	Fair Housing Enforcement	Environmental Hazards	Lack of Regional and Local Cooperation
	H-2.N – Assist with development of lower- income housing H-6.C – Collaboration with community-based organizations H-6.A – Funding to support fair housing		H-7.A – Residential energy conservation program	H-2.F – Mortgage credit certificate program	
Sampling of programs to address findings	H-2.N – Funding, incentives, and concessions for extremely low-income developments	H-6.D – Displacement prevention	H-6.E – Legal assistance for renters	H-7.D – Energy efficiency and conservation	H-2.K – Coordinate with Contra Costa County for affordable housing
	H-2.Q – Assist faith-based organizations with affordable housing developments	H-6.E – Legal assistance for renters	H-6.F – Provide information and education to residents in the City's website	H-7.E – Reduce exposure to environmental pollution	H-2.L - Regional collaboration on affordable housing and homelessness

Appendix C – Sites Inventory Form

HCD requires that all Housing Element submittals include a spreadsheet listing all sites in the sites inventory with detailed information about each site. This information must be provided in HCD's format in a template provided by HCD. This template is provided in Appendix C to the Housing Element.

I INTRODUCTION

This document is the Housing Element for the City of Walnut Creek (City or Walnut Creek) as updated for the 2023–2031 6th Cycle Planning Period. The Housing Element is part of the Walnut Creek General Plan, adopted by the City in 2006 and updated multiple times, including the most recent update in 2020. This General Plan establishes the vision of planning and land use for Walnut Creek through 2025 and beyond.

The guiding principle for housing in the City's General Plan states:

Walnut Creek supports housing of various types, densities, and prices to meet the needs of current and prospective residents of all income levels and ages. The City will promote opportunities for housing and will strive to meet the <u>S</u>state-mandated regional fair-share numbers. The City encourages housing along transit corridors, housing for the local workforce, and housing that is attainable by and suitable for the diverse populations that call Walnut Creek home.

The California Government Code requires that a Housing Element be included in a city's General Plan as one of seven mandatory elements that express the community's values, goals, and vision for the future. This Housing Element (Housing Element Update, Housing Element, or HEU throughout the document) identifies and analyzes the City's existing and projected housing needs and contains a detailed outline and work program of the City's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of housing for a sustainable future. The overall goal of this Housing Element is to provide safe and decent housing for all economic segments of the community.

I.I Background

The California Legislature determined that a primary housing goal for the State is to ensure that every resident has a decent home and suitable living environment. The requirements of the law are in California Government Code, Section 65580:

- **a.** The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.
- **b.** The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.

- **c.** The provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government.
- d. Local and <u>S</u>state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.
- e. The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the <u>S</u>state in addressing regional housing needs.
- f. Designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the <u>S</u>state's housing goals and the purposes of this article.

California Government Code, Section 65588, requires that local governments review and revise the Housing Element of their comprehensive General Plans (e.g., Walnut Creek General Plan) no less than once every 8 years. Before the 6th Cycle Housing Element Update for the 2023–2031 Planning Period, Walnut Creek's Housing Element was updated in 2014 for the 5th Cycle (2015–2023).

Multiple changes to California Housing Element law have become effective since the processing of the City's 5th Cycle Housing Element, including increased Regional Housing Needs Allocations (RHNAs), detailed requirements to affirmatively further fair housing, and higher levels of scrutiny for identifying housing opportunity sites. In addition, the State increased its ability to enforce Housing Element requirements with a greater range of penalties that can be imposed on jurisdictions for non-compliance, and also made it easier for interested people to challenge the City's compliance with Housing Element law. This puts the City at risk of exposure to a variety of fiscal and regulatory impacts that could affect eligibility for various State and regional funding sources and reduce local control over housing-related decision-making if the City does not strictly comply with the State's requirements.

I.2 Community Context for Housing Planning: Walnut Creek's Story

The City of Walnut Creek was incorporated in 1914 and lies approximately 23 miles east of San Francisco at the foot of Mt. Diablo. As shown on Figure 1-1, City of Walnut Creek Boundary and Sphere of Influence, the City neighbors the cities of Lafayette, Pleasant Hill, and Concord, and the unincorporated community of Alamo. The original economic base for the City was agriculture,

but with the completion of the Caldecott Tunnel in 1937, Walnut Creek soon became a suburban community for Bay Area workers and is now a thriving regional economic and cultural center. Walnut Creek's growth throughout the 1960s and 1970s was predominately residential. A commercial development boom followed in the 1980s and 1990s.

In 1971, the City adopted its first General Plan. The General Plan emphasized development of Walnut Creek as a subregional retail and employment center and encouraged expansion of commercial areas while also emphasizing creation of an open space system. Both goals were accomplished, which brought benefits but also led to concerns about the impacts of growth and development, particularly that of traffic congestion. In 1989, the General Plan was revised to set a variety of goals and standards and proposed a number of special planning studies to be performed over a 20-year period. Many of these goals focused on developing and reinvigorating the Core Area and Downtown. In 1993, the City adopted a Growth Limitation Plan and subsequently revised the Zoning Ordinance in 1996. A series of specific plans were adopted from 1996 through 2019, which included the following:

- East Mt. Diablo Boulevard Specific Plan (adopted on August 6, 1996)
- North Main Street/ Ygnacio Road Specific Plan (adopted on July 16, 2002)
- Locust Street/Mt. Diablo Specific Plan (adopted on July 20, 2010)
- Shadelands Gateway Specific Plan (adopted on June 17, 2014)
- West Downtown Specific Plan (adopted on September 4, 2018)
- North Downtown Specific Plan (adopted on October 15, 2019)

The preparation of the current General Plan, General Plan 2025, was completed in 2006 and most recently amended in 2020.

Between 2000 and 2020, Walnut Creek experienced a slightly higher annual growth rate than its neighboring cities. More specifically, according to the California Department of Finance Population and Housing Unit Estimates for this time period, Walnut Creek experienced a 0.5% annual growth rate, while Concord, Lafayette, and Pleasant Hill experienced a 0.3%, 0.3%, and 0.2% annual growth rate, respectively. By comparison, Contra Costa County (County) has grown more rapidly during the same period, at an annual average growth rate of 1%, largely through single-family "greenfield" development in the eastern portions of the County. Furthermore, the racial and ethnic composition of Walnut Creek has become more diverse in recent years but not to the level of the Bay Area. The City also has a large proportion of mature adults and retirees, but trends show a decrease in the median age.

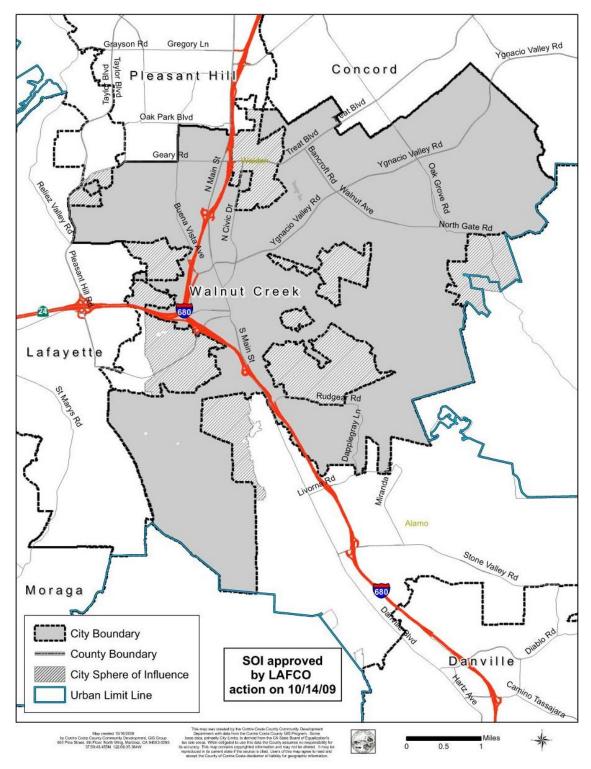


Figure 1-1. City of Walnut Creek Boundary and Sphere of Influence

Source: Contra Costa County Community Development 2009.

I.3 Role and Content of Housing Element and Relationship to General Plan

I.3.1 Legal Requirements

California Government Code, Section 65300.5, states the following: "The General Plan and elements and parts thereof comprise an integrated, internally consistent, and compatible statement of policies . . ." The purpose of requiring internal consistency is to avoid policy conflict and provide a clear policy guide for the future maintenance, improvement, and development of housing in the City.

The Housing Element was prepared in a manner to ensure consistency with the other elements of the adopted General Plan, which include the Land Use Element, Circulation Element, Conservation Element, Open Space Element, Safety and Noise Element, and Growth Management Element. As part of the Walnut Creek General Plan, the Housing Element establishes housing-related actionable programs intended to guide decision-making related to land use planning and development activities for the 2023–2031 6th Cycle Planning Period.

California Government Code, Section 65583, contains requirements for Housing Elements, including the provision of an inventory of sites that meet specific criteria regarding zoning, lot sizes, and other factors. It is important to note that the general purpose of this site inventory is to provide the planning and zoning framework that identifies sites suitable for residential development. However, cities and counties do not build housing units—developers do. This Housing Element describes how the planning framework and actions within the control of the City will be established and conducted, but the Housing Element is neither an approval of residential projects nor a guarantee, requirement, or commitment of development.

The Housing Element includes strategies for maintenance of existing housing and actionoriented programs to increase the capacity for additional housing options within the local housing supply, as necessary, to meet the current and future needs of people living and working in Walnut Creek. Implementation of these strategies will require that the City process a series of future actions, referred to as the "Housing Plan."

Table 1-1, Housing-Related Goals by Element, demonstrates the consistency between the Housing Element goals and related goals in other General Plan elements. All future General Plan amendments will be reviewed for consistency with the Housing Element and to ensure that housing goals are implemented. The City will continue to review and revise the Housing Element, as necessary, to maintain internal consistency when amendments to the General Plan are made.

Table 1-1. Housing-Related Goals by Element

Housing Element Goals	Related Goals – General Plan
H-1: New Housing Development	Built Environment
To provide adequate housing sites and encourage the availability of	Citywide Goals, Policies, and Actions Goal 2: Encourage housing development that helps to reduce the increase in traffic
housing types for all economic segments of the community	congestion.
consistent with the infrastructure and service capacities of the city.	Citywide Goals, Policies, and Actions Goal 3: Encourage housing and commercial mixed-use development in selected
	locations that enhances pedestrian access and reduces traffic.
	Citywide Goals, Policies, and Actions Goal 5: Require that infill development be compatible with its surroundings.
	Growth Management Goal 10: Coordinate the location, intensity, and mix of land uses with transportation resources.
	Urban Design Goal 15: Enhance connectivity and mobility throughout the city.
H-2: Affordable Housing	Quality of Life
To facilitate affordable housing opportunities.	Community Services Goal 8: Make Walnut Creek a community accessible to all.
H-3: Special Needs Housing	Quality of Life
To provide a range of housing opportunities for Walnut Creek	Community Services Goal 7: Promote strong community support systems for families and individuals of all ages.
residents with special needs, including seniors, persons with	Community Services Goal 8: Make Walnut Creek a community accessible to all.
disabilities, single female-headed households with children, large	
families, the homeless, and residents with extremely low incomes.	
H-4: Removal of Government Constraints	Governance
Minimize the impact of potential governmental constraints on the	Local Leadership Goal 3: In areas where changes are proposed, encourage collaboration among the public, property owners,
maintenance, improvement, and development of housing.	neighborhood associations, and the City.
H-5: Housing Preservation	Quality of Life
To protect and conserve the existing housing stock where possible	Neighborhoods and Residential Areas Goal 1: Protect and enhance the quality of life in the city's residential neighborhoods.
and appropriate.	
H-6: Fair Housing	Quality of Life
To ensure equal housing opportunities for all Walnut Creek residents	Community Services Goal 7: Promote strong community support systems for families and individuals of all ages.
regardless of race, color, religion, sex, sexual orientation, marital	Community Services Goal 8: Make Walnut Creek a community accessible to all.
status, national origin, ancestry, familial status, disability, or source	
of income.	
H-7: Energy Conservation and Sustainable Development	Built Environment
To encourage energy conservation and green building policies and	Growth Management Goal 10: Coordinate the location, intensity, and mix of land uses with transportation resources.
practices in residential development.	Growth Management Goal 12: Make more efficient use of the regional and subregional transportation system.
	Environmental Integrity Goal 26: Develop a comprehensive integrated plan to preserve the natural environment in the built
	environment.
	Sustainability Goal 27: Promote "green" development and redevelopment.
	Conservation Goal 28: Promote energy conservation.
	Waste Reduction Goal 30: Meet or exceed sState goals for source reduction and waste diversion.

I.4 Regional Housing Needs Allocation

The State of California and the Association of Bay Area Governments conduct a process to establish quantitative "fair share housing" allocations for creation of housing units, including affordable units under various income categories. These quantified numbers are known as the RHNA. The RHNA for the City of Walnut Creek is listed in Table 1-2, 2023–2031 Regional Housing Needs Allocation, for the identified income categories. Chapter 7, Adequate Sites Inventory Analysis and Methodology, of this Housing Element Update contains an analysis of the proposed sites to accommodate the 6th Cycle RHNA.

	Totals by Numbers of Units	Very Low (≤50% AMI)	Low-Income (51–80% AMI)	Moderate (81– 120% AMI)	Above Moderate (>120% AMI)
2023–2031 RHNA	5,805	1,657	954	954 890	
Percentage of Total	100%	29%	16%	15%	40%

Table 1-2. 2023–2031 Regional Housing Needs Allocation

Source: ABAG Final RHNA Allocation Report Plan: San Francisco Bay Area, 2023–2031.

I.5 Public Outreach and Participation

In order to ensure maximum participation by stakeholders in every economic segment of the community, the City completed the following steps to provide a comprehensive and transparent community engagement and participation process (a complete administrative record of all public outreach and participation actions is provided in Appendix A, Public Engagement, of this Housing Element):

- The first step in the Housing Element Update process was the preparation of the Public Engagement Plan for the 6th Cycle Housing Element. The Public Engagement Plan called for various efforts to engage residents in the Housing Element Update process. The Public Engagement Plan was presented for review and comment to the Housing and Community Development subcommittee of the City Council on January 31, 2022, and to both the Planning Commission and City Council on February 10, 2022, and February 15, 2022, respectively.
- The City provided a comprehensive online survey (with 34 questions) to the community between March 18 and June 21, 2022. The survey solicited input from community stakeholders on fair housing issues, housing needs, existing conditions, and suggested programs and actions. There were 131 respondents to the survey.

- Community workshops were held on March 21, 2022, and April 20, 2022. The first public workshop introduced the update process, presented a profile of the City, and took live polling on housing and safety needs, challenges, and issues. At the second workshop held on April 20, 2022, the results of the community surveys that had been received so far were shared and input was taken to inform potential policies and programs.
- There were several live polling questions at each workshop to obtain input from attendees. The attendance at the workshops was 15 and 16 persons, respectively. The workshops were advertised through email blasts to the City's relevant interest lists, information on the City's dedicated Housing Element Update webpage, posts on the City's social media accounts, and flyers distributed at the Downtown Farmers' Market in March 2022.
- Three stakeholder focus group/strategy sessions were held to obtain additional qualitative data from affordable and market-rate housing developers, affordable housing property managers, and local community advocates and fair housing providers. The focus groups discussed strategies to encourage the development of affordable housing in Walnut Creek. Special invitations were sent to, and stakeholder meetings conducted with, the following parties:
 - Several market-rate developers active in the region (including Hall Equities Group, Anton Development, Brad Griggs Properties, Calibr Ventures, and Align Real Estate, among others).
 - Housing advocates and service providers (including Trinity Center, ECHO Housing, SHELTER Inc., Greenbelt Alliance, and the Multifaith Action Coalition, among others).
 - Several affordable housing developers active in the region (including Satellite Affordable Housing Associates and Resources for Community Development).
 - Affordable housing property management companies overseeing affordable housing properties in the City (including Cushman & Wakefield, EAH Housing, Midpen Housing, and the John Stewart Company).
- Appendix A to this Housing Element Update provides a comprehensive record of all community outreach efforts, including minutes of stakeholder interviews.
- The Draft Housing Element Update was publicly available online at www.walnutcreek.org/HEU. The City notified the community of the availability of the Housing Element Update by July 21, 2022.

- The Draft Housing Element Update was presented to both the Planning Commission and City Council at two public meetings on July 28, 2022, and August 2, 2022, respectively. Both public bodies authorized submittal to the California Department of Housing and Community Development for its required 90-day review.
- The Draft Housing Element Update was publicly available between July 21, 2022, and August 18, 2022, or for the required 30-day period prior to California Department of Housing and Community Development submittal.
- Revisions Addenda to the adopted Housing Element were presented to and approved by the City Council during public meetings on March 21, 2023 and August 1, 2023. The City provided a seven-day public review period prior to both meetinghearing dates and provided additional public commenting opportunities during both meetings.

Appendix A includes a comprehensive administrative record of the public participation and engagement process, including notices, survey results, webpage content, social media posts, online newsletters and print media articles, presentations, correspondence with stakeholders, and polls.

I.6 Housing Accomplishments

The City's housing accomplishments are detailed in Chapter 3, Housing Constraints, of this Housing Element Update. Walnut Creek recognizes the importance of providing safe and affordable housing for residents of all income levels. In order to support housing development and increase access to safe and affordable housing for its residents, the City has adopted the following ordinances:

- Inclusionary Housing Ordinance in 2004 requiring 6–10% of all housing units developed in the City to be made affordable to very low-, low-, and moderate-income households, depending on unit type and affordability level.
- Commercial Linkage Fee Ordinance in 2005 imposing a fee on new commercial developments (currently \$5 per square foot) that partially funds the construction of affordable housing to meet the needs created by the workforce of those new developments.
- Density Bonus Ordinance in 2009 providing increased density for the production of affordable housing. In addition to the density bonus, the City also provides other concessions, such as changes in setbacks, height, and parking spaces. The Density Bonus Ordinance is undergoing a comprehensive update for State law compliance.

 Reasonable Accommodation Ordinance in 2014 providing individuals with disabilities reasonable accommodation in regulations, policies, practices, and procedures to ensure equal access to housing and to facilitate the development of housing for individuals with disabilities.

<u>As shown in Table 1-3, 2015–2023 RHNA Progress – Permitted Units, these actions resulted in</u> the development of over 200 affordable housing units during the 5th Cycle Planning Period (2015–2023). While Walnut Creek made progress toward its RHNA during 5th Cycle Planning Period, the City acknowledges the need for an increased effort to encourage the development of more units affordable to lower-income households, especially considering the significant reduction in federal, State, and local affordable housing funding sources as follows:

- Federal affordable housing funds have decreased up to 60% in the last 15 years.
- In recent years, State grants and other funding sources have prioritized housing solutions for unhoused individuals and families. Prior to 2015, a larger share of available State funding was focused on very low-, low-, and moderate-income affordable housing.
- When the State abolished redevelopment in 2011–2012, an estimated \$2 billion annually (Statewide) was lost.

	Totals by Numbers of Units AMI)		Low-Income (51–80% AMI)	Moderate (81– 120% AMI)	Above Moderate (>120% AMI)
2015–2023 RHNA	2,235	604	355	381	895
Units Permitted	2,001	01 99 30 74		1,798	
Remaining RHNA	234	505	325	307	—

Table 1-3. 2015–2023 RHNA Progress – Permitted Units

Source: Permits issued as of the 2021 Annual Progress Report Review of 2015–2023 Housing Element.

I.7 Affordable Housing Need

The affordable housing need in the City is detailed in Chapter 2, Housing Needs Assessment. Meeting the community's housing needs is a high priority for the City. As widely reported throughout the State, California is in the midst of a housing crisis where demand greatly outweighs supply. Additionally, overall wage growth has not kept pace with increases in housing costs, making median home prices and rents out of reach for a large population within the State.

According to the Joint Center for Housing Studies at Harvard University,¹ renters in California have to earn 120% or more of the area median income (AMI) to afford the median priced home. This severe spending on housing costs has contributed significantly to various housing problems, such as a lack of affordability and homelessness.

According to the 2015–2019 American Community Survey (ACS) 5-Year Data, the number of cost-burdened households in the City is similar to the County and Bay Area average. Walnut Creek is primarily made up of ownership households—according to the 2015–2019 ACS 5-Year Data, roughly 35% of the households in the City are renter-occupied and 65% are owner-occupied. Homeowners, while slightly better off than renters in terms of the percentage of cost-burdened households, are still considerably cost-burdened. Specifically, 30% of owner-occupied households are cost-burdened and 13% are severely cost-burdened (as detailed in Chapter 2).

While the majority of households are owner-occupied, renter-occupied households in Walnut Creek represent a significant portion of households in the City and will likely continue to grow with future population growth. Renters have higher percentages of cost-burdened households. Particularly, 41% of renter-occupied households in Walnut Creek are cost-burdened and 21% are severely cost-burdened (as detailed in Chapter 2).

Housing cost burden, in addition to the consistently growing population, in the State of California has made it necessary for cities to plan for more housing units. As a result, Walnut Creek is expected to plan for 5,805 units in the 6th Cycle Housing Element Planning Period, of which 3,501 need to be planned for very low-, low- and moderate-income households (as shown on Table 1-2 in this section).

I.8 Affordable Housing Challenges

Chapter 6, Housing Resources and Opportunities, provides a detailed description of available resources for affordable housing at the local, State, and federal level.

State law recognizes that housing needs may (and do) exceed available resources and, therefore, does not require that the City's quantified objectives be identical to the identified housing needs. More specifically, California Government Code, Section 65583(b)(2), states the following:

It is recognized that the total housing needs . . . may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements. Under these circumstances, the quantified objectives need not be

¹ Joint Center for Housing Studies of Harvard University. 2021. The State of the Nation's Housing. Accessed May 2022. https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_ 2021.pdf.

identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low-income that can be constructed, rehabilitated, and conserved.

Acknowledgment of funding limitations is extremely important—cities and counties are required to prepare Housing Elements every 8 years to identify needs and actions to provide for housing at all income levels and for all populations despite a severe shortage in local, State, and federal funding that makes many of the actions needed and planned financially infeasible. It is important to recognize that State law requires cities to plan for housing, but almost all housing is developed by the private sector.

Developers, not cities or counties, build housing. The role of local government is to facilitate housing development through the planning process. Nearly all cities and counties in the State have shown higher numbers of market-rate units, or housing units for above-moderate-income households, versus affordable units in their annual Housing Element progress reports. This is generally because revenues derived from selling or renting market-rate housing exceed the cost to develop the units, resulting in a profit. For-profit developers are businesses that, just like other businesses, do not move forward with production if the price they can command is less than the cost to produce the item or commodity. In this case, the item is a unit of housing. Additionally, developers often require investors to provide financial assistance, and these investors require a minimum rate of return to participate. While affordable housing and nonprofit housing developers do exist, these organizations will not move forward with a project unless it is financially feasible (i.e., revenues cover costs without a profit margin).

Affordable housing projects are generally more expensive to develop due to State laws and funding program requirements. For example, affordable housing projects that receive any federal, State, and/or local public subsidies may be required to pay prevailing wages on the construction of a project. Prevailing wages can add 13–25% to construction costs. In addition, federal and State funding sources require sustainability practices, which are beneficial and important but can lead to higher costs for the development of a project. When these higher costs are combined with high land, construction, and materials costs in California, the development of affordable housing requires public subsidies and assistance because the costs to develop the housing far exceed the revenues derived from selling and renting the housing at affordable prices and rents.

Affordable housing is funded through a combination of sources (because no one source is sufficient to fund individual projects), including Low-Income Housing Tax Credits, State grants, project-based housing vouchers from the U.S. Department of Housing and Urban Development, loan programs, donation of land, and other sources. Affordable projects can require up to 10

separate funding sources with different requirements and deadlines, adding to the complexity and feasibility of these projects.

It is worth noting that sufficient public funding is not available to fill the gap between what it costs to build affordable housing and the revenues generated by the housing on a State and federal level. Before 2011, over 400 cities in California (like Walnut Creek) used redevelopment as a financial tool to revitalize blighted areas and to fund affordable housing. However, redevelopment was eliminated in 2011–2012, and this significant funding source (estimated at \$2 billion/year Statewide) of locally derived revenues was redirected away from affordable housing and toward local taxing entities' general funds.

Despite considerable funding challenges, the City has successfully provided funding assistance to several affordable housing developments during the last 8 years, but the number of projects assisted is much lower than it would have been if federal, State, and local funding had not been reduced or eliminated in such a significant way.

I.9 Organization

This Housing Element is organized into the following chapters:

- **Chapter 1, Introduction:** Provides an overview of the purpose, scope, and organization of the Housing Element.
- **Chapter 2, Housing Needs Assessment:** Provides a summary of the City's demographic and housing characteristics, special needs groups, and housing needs.
- **Chapter 3, Housing Constraints:** Provides an assessment of the various constraints to housing development and preservation.
- **Chapter 4, At-Risk Affordable Housing:** Provides information on existing affordable units at risk of converting to market rate and a preservation analysis.
- Chapter 5, Housing Accomplishments (2015–2023): Provides an assessment of progress during the 2015–2023 5th Cycle Planning Period for the Housing Element, including program status, objectives, actions, and appropriateness.
- **Chapter 6, Housing Resources and Opportunities:** Provides an inventory of resources available to meet the City's existing and projected housing needs.
- Chapter 7, Adequate Sites Inventory Analysis and Methodology: Provides a detailed description of the methodology used to identify specific housing sites (by Assessor's Parcel Number), the number of units for each site, the level of affordability for each site, and the methodology used to ensure that each site meets State law requirements.

- **Chapter 8, Housing Plan:** Outlines the City's goals, policies, programs, and actions to provide and preserve housing opportunities in the community and quantified objectives for the 2023–2031 6th Cycle Planning Period. The following appendices provide additional information and data pursuant to legal requirements:
 - Appendix A: Public Engagement
 - Appendix B: Affirmatively Furthering Fair Housing Analysis
 - Appendix C: Sites Inventory Form

2023–2031 Housing Element Chapter 2. Housing Needs Assessment

2 HOUSING NEEDS ASSESSMENT

California Government Code, Section 65583(a), requires an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs.—Per California Government Code, Section 65583(a)(1), this chapter provides a community profile and details the population characteristics and growth, demographics, and employment trends in the City of Walnut Creek (City or Walnut Creek).—These trends influence the housing needs of a community and, thus, are important factors in evaluating the housing needs of Walnut Creek's residents and identifying strategies to meet those needs through plans, programs, and projects.

The primary data sources used in this chapter include the following:

- The Association of Bay Area Governments (ABAG) Housing Needs Data (ABAG Housing Needs Data).- ABAG collaborated with the California Department of Housing and Community Development (HCD) and developed a housing needs data package for each local jurisdiction that has been certified by the HCD for use in the 6th Cycle Housing Element.
- State Department of Finance (DOF) Population and Housing Estimates.
- U.S. Census Bureau, Census 2000.
- American Community Survey (ACS) 5-Year Data (2015–2019).

2.1 Background

The City incorporated in 1914 and is the fifth largest city in Contra Costa County (Contra Costa or County).— The City encompasses more than 19 square miles and has a population of 70,860.¹ The original economic base for Walnut Creek was agriculture.— However, with the completion of the Caldecott Tunnel in 1937, the City became a suburban community for Bay Area workers. Through the years, the City has developed into a subregional retail and employment center with expanding commercial areas and open spaces.— The specific attributes of the community include the following:

- Walnut Creek serves as an important employment center for Contra Costa County and the San Francisco Bay Area.
- Walnut Creek has a concentration of healthcare and professional service jobs.

¹ DOF E-5 Population and Housing Unit Estimates.

Chapter 2. Housing Needs Assessment

- Educational attainment in Walnut Creek is notably higher than other areas in the County and State.
- Major sectors leading the way in Walnut Creek are retail, education, healthcare, and other professional services.

The City has experienced steady population growth over the past 8 years, and growth is expected to continue over the 8-year period covered by the 6th Cycle Housing Element Update. Understanding the full spectrum of housing needs is critical to supporting and managing the continued growth of the City.

<u>Table 2-1</u>, Walnut Creek Growth Forecast in 2040, presents the projected growth in Walnut Creek over the next 25 years, according to ABAG and Metropolitan Transportation Commission projections (adopted July 2017).

Table 2-1. Walnut Creek Growth Forecast in 2040

	2015	2020	2040	Annual Growth Rate
Population	67,130	69,010	81,265	0.8%
Households	31,500	32,505	37,535	0.8%
Employment	57,370	57,520	58,090	0.1%

Source: ABAG and Metropolitan Transportation Commission Plan Bay Area 2040 Projections.

2.2 Population and Demographics

Walnut Creek is a growing community with an increasing need for housing to accommodate its population.—The City is a desirable place to call home due to its proximity to highways connecting to Sacramento, San José, San Francisco, and Oakland, in addition to its accessibility to Bay Area Rapid Transit.—According to the DOF, the City has a total population of 70,860 (including 16,432 living in group quarters), which represents about a 10% increase since 2000.— (The population was approximately the same in 2010 as in 2000.)

On an annual basis, the City's population has grown by 1% per year since 2010, while the ABAG region (i.e., the Bay Area) has experienced a growth rate of 0.9% per year.<u>— Figure 2-1 Figure</u> 2-1, Population Trends (1990–2020), charts the population increases in the City, Contra Costa County, and Bay Area over the last 30 years<u>.—</u> Over the 30-year period, the City's population has grown more slowly than that of the County and Bay Area.

Chapter 2. Housing Needs Assessment

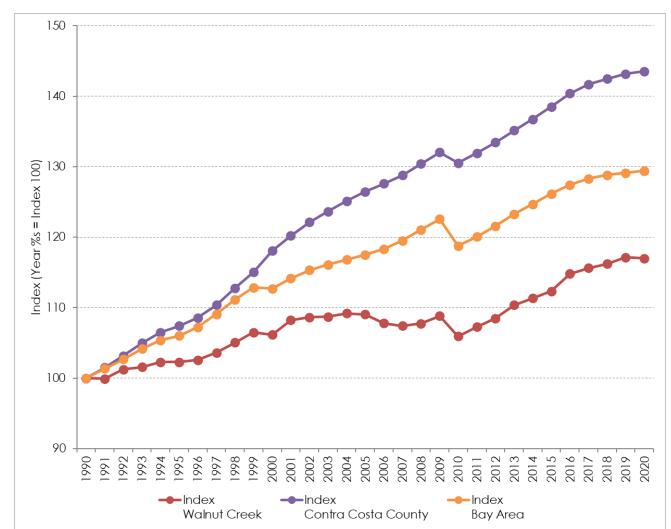


Figure 2-1. Population Trends (1990-2020)

Source: ABAG Housing Needs Data, DOF E-5 Population and Housing Unit Estimates.

<u>Figure 2-2</u>Figure 2-2, Population Trends (2000–2020), and <u>Table 2-2</u>Table 2-2, Population Trends in Nearby Jurisdictions, illustrate the population changes and growth rates between 2000 and 2020 for Walnut Creek and its neighboring cities.— As shown, Walnut Creek has experienced slightly higher growth rates compared to neighboring cities.— Concord and Lafayette have experienced similar but slightly lower annual growth rates at 0.3%.

Chapter 2. Housing Needs Assessment

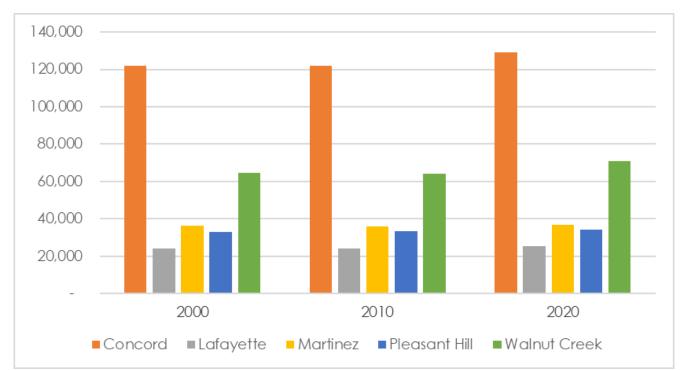


Figure 2-2. Population Trends (2000-2020)

Source: DOF E-5 Population and Housing Unit Estimates.

Table 2-2. Population Trends in Nearby Jurisdictions

Jurisdiction	2000	2010	2020	Annual Growth Rate, 2000-2020
Concord	121,710	122,067	129,273	0.3%
Lafayette	23,893	23,893	25,358	0.3%
Martinez	36,167	35,824	36,827	0.1%
Pleasant Hill	32,847	33,152	34,133	0.2%
Walnut Creek	64,296	64,173	70,860	0.5%
Contra Costa County	948,816	1,049,025	1,153,561	1.0%

Source: DOF E-5 Population and Housing Unit Estimates.

2.2.1 Race, Ethnicity, and Diversity

Racial and ethnic diversity and different cultural background may influence housing characteristics, needs, and preferences, such as location or housing size, to accommodate multigenerational families.— Understanding the City's racial and ethnic demographics can help analyze housing trends, needs, and projections.

Demographic data indicates that the racial and ethnic composition of Walnut Creek has become more diverse in recent years. <u>Table 2-3</u>, Population by Race (2000–2019),

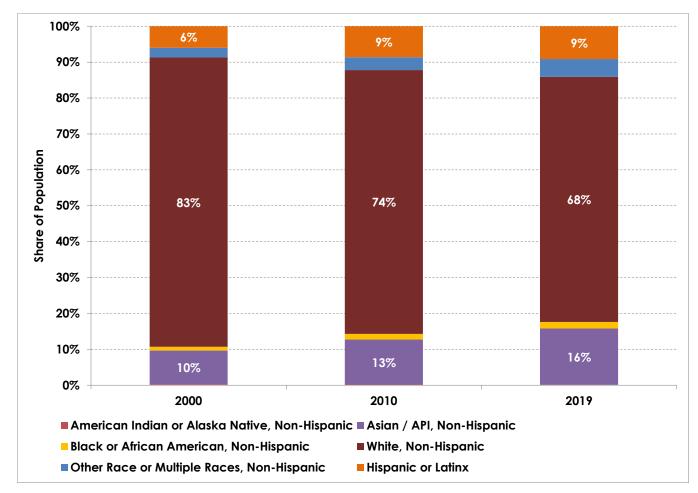
and <u>Figure 2-3</u>Figure 2-3, Population by Race (2000–2019), provide census data (all categories and terminology are referenced from the U.S. Census) for the time period between 2000 and 2019.— This data indicates that the percentage of residents identified as Asian in Walnut Creek increased from less than 10% in 2000 to more than 15% in 2019.— The number of residents identified as Hispanic and Black in the City almost doubled during the same time period, although together these groups represented only 11% of the City's total population in 2019.

Table 2-3. Population by Race (2000–2019)

Year	American Indian or Alaska Native, Non- Hispanic	API, Non-	•	White,	Other Race or Multiple Races, Non- Hispanic	Hispanic or Latinx	Total
2000	148	6,059	666	51,834	1,738	3,851	64,296
2010	99	8,068	996	47,170	2,300	5,540	64,173
2019	61	10,913	1,280	47,532	3,437	6,344	69,567

Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B03002. **Note:** The U.S. Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories.— For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group.— All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Chapter 2. Housing Needs Assessment





Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B03002. Generally, Walnut Creek has a lower level of diversity compared to the Bay Area.— The City has a significantly larger percentage of White residents and a smaller percentage of Latinx and Black residents compared to the County and Bay Area, as shown on Figure 2-4Figure 2-4, Population by Race (County and Bay Area).

Chapter 2. Housing Needs Assessment

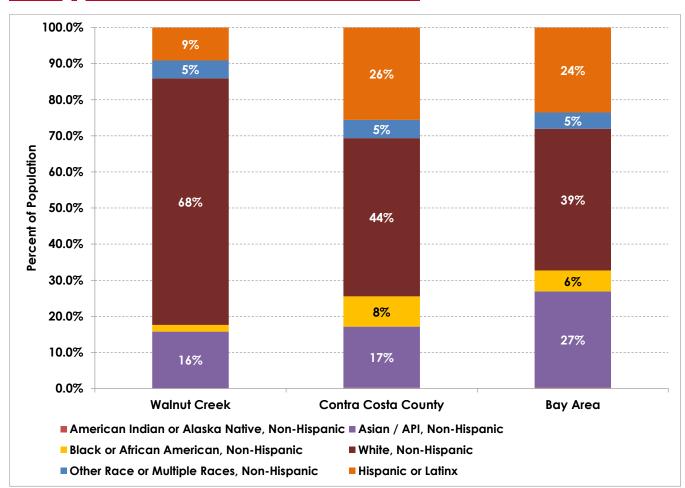


Figure 2-4. Population by Race (County and Bay Area)

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B03002.

2.2.2 Age

Housing needs are influenced by the age profile and characteristics of residents, which are important factors in evaluating housing needs and planning future development.— Different age brackets often have different lifestyles, family sizes, incomes, employment trends, and other preferences that impact housing choices and levels of affordability.— For example, younger adults often rent affordable apartments or purchase condominiums close to work, while the older population tends to buy larger homes to accommodate growing families.— If the senior population of a community is significant, special housing types or services, such as assisted living facilities, housing rehabilitation programs, paratransit, and services (e.g., Meals on Wheels and home healthcare), may be needed more broadly to enable seniors to remain in the community. Understanding these characteristics will provide insight and help the City evaluate its current and projected housing needs.

Chapter 2. Housing Needs Assessment

Figure 2-5Figure 2-5, Population by Age, summarizes the current age distribution of Walnut Creek residents as reported by the ACS 5-Year Data (2015–2019).— Approximately 22% of the population is under the age of 25, which is lower than the County percentage of 31% (not shown on Figure 2-5Figure 2-5).— Walnut Creek's seniors (individuals who are age 65 or older) make up 30% of the population, while the percentage of seniors in the County as a whole is lower at 15% (not shown on Figure 2-5Figure 2-5).

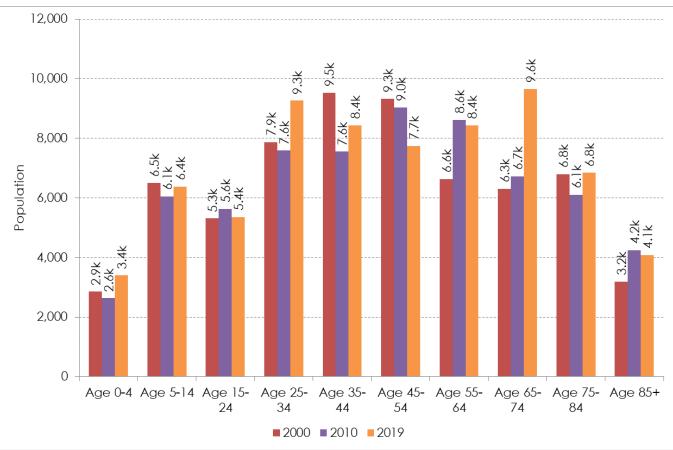


Figure 2-5. Population by Age

Source: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B01001.

To examine trends related to age composition in the City, census data from 2000 through 2019 is also provided.— As shown in <u>Table 2-4Table 2-4</u>, Population by Age (2000–2019), Walnut Creek's largest age groups include retirement age (65–74) and young family (ages 25–34) categories followed by middle-aged adult (ages 35–44) and pre-retirement age (ages 55–64) categories.— The City's population under 25 grew 3% from 2000 to 2019, while the City's senior population grew 26% during the same time period.

The City's population is relatively mature compared to the County, a trend that increased from 2000 to 2019.— During this time period, the City experienced the largest increases in the

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retirement age (65–74), pre-retirement age (ages 55–64), and young family (ages 25–34) categories.— A jurisdiction with a large proportion of mature adults (ages 25–64) and retirees (65+), such as in Walnut Creek, may reflect a family-oriented community where single-family homes and other ownership housing can represent a significant portion of the housing stock, as well as a community attractive for retirees.— **Despite larger increases in the City's older population, the median age in the City decreased from 48.7 years in 2010 to 45.1 years in 2019** (not shown in <u>Table 2-4Table 2-4</u>).

Age Group	2000	2010	2019
Age 0-4	2,854	2,633	3,396
Age 5-14	6,496	6,051	6,372
Age 15-24	5,310	5,634	5,357
Age 25-34	7,865	7,585	9,262
Age 35-44	9,529	7,552	8,440
Age 45-54	9,327	9,034	7,736
Age 55-64	6,634	8,619	8,432
Age 65-74	6,299	6,717	9,649
Age 75-84	6,797	6,101	6,840
Age 85+	3,185	4,247	4,083
Totals	64,296	64,173	69,567

Table 2-4. Population by Age (2000–2019)

Source: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B01001.

2.3 Employment Trends

2.3.1 Regional Employment

2.3.1.1 Employment/Unemployment

Prior to the onset of the COVID-19 pandemic in early 2020, the City's unemployment rate was steadily decreasing.— In 2010, the California Employment Development Department reported that the City's unemployment rate was 8%.— By 2019, it had fallen to nearly 2%.— Across this period, the City's unemployment rate was consistently lower than the County's and Bay Area's (see <u>Figure 2-7</u>, Unemployment Rate (Bay Area)).

The economic effects of the COVID-19 pandemic are widely reported on a regional, State, and national basis.— Due to the business shutdown and loss of jobs due to the economic slowdown, employment and unemployment changed significantly from March 2020 through 2021.— Data from the U.S. Bureau of Labor Statistics (BLS) described in Section 2.3.1.2 provides a recent view of how the COVID-19 pandemic has affected employment and unemployment, as well as longer term trends.

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As shown on <u>Figure 2-6Figure 2-6</u>, Employment (Walnut Creek), the City's employment rate was on a steady rise until 2020.— Figure 2-7Figure 2-7, Unemployment Rate (Bay Area), shows how unemployment changed in the City compared to unemployment in the Bay Area and County. The unemployment rates in all three areas have followed a similar trend of a steady decrease interrupted by the COVID-19 pandemic.

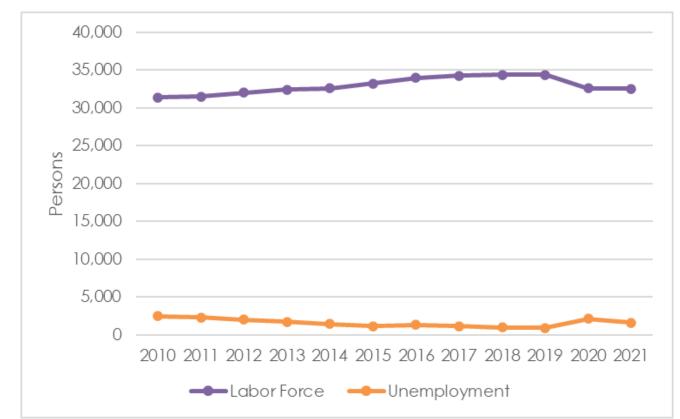
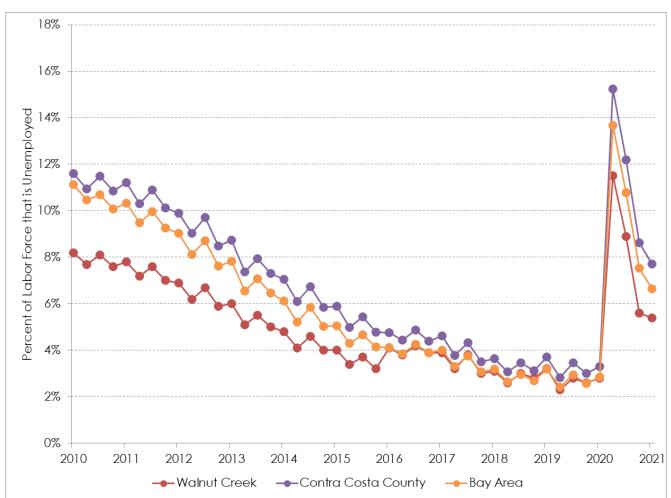


Figure 2-6. Employment (Walnut Creek)

Source: Local Area Unemployment Statistics.

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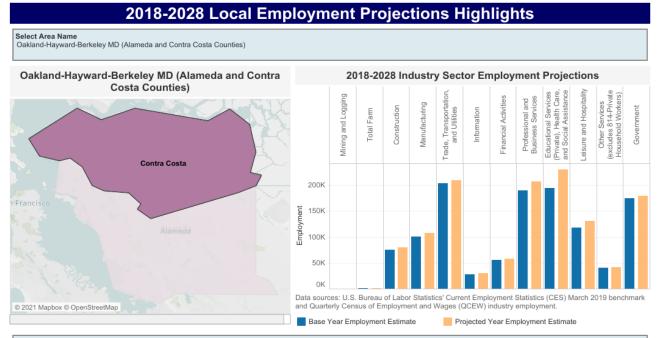
Source: California Employment Development Department, Local Area Unemployment Statistics, Sub-County Areas Monthly Updates, 2010–2021.

2.3.1.2 Employment Projections

The City is in the Alameda and Contra Costa counties' Statistical Area (as defined by the BLS). The BLS provides projections for future employment in the Statistical Area, as shown on Figure 2-8Figure 2-8, Employment Projections (2018–2028).— The industries shown with the highest number of job openings are service-related sectors, and the fastest growing occupations are in healthcare, service, and information technology.

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Figure 2-8. Employment Projections (2018–2028)



Filter by Entry Level Education All

2018-2028 Occupations with the Most Job Openings

Standard Occupational Classification		Total Job Openings	Median Hourly Wage	Median Annual Wage
39-9021	Personal Care Aides	76,660	\$0.00	\$0
41-2011	Cashiers	52,180	\$14.90	\$31,000
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	51,730	\$0.00	\$0
41-2031	Retail Salespersons	40,180	\$15.28	\$31,781
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	38,020	\$18.43	\$38,324
35-3031	Waiters and Waitresses	37,950	\$14.52	\$30,213
43-9061	Office Clerks, General	28,700	\$20.93	\$43,533
43-5081	Stock Clerks and Order Fillers	22,960	\$0.00	\$0
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	20,490	\$19.29	\$40,137
35-2014	Cooks, Restaurant	20,320	\$16.02	\$33,319

Total job openings are the sum of numeric change, exits, and transfers projected between 2018 and 2028.

Wages are from the 2020 first quarter and do not include self-employed or unpaid family workers. An estimate could not be provided for wages listed as \$0 Excludes "All Other" categories. These are residual codes that do not represent a detailed occupation.

2018-2028 Fastest Growing Occupations

Standard Occupational Classification	Occupational Title	Base Year Employment Estimate	Projected Year Employment Estimate	Percentage Change	Median Hourly Wage	Median Annual Wage
29-1171	Nurse Practitioners	1,000	1,450	45.0%	\$65.79	\$136,841
53-3041	Taxi Drivers and Chauffeurs	2,110	2,910	37.9%	\$0.00	\$0
15-1132	Software Developers, Applications	9,870	13,430	36.1%	\$0.00	\$0
29-2032	Diagnostic Medical Sonographers	630	830	31.7%	\$54.54	\$113,430
29-1126	Respiratory Therapists	1,120	1,470	31.3%	\$49.68	\$103,332
15-2031	Operations Research Analysts	920	1,200	30.4%	\$50.47	\$104,974
15-1122	Information Security Analysts	600	780	30.0%	\$0.00	\$0
29-1127	Speech-Language Pathologists	910	1,180	29.7%	\$45.03	\$93,663
31-9092	Medical Assistants	6,590	8,500	29.0%	\$22.18	\$46,139
17-2112	Industrial Engineers	1,490	1,910	28.2%	\$53.32	\$110,908

Fastest growing occupations are ranked by projected percentage change growth between 2018 and 2028

Wages are from the 2020 first quarter and do not include self-employed or unpaid family workers. An estimate could not be provided for wages listed as \$0. Excludes "All Other" categories. These are residual codes that do not represent a detailed occupation. Occupations with employment below 400 in 2018 are excluded.

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Source: BLS.gov, 2018–2028 Local Area Employment Projections.

2.3.2 Industries and Occupations

<u>Figure 2-9</u>Figure 2-9, Employment by Industry, identifies resident employment in Walnut Creek by industry.— As of 2019, there are 32,446 workers living in the City employed across eight major industrial sectors.— The most prevalent industry is Financial and Professional Services with 11,688 employees (36% of total), and the second most prevalent industry is Health and Educational Services with 9,961 employees (31% of total).— According to the ACS 5-Year Data (2015–2019), 31,539 residents are employed and 55,365 people work in the City; thus, the City's population increases during the typical workweek (Monday through Friday).— As shown on Figure 2-9Figure 2-9, Walnut Creek is similar to the County and Bay Area for many categories.

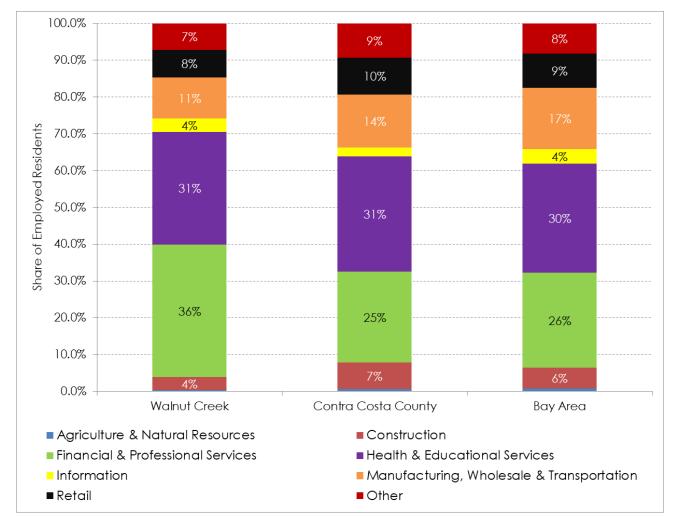


Figure 2-9. Employment by Industry

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table C24030.

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In addition to identifying employment by industry in Walnut Creek, it is also important to identify the types of employment City residents hold.—As shown on Figure 2-10Figure 2-10, Employment by Occupation, the most prevalent occupational category among City residents is Management, Business, Science, and Arts Occupations with 21,352 employees (66%).— The second most prevalent type of work is Sales and Office Occupations with 5,850 employees (11%).— The percentage of employment in Management, Business, Science and Arts Occupations is higher in Walnut Creek than the County and Bay Area, while the percentage of Service Occupations is lower than both the County and Bay Area.

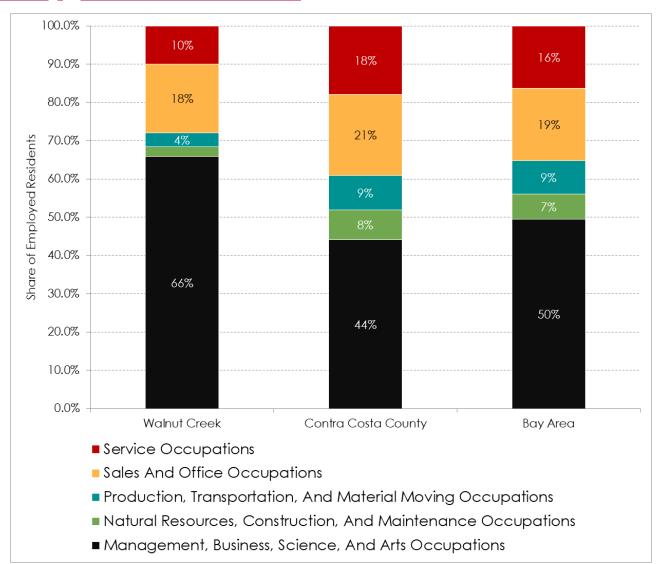


Figure 2-10. Employment by Occupation

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table C2401.

Walnut Creek has a mix of major employers and small businesses that are driving innovation. According to the Contra Costa County Consortium 2020–2025 Consolidated Plan (Consolidated Plan), adopted in 2020, the top employers in Walnut Creek are as follows.

Table 2-5. Walnut Creek Top Employers

Employer	Industry
John Muir Health	Hospital
MediQuest Staffing	Healthcare
Amerit Fleet Solutions	Auto Fleet Maintenance
The Permanente Medical Group, Inc.	Healthcare
Kaiser Permanente Medical Center	Hospital
Bell-Carter Foods, LLC	Food Processing

Source: California Employment Development Department, Dun & Bradstreet January 2022.

According to the Consolidated Action Plan, despite the strength of Walnut Creek's professional and healthcare sector, many of the workers who make up the diversity of the City's workforce earn limited incomes and are priced out of the local housing market.— Because of high housing prices in Walnut Creek and surrounding areas, many of these professionals must live farther away where homes are less costly and with longer commute distance to their place of work.— In addition to the Consolidated Action Plan, the data presented in the sections that follow support the City's need for higher incomes and lower housing prices.

2.4 Household/Housing Characteristics

California Government Code, Section 65583(a), requires an assessment of housing needs and an inventory of resources and constraints relevant to meeting these needs, including an analysis and documentation of household characteristics.— This section details housing costs compared to incomes, housing characteristics (including overcrowding), and housing stock conditions in the City.

2.4.1 Housing Stock

Walnut Creek's housing stock is predominantly composed of single-family detached and multifamily housing of five units or more.— More specifically, according to the DOF, there are 33,969 housing units in the City.— Approximately 37% are single-family detached homes, 48% are multifamily condominiums or apartments, 15% are single-family attached homes/townhomes.— There are no mobile homes in the City (Figure 2-11Figure 2-11, Local Housing Stock Characteristics and Trends).— Figure 2-11_Figure 2-11_also shows a slight increase in housing stock since 2010, with the majority of growth in units derived from multifamily housing projects with five units or more.

These characteristics contrast with data for the Bay Area where over one-half of all housing units are single-family detached (see Figure 2-12, Bay Area Housing Stock Characteristics and Trends).— Housing units in the Bay Area are composed of the following categories: 52% single-family detached, 9% single-family attached, 37% multifamily, and 2% mobile homes.

2.4.1.1 Housing Type Trend

As shown on <u>Figure 2-11 Figures 2-11</u> and <u>Figure 2-122-12</u>, both single-family and multifamily residential units represent the overwhelming majority of housing types, while the number of mobile homes is relatively small in the Bay Area, and almost nonexistent in Walnut Creek.— As indicated in the previous section, development trends indicate that more multifamily units than single-family units have been built in recent years.— As shown on <u>Figure 2-11Figure 2-11</u>, while single-family units have increased by 0.7% between 2010 and 2020, multifamily units have increased by 0.7% between 2010 and 2020, multifamily units have increased by about 7.7% during this same time period.

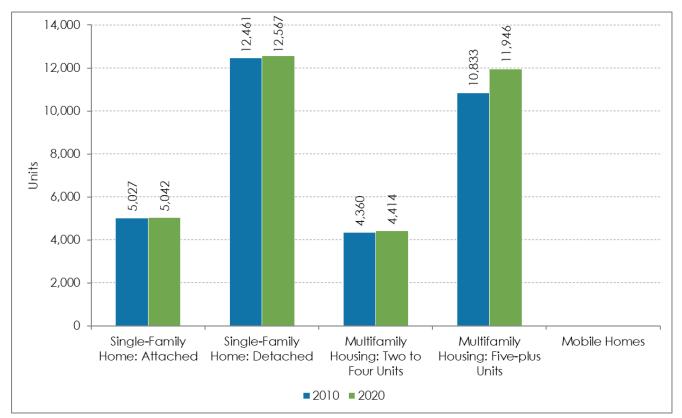


Figure 2-11. Local Housing Stock Characteristics and Trends

Source: DOF, E-5 Series.

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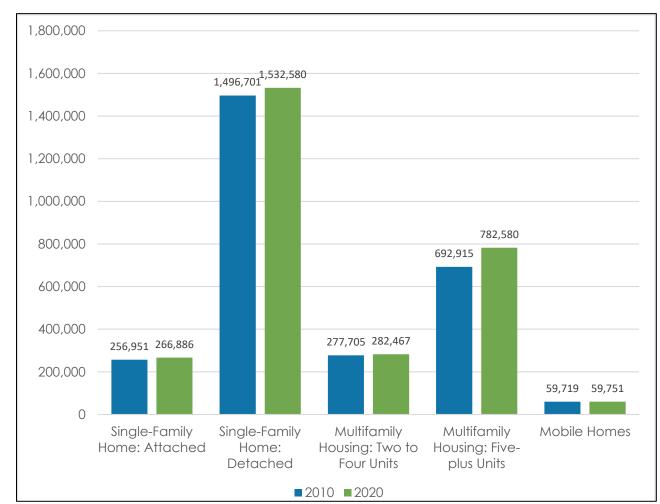


Figure 2-12. Bay Area Housing Stock Characteristics and Trends

Source: DOF, E-5 Series.

2.4.1.2 Vacant Units by Type

According to the 2015–2019 ACS 5-Year Data, 5.3% of the housing units in the City are vacant. As shown on Figure 2-13Figure 2-13, Vacant Units by Type, the majority of the City's vacant units are either Other Vacant (40%) or For Rent (22%).—Sale and other unit types represent the remaining 38% of all vacant units in the City.—The percentages of each subtype are generally similar in the City as in the County and Bay Area.—As an exception, 22% of vacant units in the Bay Area are used for seasonal, recreational, or occasional use compared to only 14% in the City.

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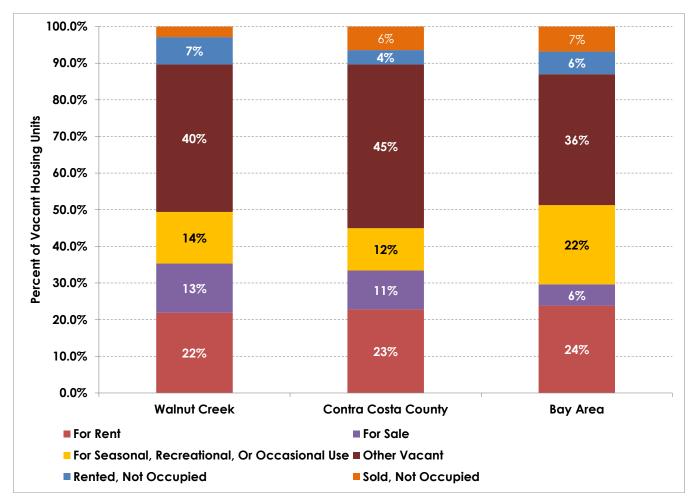


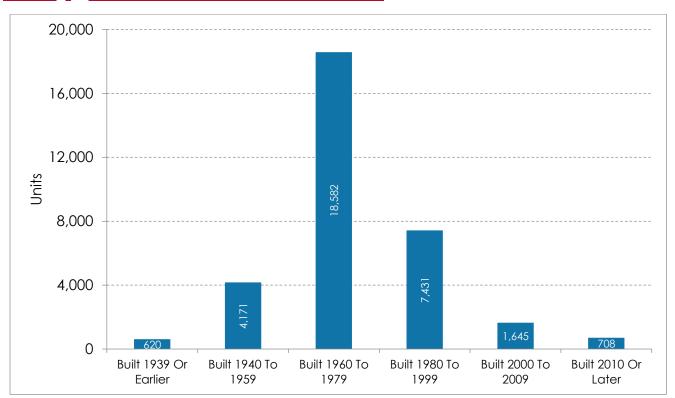
Figure 2-13. Vacant Units by Type

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25004.

2.4.1.3 Housing Units by Year Built

In Walnut Creek, the majority of the housing stock (56%) was built from 1960 to 1979, with 18,582 units constructed during this period (see <u>Figure 2-14</u>, Housing Units by Year Structure Built).— A small share (2.1%) of the current housing stock, or 708 units, was built since 2010.

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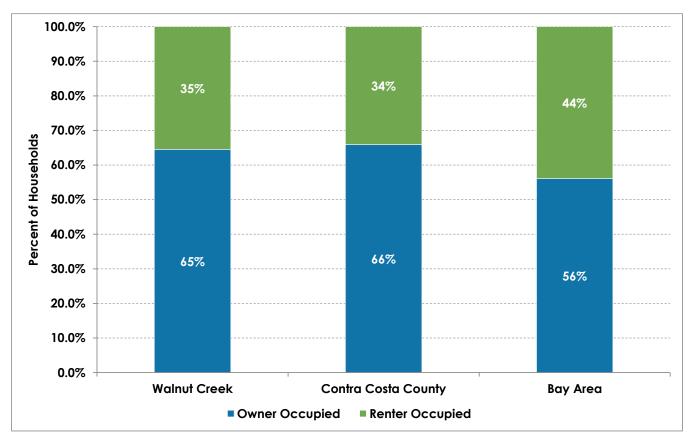
Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25034.

Data on the age of the current housing stock illustrates historical development patterns and can indicate the overall condition of the housing stock as older homes require more maintenance and repair (and at greater costs) than units that are 30 years old or fewer.— The abundance of homes in the City that are 40 years old or older suggests that the City could benefit from a program to encourage preservation and/or renovations.

2.4.2 Housing Tenure: Ownership/Rental Statistics

Housing security can depend heavily on housing tenure (i.e., whether homes are owned or rented).—Ownership units represent approximately 65% of all units in the City, while rental units make up 35% of the City's units.— There is also a significant difference in the percentage of ownership and rental units between single-family and multifamily homes.— 95% and 75% of detached and attached single-family units, respectively, are owner-occupied, whereas only 41% of multifamily units are owner-occupied.—Compared to the Bay Area, homeownership in Walnut Creek is greater overall (see Figure 2-15Figure 2-15, Ownership versus Rental Units).

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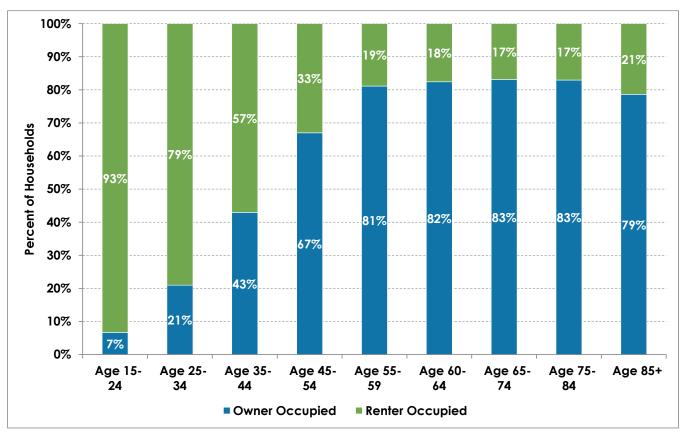




The 2015–2019 ACS 5-Year Data on the age of the household occupants indicates that households led by someone 44 years or younger are more likely to rent, while households led by someone 45 years or older are more likely to own their home.— This data indicates a direct correlation between age and homeownership, as depicted on <u>Figure 2-16</u>, Housing Tenure by Age.

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25003.

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Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25007.

As shown on <u>Figure 2-17</u>Figure 2-17, Housing Tenure (2000–2019), there was a 2% decrease of total owner-occupied housing from 2000 to 2019.— Meanwhile, renter-occupied units increased by 16% during the same time period.— The increase in renter-occupied units reflects the fact that the majority of new housing developed in the past 2 decades is rental units.

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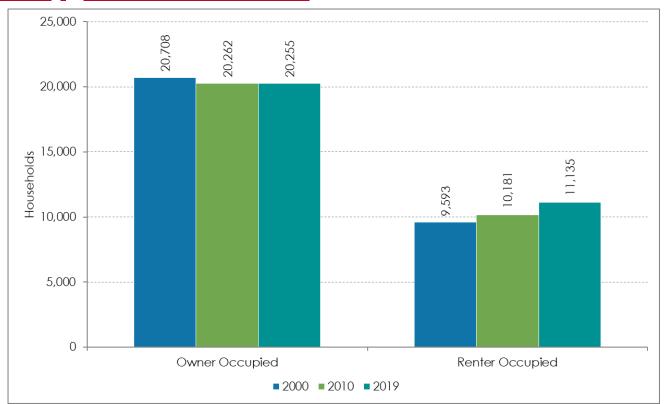


Figure 2-17. Housing Tenure (2000-2019)

Source: U.S. Census Bureau, Census 2000 SF1, Table H04; U.S. Census Bureau, Census 2010 SF1, Table H04; U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25003.

As shown on Figure 2-18Figure 2-18, Households Locating to Walnut Creek by Housing Tenure, and in Table 2-6Table 2-5, Households Locating to Walnut Creek by Housing Tenure, 54% of households located to their current Walnut Creek residence in 2010 or later.— Additionally, renter-occupied households are more likely to have moved to their current residence more recently than owner-occupied households as ownership encourages residents to stay in one home for a longer duration.

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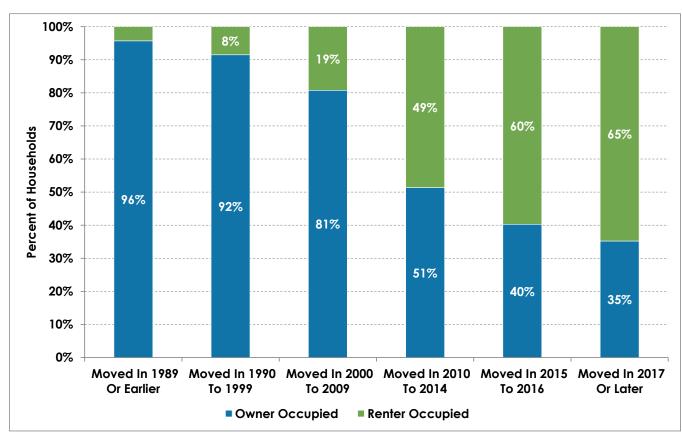


Figure 2-18. Households Locating to Walnut Creek by Housing Tenure

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25038.

Table 2-6. Households Locating to Walnut Creek by Housing Tenure

	Owner	Renter
Move In Year	Occupied	Occupied
Moved In 1989 Or Earlier	3,822	171
Moved In 1990 To 1999	3,690	342
Moved In 2000 To 2009	5,239	1,247
Moved In 2010 To 2014	4,111	3,893
Moved In 2015 To 2016	2,135	3,168
Moved In 2017 Or Later	1,258	2,314
Totals	20,255	11,135

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25038.

2.4.3 Housing Conditions

According to the Consolidated Plan, housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing.— The 2015–2019 ACS 5-Year Data indicates that a

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relatively low number of units in the City would be considered substandard.— More specifically, 331 rental units (3%) lack complete kitchen facilities, and 35 rental units (0.3%) lack plumbing facilities in the City (Figure 2-19Figure 2-19, Substandard Housing).— No owner-occupied units lack kitchen or plumbing facilities.

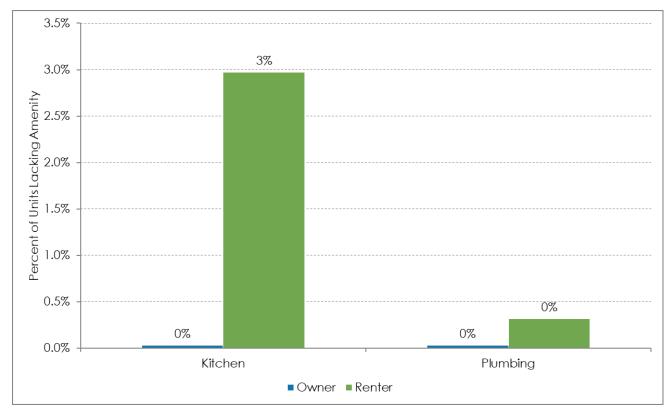


Figure 2-19. Substandard Housing

Source: Census Bureau, ACS 5-Year Data (2015–2019), Table B25053, Table B25043, Table B25049.

Furthermore, based on information provided by the City's Code Enforcement Division, the percentage of residences in the City that could qualify as substandard housing are 1% or less for ownership and 1–3% for rental.— This is largely due to Walnut Creek's relatively high home values and younger housing stock.— According to Code Enforcement staff, it is rare to encounter homes that could be described as substandard housing, based on the complaints communicated to their division.— Furthermore, substandard housing complaints are not concentrated in any areas of the City and are sparsely distributed throughout the City.— Moreover, the Code Enforcement Division receives more complaints of active remodel work without a permit than for habitability conditions at a residence.

The significantly low percentage of residences that could be considered to be substandard housing is result of Walnut Creek's strong housing market.—As a desirable community in which to live, Walnut Creek has long had a strong housing market that supports the upkeep and maintenance of its housing stock.— Desirability, along with upkeep, provides owners with

increased assessed values which provide a financial incentive for owners of rental properties to maintain their buildings, while providing financial opportunities to homeowners needing additional funds for maintenance and upkeep.— Furthermore, the City contracts with Habitat for Humanity to provide low-interest home rehabilitation loans and emergency repair grants to lower income Walnut Creek homeowners for the purpose of improving their property.— Both financial incentives and the City's rehabilitation program provide for a well-maintained housing stock where Walnut Creek residents can thrive.

2.4.4 Median Home Sales Price for Existing Homes

According to Zillow, the City's Home Value Index (a "smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type") was \$965,533 in 2020, higher than for the County and lower than for the Bay Area.— All three areas have experienced large increases since 2011 (i.e., following a dip in value that occurred between 2005 and 2011) (Figure 2-20Figure 2-20, Median Home Sales Price for Existing Homes).— Reinforcing the relative Zillow Home Value Indices, the 2015–2019 ACS 5-Year Data shows that the City has higher shares of homes valued between \$750,000 and \$1.5 million than the County and Bay Area.— Meanwhile, the Bay Area has a much higher share of homes valued at more than \$2 million (Table 2-7Table 2-6, Home Values of Owner-Occupied Units).

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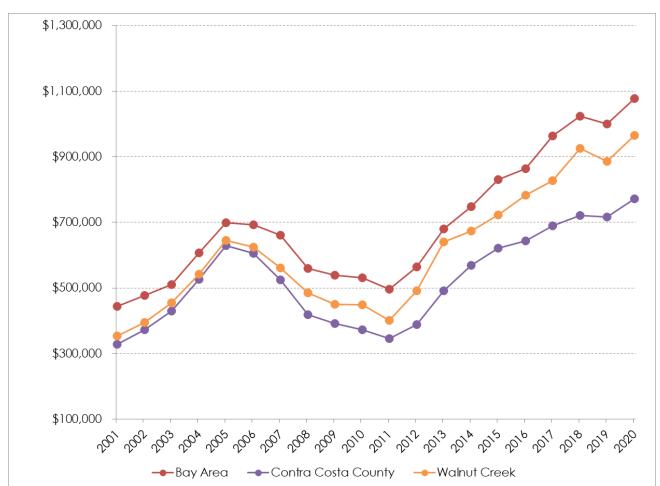


Figure 2-20. Median Home Sales Price for Existing Homes

Source: Zillow, Zillow Home Value Index.

Table 2-7. Home Values of Owner-Occupied Units

Geography	Units Valued Less than \$250k	Units Valued \$250k- \$500k	Units Valued \$500k- \$750k	Units Valued \$750k-\$1M	Units Valued \$1M-\$1.5M	Units Valued \$1M-\$2M	Units Valued \$2M+
Walnut Creek	4.9%	20.5%	20.0%	25.9%	22.5%	4.9%	1.2%
Contra Costa County	7.3%	29.1%	27.0%	15.4%	13.1%	4.9%	3.1%
Bay Area	6.1%	16.3%	22.5%	20.1%	17.9%	7.9%	9.2%

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B2507.

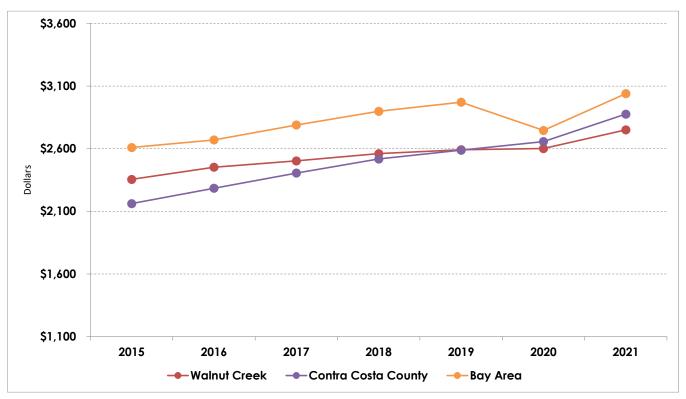
2.4.5 Median Rent

The Zillow Observed Rent Index (a "smoothed measure of the typical observed market rate rent across a given region") reports that the median monthly rent in the City is \$2,750 compared to \$2,876 and \$3,039 in the County and Bay Area, respectively.— Therefore, rents in Walnut Creek are relatively lower than those in the surrounding areas.— Furthermore, while

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rents in the County as a whole have increased over the last 6 years, rents in the City have increased at a slower pace than the County.—For instance, rents grew 17% in the City between 2015 and 2021 compared to 33% growth in the County and 16% in the Bay Area during that same period.—While the City's rents grew at a higher rate than the Bay Area, costs in the City are generally lower than in the Bay Area, resulting in a lower rent.—Figure 2-21Figure 2-21, Median Contract Rent, provides a comparison of rents in the City, the County, and the Bay Area between 2015 and 2021.





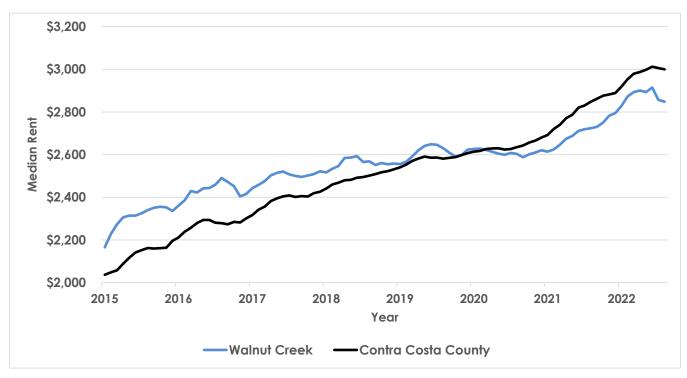
Note: The median rents shown represent the median rent on December 31st for each year. **Source:** Zillow, Zillow Observed Rent Index (ZORI) 2015-2021

Historically, Walnut Creek has had some of the highest median rents in Contra Costa County. This remained true until early 2020 when the median rent in Walnut Creek dipped below the median rent in the county.— Beyond the year 2020, the median rent continued to increase in both the city and county.— However, the median rent in Walnut Creek remains lower than the median rent in Contra Costa County.

There could be various reasons for Walnut Creek's plateau and the County's higher rate of increase.— Walnut Creek's median rent dipped below the countywide median at the beginning of the COVID-19 pandemic.— During the pandemic, employees began to leave large metropolitan cities to work from home in more affordable communities, increasing demand and, therefore,

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rents.— If these families relocated to cities in Contra Costa County, but not to Walnut Creek, there is a possibility that median rents increased for the county as a whole, while remaining the same (or increasing at a lower rate) in Walnut Creek.— Figure 2-22Figure 2-22, Median Contract Rent by Month, Walnut Creek and Contra Costa County, presents the change in median rent on a month-to-month basis since 2015.





Source: Zillow, Zillow Observed Rent Index (ZORI) 2015-2021

Furthermore, <u>Table 2-8</u>Table 2-7, Contract Rents for Renter-Occupied Units, illustrates that monthly rents in the City are most commonly—and more often than in the County or the Bay Area—in the \$1,500 to \$3,000 range.— As with home values, the Bay Area has a higher share than the City or County of units with rents in the highest level (\$3,000 or more).

Table 2-8. Contract Rents for Renter-Occupied Units

	Rent less	Rent \$500-	Rent \$1000-	Rent \$1500-	Rent \$2000-	Rent \$2500-	Rent \$3000
Geography	than \$500	\$1000	\$1500	\$2000	\$2500	\$3000	or more
Walnut Creek	2.9%	6.0%	11.2%	32.0%	21.0%	15.4%	11.5%
Contra Costa County	5.4%	10.1%	23.9%	29.8%	17.5%	7.5%	5.8%
Bay Area	6.1%	10.2%	18.9%	22.8%	17.3%	11.7%	13.0%

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25056.

It is important to note the difference in data sources between <u>Figure 2-21</u>_Figure 2-21_and <u>Table</u> 2-8Table 2-7.— Figure 2-21_Figure 2-21_includes the most current market data from Zillow.com,

a leading real-estate marketplace site, while <u>Table 2-8</u><u>Table 2-7</u> analyzes projections generated by the U.S. Census Bureau.— The difference in data sources can lead to slight divergences.— For example, as shown in <u>Figure 2-21Figure 2-21</u>, Zillow shows the County median rent as \$2,876; however, <u>Table 2-8</u><u>Table 2-7</u> shows 54% of renters pay between \$1,000 and \$2,000, while only 13% of renters pay over \$2,500 per month.— Given this distribution presented by the Census Bureau, the median rent would be significantly below the \$2,876 presented by Zillow.— While there are differences in the data, both sources provide an insight into the City's challenges.

2.4.6 Housing Units Permitted

According to the Walnut Creek 2020 Annual Progress Report, 1,871 building permits for housing units were issued by the City between 2015 and 2020.— Of this total, 1,692 were for above moderate-income units, 57 moderate-income units, 26 low-income units, and 96 very low-income units (Table 2-9Table 2-8, Housing Units Permitted).— The 1,871 housing permits issued in 6 years are less than the City's 5th Cycle Housing Element Regional Housing Needs Allocation (RHNA) of 2,235 units.— Notably, the City permitted more above moderate-income units than the RHNA for that income level (895).— It is also notable that the City's 6th Cycle Housing Element Regional Fourier a city to permit a certain number of units, but rather to plan for housing development through zoning.

Income Group	value
Very Low Income Permits	96
Low Income Permits	26
Moderate Income Permits	57
Above Moderate Income Permits	1,692
Totals	1,871

Table 2-9. Housing Units Permitted

Source: HCD 5th Cycle Annual Progress Report Permit Summary (2020).

2.4.7 Overpayment and Overcrowding

California Government Code, Section 65583(a)(2), requires an analysis and documentation of household characteristics, including level of payment compared to ability to pay; housing characteristics, including overcrowding; and housing stock condition (covered in Section 2.4.3, Housing Conditions).

2.4.7.1 Household Income

Household income demonstrates a household's or individual's ability to pay for housing.

The HCD identifies the following household income categories based on the area median income (AMI) of each county:

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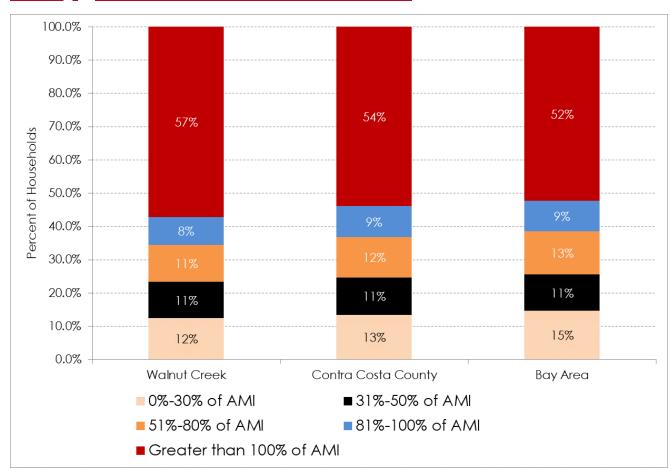
- Extremely Low-income: Households with income up to 30% of the AMI.
- <u>Very Low-income</u>: Households with income between 31% and 50% of the AMI.
- Low-income: Households with income between 51% and 80% of the AMI.
- <u>Moderate-income</u>: Households with income between 81% and 120% of the AMI.
- Above moderate-income: Households with income over 120% of the AMI.

The Extremely Low-Income category is considered a subset of the Very Low-Income category. The three lowest income categories (i.e., Extremely Low-, Very Low-, and Low-Income) are commonly referred to collectively as "lower" income levels in the California Government Code and by the HCD.

The U.S. Department of Housing and Urban Development (HUD) 2013–2017 Comprehensive Housing Affordability Strategy (CHAS) data separates households slightly differently, with a category for households with income between 81% and 100% of the AMI (below median) and a category for households with income above 100% of the AMI (above median).

As shown on <u>Figure 2-23</u>Figure 2-23, Households by Household Income Level, 34% of Walnut Creek households had lower incomes, 8% had below median incomes, and 57% of households had above median incomes.— The City has slightly fewer lower-income households than the County (36%) and the Bay Area (39%).

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2.4.7.2 Cost Burden by Tenure and Income

Housing cost burden is most commonly measured as the percentage of gross income spent on housing, with an amount of more than 30% considered "cost-burdened" and more than 50% considered "severely cost-burdened."

Walnut Creek is predominately made up of ownership households.— According to the 2015–2019 ACS 5-Year Data, roughly 35% of the households in the City are renter-occupied and 65% are owner-occupied.— Of the owner-occupied units, 30% are cost-burdened, with 13% severely cost-burdened.— In comparison, 41% of renter-occupied units are cost-burdened with 21% severely cost-burdened.— As illustrated on Figure 2-24Figure 2-24, Cost Burden by Tenure, renters in the City are generally more cost-burdened than their owner counterparts, suggesting a larger need for affordable rental units in the City.

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

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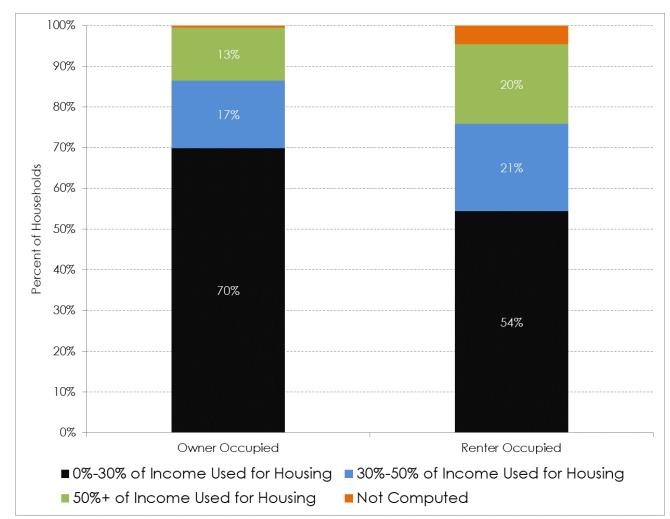


Figure 2-24. Cost Burden by Tenure

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25070, Table B25091.

The CHAS data identifies the number of Walnut Creek households that pay 30% or more of their gross income on housing costs differentiated by household income level (<u>Table 2-</u>10Table 2-9, Cost Burden by Income).— This data indicates that approximately 36% of households in Walnut Creek (10,966 of the 30,686 households) are "cost-burdened," or spend 30% or more of their gross income on housing costs.— Approximately 18% of households (5,482), or one in five households, spend over 50% of their gross income on housing costs and are considered "severely cost-burdened." Of those 5,482 households, approximately 78% are very low- and extremely low-income households.— Another way to look at this data is that 89% of extremely low-income households experience a cost burden compared to 14% of above median-income households.

It is important to note is that while households in the highest income groups may be classified as cost-burdened, a lower-income household spending the same percentage of income on

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housing as a higher-income household will likely experience its cost burden more acutely due to the remaining relatively small amount of income available for essential living expenses.

Table 2-10. Cost Burden by Income

Income Group	0%-30% of Income Used for Housing	30%- 50% of Income Used for Housing	50%+ of Income Used for Housing
0%-30% of AMI	390	320	2,830
31%-50% of AMI	910	999	1,444
51%-80% of AMI	1,550	1,220	700
81%-100% of AMI	1,600	800	223
Greater than 100% of AMI	15,270	2,145	285
Totals	19,720	5,484	5,482

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

Compared to the County and Bay Area as a whole, the City has similar percentages of households that are cost-burdened (33–36%) and severely cost-burdened (15–16%) (Figure 2-25, Figure 2-25, Cost Burden Severity).

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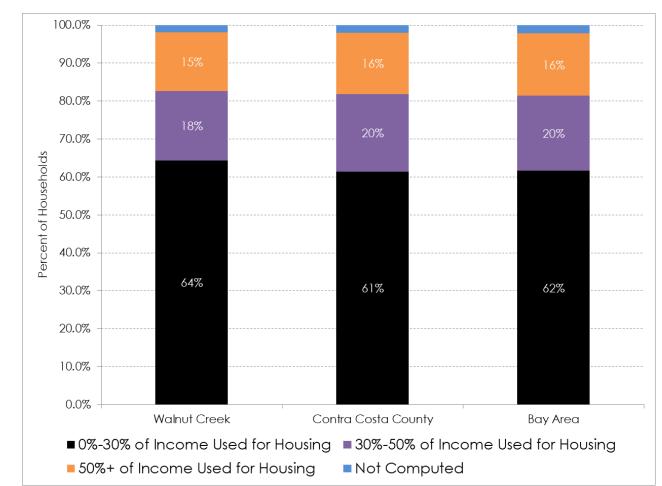


Figure 2-25. Cost Burden Severity

2.4.7.3 Spending on Rent

As mentioned in Section 2.4.5, Median Rent, renters in Walnut Creek pay a median contract rent of \$2,750, while renters in the Bay Area and County pay \$3,039 and \$2,876, respectively.—In addition, Figure 2-24 Figure 2-24 shows that 41% of Walnut Creek's renter households are cost burdened.— These significant rates of cost burden, paired with some of the highest median rents in the area, point to a need for affordable rental housing in the City.

Spending on Rent by Income

Another method to analyze the extent of rent-burdened households in the City is to examine rent expenditure by income bracket.— The CHAS ACS tabulation of renter households (i.e., the 11,215 renter households in the City where income data is available) shows the general trend of lower-income households spending a higher share of income on housing (i.e., more than

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25070, Table B25091.

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50%), while higher-income households are more likely to spend less than 30% of income on housing costs (<u>Figure 2-26</u>, Spending on Rent by Income).

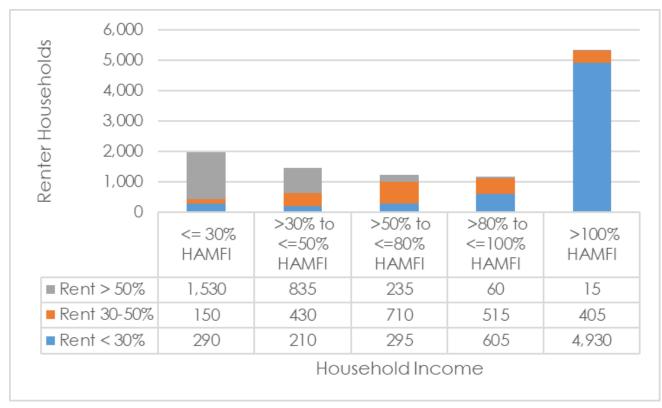


Figure 2-26. Spending on Rent by Income

Source: CHAS ACS tabulation, 2013–2017 release.

Household Income by (Cash) Rent

Analyzing the cash rent paid by household income also provides an insight into the extent of cost burden on renter households.— The 2015–2019 ACS 5-Year Data indicates a general trend of households paying higher rents across the board.— However, there are significantly more households with higher incomes paying higher rents than lower-income households.— As shown on Figure 2-27Figure 2-27, Household Income by (Cash) Rent, rent categories range from less than \$500 per month (3% of Walnut Creek renters) to over \$2,000 per month (54% of Walnut Creek renters).

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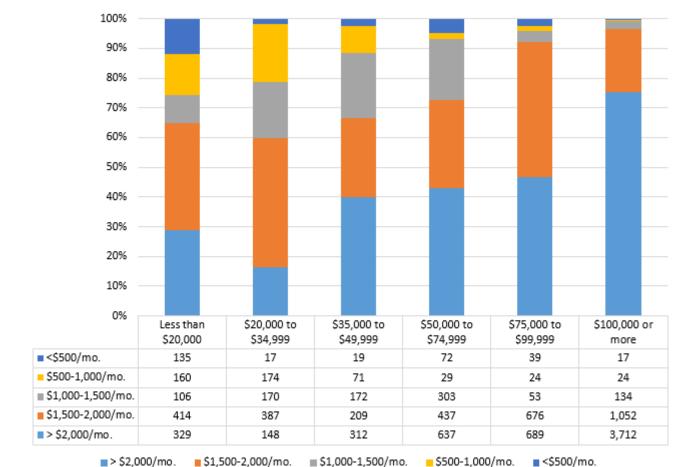


Figure 2-27. Household Income by (Cash) Rent

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25122.

Higher-income households can spend more on rent more comfortably, as expenses on essential items become a smaller share of spending income.—Nevertheless, Figure 2-27 Figure 2-27 shows that the majority of households at all income levels spend over \$1,500 on rent.— Furthermore, a greater number of households with incomes greater than \$35,000 pay over \$2,000.— The development of affordable housing would address the need for rents that are affordable to lower-income families and reduce the number of cost-burdened and severely cost-burdened households.

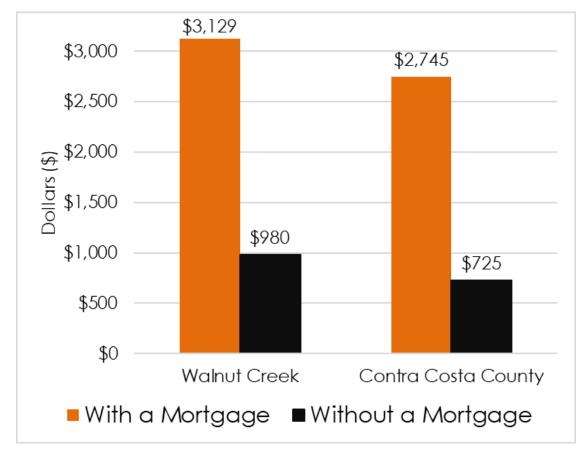
2.4.7.4 Spending on Mortgage

The housing costs of an owner-occupied unit will significantly decrease when a mortgage on the unit is paid in full, thereby making the unit more affordable.— However, while a mortgage is being paid by the homeowner, monthly housing costs can represent a cost burden, particularly for retiree households, which are typically on a somewhat fixed income.— Increases in other required expenses, such as healthcare, food, and home maintenance, can exacerbate this situation.

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As previously illustrated on <u>Figure 2-28</u>Figure 2-28, 30% of Walnut Creek homeowners are cost burdened.— This could be explained by the fact that Walnut Creek homeowners with a mortgage pay a median of \$3,129 in housing costs, while Countywide, owners with a mortgage pay a median of \$2,745 (<u>Figure 2-28Figure 2-28</u>, Median Owner Costs).— While the percentage of cost-burdened homeowners in the City (30%) is lower than that of renters (41%), Walnut Creek is principally made up of owner-occupied households, making the 30% of cost-burdened homeowners a significant number.

Figure 2-28. Median Owner Costs



Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25088.

Costs for Mortgage Holders by Income

The CHAS data on mortgage-holding households in the City (by income and the percentage of income spent on mortgage costs) indicates that lower-income households spend a <u>higher</u> share of income on housing costs, while higher-income households spend a lower share of income on housing costs.

Approximately 84% of Walnut Creek mortgage-holding, above median-income households have payments that make up less than 30% of household income, while only 16% of the same

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households have payments that exceed 30% of income (<u>Figure 2-29</u>, Monthly Owner Costs for Mortgage Holders).— As expected, cost burden is more common at lower income levels. For example, compared to the 16% of mortgage-holding, above median-income households with a cost burden, 78% of mortgage-holding, extremely low-income households have a cost burden.

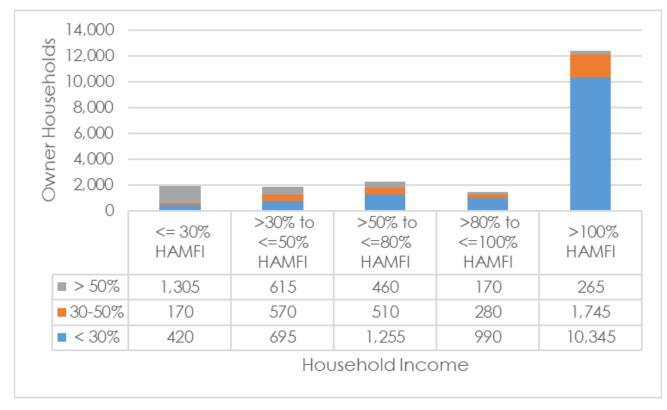


Figure 2-29. Monthly Owner Costs for Mortgage Holders

Source: CHAS ACS tabulation, 2013–2017 release.

2.4.7.5 Overcrowding by Extent and Tenure

According to the CHAS data, less than 3% of housing units in Walnut Creek meet the ACS definition of "overcrowding." More specifically, the CHAS data shows that 110 owner-occupied and 690 renter-occupied households had more than one occupant per room.— Of these households, 38 owner-occupied households and 402 renter-occupied households had more than 1.5 occupants per room, which meets the ACS definition for "severe overcrowding." The overcrowding rate of 3% in the City is less than in the County (5%) and the Bay Area (7%) (Figure 2-30Figure 2-30, Overcrowding Severity; Table 2-11Table 2-10, Overcrowding Severity; and Table 2-12Table 2-11, Overcrowding by Tenure and Severity).

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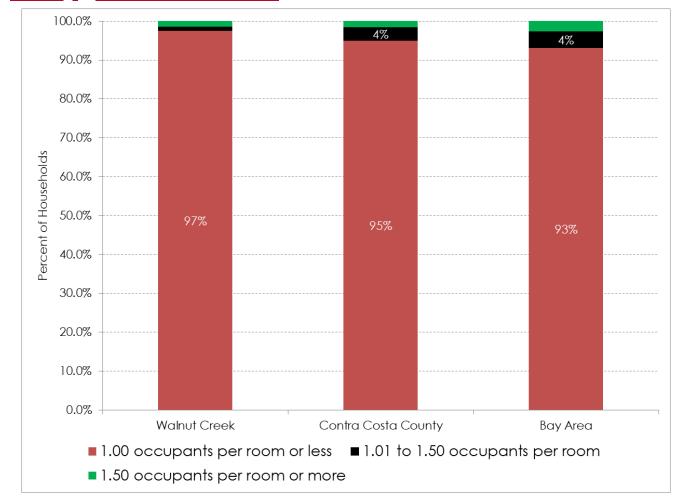


Figure 2-30. Overcrowding Severity

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

Table 2-11. Overcrowding Severity

	1.00		1.50
	occupants	1.01 to 1.50	•
	per room	occupants	per room
Geography	or less	per room	or more
Walnut Creek	30,590	360	440
Contra Costa County	374,726	13,950	6,093
Bay Area	2,543,056	115,696	72,682

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

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Tenure	1.0 to 1.5 Occupants per Room	-
Owner Occupied	0.4%	-
Renter Occupied	2.6%	3.6%

Table 2-12. Overcrowding by Tenure and Severity

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

2.5 Extremely Low-Income Housing Needs

The HCD defines extremely low-income as households with income less than 30% of the AMI. According to the HCD "Revised State Income Limits for 2021" letter dated December 31, 2021, the 2021 AMI in Contra Costa County was \$125,600.— For extremely low-income households, this resulted in an income of \$41,100 or less for a four-person household or \$28,800 or less for a one-person household.— Extremely low-income households experience a variety of needs, such as a need for public assistance like Social Security Insurance or disability insurance.— The majority of households receiving such public assistance are often considered to be of extremely low income.— At the same time, a worker with an annual income of approximately \$54,300 or less could be part of an extremely low-income household, depending on their household size.

2.5.1 Existing Needs

According to the CHAS ACS tabulation (contained in the ABAG Housing Needs Data), approximately 3,875 extremely low-income households reside in the City, representing approximately 12% of the total households, as shown in <u>Table 2-13Table 2-12</u>, Households by Household Income Level.— In comparison, the County and Bay Area have slightly higher percentages of extremely low-income households with 13% and 15%, respectively.

Geography	0%-30% of AMI	31%-50% of AMI	51%-80% of AMI	81%-100% of AMI	Greater than 100% of AMI
Walnut Creek	3,875	3,360	3,454	2,613	17,713
Contra Costa County	52,435	43,925	46,960	36,544	209,755
Bay Area	396,952	294,189	350,599	245,810	1,413,483

Table 2-13. Households by Household Income Level

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

As shown in <u>Table 2-14</u>Table 2-13, Housing Needs for Extremely Low-Income Households, there are slightly more extremely low-income renter households than owner households (51% and 49%, respectively).— Most extremely low-income households are senior households (54%).

Furthermore, a significant majority (89%) of extremely low-income households in the City are cost-burdened (spend more than 30% of income on housing costs), with 80% qualifying as severely cost-burdened (spend more than 50% of income on housing costs).—Finally, while the majority of extremely low-income households experience housing cost burden, a small number (5%) experience overcrowding.

	Total Households
Total Number of ELI Households	3,875
Percent of Owner Occupied	49%
Percent of Renter Occupied	51%
Percent of Senior Occupied	54%
Percent with Cost Burden (30% of Income)	89%
Percent with Severe Cost Burden (50% of Income)	80%
Percent with Overcrowding	5%

Table 2-14. Housing Needs for Extremely Low-Income Households

Source: HUD, CHAS ACS tabulation, 2013–2017 release; U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25070, Table B25091.

2.5.2 Projected Needs

Based on guidance provided by the HCD via communications with their staff, the City calculated the projected housing needs for extremely low-income households by assuming 50% of its very low-income RHNA (1,657) are extremely low-income households, or 829 units.— Many extremely low-income households will be seeking rental housing, and most will likely face an overpayment. Furthermore, seniors will occupy many extremely low-income households, and many will have special needs.

To address the housing needs of extremely low-income households, the City has identified several initiatives to help expand affordable housing opportunities for extremely low-income households.— These include the following objectives, existing and proposed policies, and programs from the Housing Plan (Chapter 8, Housing Plan, of this Housing Element Update):

- H-2.A. Pursue State and Federal Funding for Affordable Housing
- H-2.B. Local Funding for Affordable Housing
- H-2.N. Assist with Development of Lower-Income Housing
- H-2.O. Funding, Incentives, and Concessions for Extremely Low-Income Developments

As part of this effort, the City will follow the Housing Plan and collaborate with housing providers and stakeholders to meet the City's affordable housing needs.

2.6 Special Housing Needs

California Government Code, Section 65583(a), requires an assessment of housing needs and an inventory of resources and constraints relevant to meeting these needs.— Per California Government Code, Section 65583(a)(7), this section includes an analysis of special housing needs.— This section details the needs of seniors, people with disabilities (including those with developmental disabilities), large families, farmworkers, families with female heads of households, and families and individuals in need of emergency shelter in the City.— Studying these groups is an important component of identifying special housing needs and addressing those needs through plans, programs, and projects.

These specific segments of the population may have more difficulty finding decent, affordable housing due to special needs.— Special circumstances may be related to one's employment and income, family characteristics, disability, and household characteristics, among other factors. Furthermore, many of these groups overlap.— For example, many seniors have a disability, and many single mothers experience homelessness.— Generally, these groups would be assisted by an increase in affordable housing, especially housing located near public transportation and services.

The City used the ABAG Housing Needs Data to identify special housing needs for the purposes of this 6th Cycle Housing Element.— Additionally, the goals are derived from Walnut Creek's 2020–2025 Consolidated Action Plan.— Consolidated action plans detail the ways in which cities will allocate funding administered by the HUD.— These funds include Community Development Block Grant, the Home Investment Partnerships Program (HOME), Emergency Shelter Grant, and Housing Opportunities for Persons With AIDS.— Finally, resources and services dedicated to serving special housing needs are derived from the City's available data.— Appendix B, Affirmatively Furthering Fair Housing Analysis, also contains analysis related to special needs housing issues.

2.6.1 Seniors

Federal housing data defines a household type as a "senior family" if it consists of two people and at least one of these people is 62 years old or over.— The special needs of many senior households result from their fixed incomes, higher rate of physical disabilities, and common need for assistance from others.— Senior households have special housing needs primarily due to three major concerns: physical disabilities or limitations, income, and healthcare costs.

2.6.1.1 Needs Assessment for Seniors

According to the 2013–2017 CHAS ACS tabulation, 13,454 households (approximately 43% of the total 31,010 households) in Walnut Creek were senior households (<u>Table 2-15</u>Table 2-14, Senior Households by Income and Tenure).— Of this total:

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- 10,755 (or 80% of senior households) were owner households.
- 2,699 (or 20% of senior households) were renter households.
- 2,105 (or 16% of senior households) earn less than 30% of the AMI.
- 4,260 (or 32% of senior households) earn less than 50% of the AMI.

	Table 2-15.	Senior	Households b	у	Income and	Tenure
--	-------------	--------	--------------	---	------------	---------------

Income Group	Owner Occupied	Renter Occupied	Total	Percent of Total Elderly Households
0%-30% of AMI	1,425	680	2,105	16%
31%-50% of AMI	1,540	615	2,155	16%
51%-80% of AMI	1,555	310	1,865	14%
81%-100% of AMI	1,115	289	1,404	10%
Greater than 100% of AMI	5,120	805	5,925	44%
Totals	10,755	2,699	13,454	

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

As a special needs group, seniors are unique in some respects.—As shown on <u>Table 2-</u>15Table 2-14, the vast majority (80%) of Walnut Creek's senior households are homeowners.—According to the 2013–2017 CHAS ACS tabulation, 10,755 (or 54%) of the City's 19,795 homeowner households are senior households.— This is a high percentage, considering that senior households represent approximately 43% of the total households in the City.— Furthermore, of the total 10,755 senior homeowner households in Walnut Creek, 5,120 (or 48%) have above median incomes.

While the majority of senior households in Walnut Creek have incomes above 80% of the AMI, it is important to recognize that 1,295 (or 48%) of senior renter households have incomes below 50% of the AMI, making very low-income senior renters a demographic in the City that should be considered when planning for housing.— Furthermore, as shown on Figure 2-31Figure 2-31, Cost-Burdened Senior Households by Income Level, 71% of seniors with incomes below 30% of the AMI spend more than 50% of their income on housing costs.— In comparison, 87% of seniors with income above 100% of the AMI spend less than 30% of their income on housing costs.— This illustrates an obvious disparity in cost burden between those with the lowest and highest incomes.

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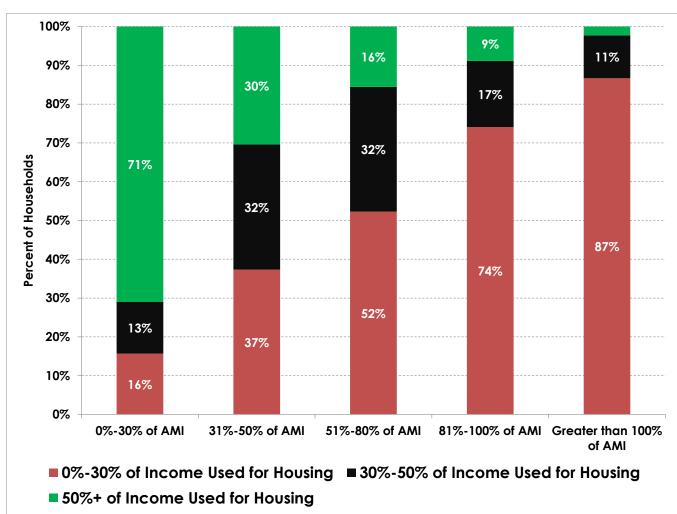
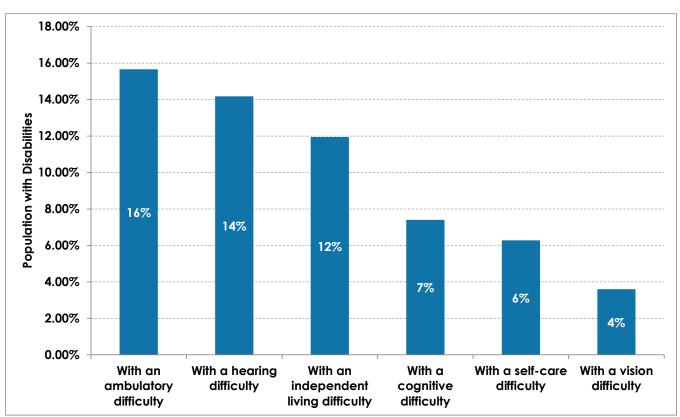


Figure 2-31. Cost-Burdened Senior Households by Income Level

Source: HUD, CHAS ACS tabulation, 2013–2017 release.

Seniors typically have additional physical and social needs.—As shown on Figure 2-32Figure 2-32, Disability by Type – Seniors (Age 65 or Older), the most commonly occurring disability among seniors is an ambulatory disability, which 16% of seniors in the City experience. Ambulatory disabilities are those that result in serious difficulty walking or climbing stairs, which requires housing that is more accessible to transportation, in-house assistance, and housing options with more accessible accommodations.

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Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107.

In terms of housing, seniors typically require smaller, more affordable housing options and/or assistance with accessibility and home maintenance.— Seniors often require ramps, handrails, and lower cupboards and counters to allow greater access and mobility for wheelchairs or walkers.— Housing options that provide proximity to transportation assistance to shopping and medical facilities are often required for seniors with mobility issues.

2.6.1.2 Resources and Services for Seniors

Walnut Creek currently has a number of existing programs and services available exclusively to or primarily for seniors.— These services are outlined in <u>Table 2-</u>21Table 2-20, Special Needs Resources (All Populations), in Section 2.6.7, Special Needs Resources (All Populations).

Furthermore, the Consolidated Action Plan includes the following goals to address any gaps in senior housing and services:

• Expand housing opportunities for extremely low-, very low-, low-, and moderate-income households through an increase in the supply of decent, safe, and affordable rental housing and rental assistance.

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- Increase homeownership opportunities for lower-income households.
- Maintain and preserve the existing affordable housing stock, including single-family residences and apartments owned and occupied by low- to moderate-income households.
- Increase the supply of appropriate and supportive housing for special needs populations, including seniors, persons with disabilities, persons with HIV/AIDS, low-income veterans, the homeless, and extremely low-income residents.
- Assist in providing opportunities and services to improve the quality of life for lowerincome persons.
- Enhance the quality of life of senior citizens and frail elderly and enable them to maintain independence.
- Assist in providing opportunities and services to improve the quality of life and independence for persons with special needs, such as disabled persons, battered spouses, abused children, persons with HIV/AIDS, and low-income veterans.
- Promote fair housing activities and affirmatively further fair housing.
- Reduce the number of persons with incomes below the poverty level and expand economic opportunities for very low- and low-income residents.

The Consolidated Plan also provides strategies the City is using or will use to make progress on the above goals:

- Provide down payment assistance to low- and moderate-income households (up to 120% of the AMI) through the First Time Homebuyer Assistance program.
- Provide home rehabilitation loans and emergency grants through the City's Home Rehabilitation Loan Program.— Homeowners in Walnut Creek with household incomes below 80% AMI are eligible for these low interest loans and emergency grants for home repairs, particularly those related to health, safety, and accessibility.
- Provide funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provide funding for organizations that provide critical services to seniors and frail elderly including case management, legal services, and food provision.

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- Provide funding for programs that provide critical, supportive, and emergency services to individuals with special needs, such as survivors of domestic violence, persons with HIV/AIDS, and disabled persons.
- Provide funding for HUD-certified fair housing providers.
- Provide funding to support accessibility upgrades to public facilities.

2.6.2 Large Families

Large households are identified in State housing law as a "group with special housing needs based on the generally limited availability of adequately sized, affordable housing units." Large households are defined as those with five or more members.— Due to the limited supply of adequately sized units to accommodate large family households, large families face an above-average level of difficulty in locating adequately sized, affordable housing.— Even when larger units are available, the cost is generally higher than that of smaller units.— The lack of supply, compounded with the low incomes of larger families, results in many large families living in overcrowded conditions.

2.6.2.1 Needs Assessment for Large Families

According to the 2015–2019 ACS 5-Year Data, there are 31,390 households in Walnut Creek (<u>Figure 2-33</u>, Households by Household Size).—Of that total:

- 11,135 were renters, and 20,255 were homeowners.
- 1,257 (or 4%) were large family households (with five or more members).
- 444 (or 4%) of the total 11,135 renter households were large family households.
- 813 (or 4%) of the total 20,255 homeowner households were large family households.

The most common household size is two people (38%), and the second most common household size is one person (35%).

Compared to the Bay Area (<u>Table 2-16</u>, Households by Household Size (Regional)), Walnut Creek has the following:

- A higher share of single-person households than the Bay Area overall (35% versus 25%).
- A lower share of five+-person households than the Bay Area overall (4% versus 11%).

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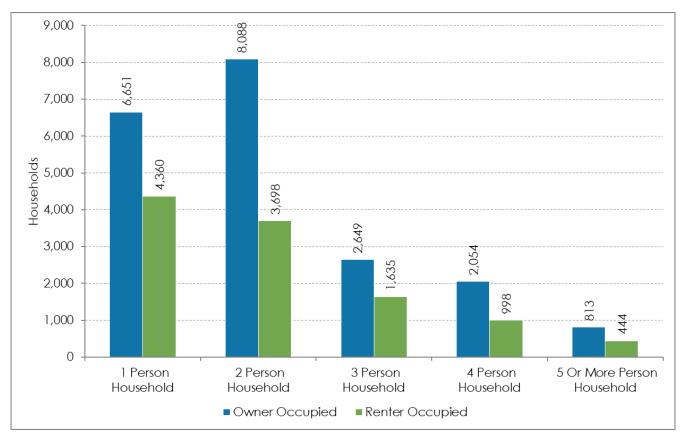


Figure 2-33. Households by Household Size

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B25009.

Table 2-16. Households by Household Size (Regional)

	1-Person	2-Person		5-Person or More
Geography	Household	Household	Household	Household
Walnut Creek	11,011	11,786	7,336	1,257
Contra Costa County	86,232	124,699	135,005	48,833
Bay Area	674,587	871,002	891,588	294,257

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B11016.

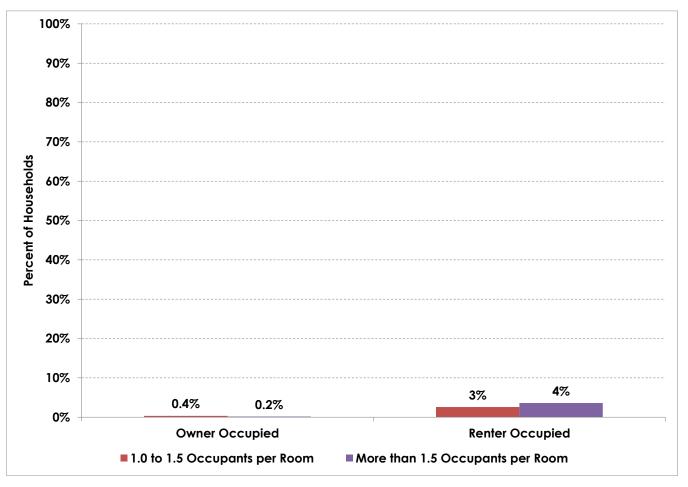
As mentioned previously, the ACS defines "overcrowding" as a unit with more than one person per room and "severe overcrowding" as a unit with more than 1.5 people per room.

As shown on <u>Figure 2-34Figure 2-34</u>, Crowding by Tenure and Severity, the incidence of overcrowding in Walnut Creek falls below 7% (2,116 units of the total 31,390 occupied housing units in the City are overcrowded), suggesting that the City has an adequate supply of larger

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homes to accommodate its households.— However, nearly 92% (or 1,945 households) of the total 2,116 overcrowded households in Walnut Creek are renter households, pointing to a need for larger rental units.— More specifically, 812 renter households are overcrowded, and 1,133 are severely overcrowded.— In contrast, 112 owner households are overcrowded, and 59 are severely overcrowded.





Source: HUD, CHAS ACS tabulation, 2013–2017 release.

2.6.2.2 Resources and Services for Large Families

Walnut Creek currently has a number of existing programs and services available to large families.— These services are outlined in <u>Table 2-</u>21Table 2-20, Special Needs Resources (All Populations), in Section 2.6.7.

The Consolidated Plan includes the following goals to address the availability of quality housing, including housing for large families:

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- Expand housing opportunities for extremely low-, very low-, low-, and moderate-income households through an increase in the supply of decent, safe, and affordable rental housing and rental assistance.
- Increase homeownership opportunities for lower-income households.
- Maintain and preserve the existing affordable housing stock, including single-family residences and apartments owned and occupied by low- to moderate-income households.
- Increase the supply of appropriate and supportive housing for special needs populations, including seniors, persons with disabilities, persons with HIV/AIDS, low-income veterans, the homeless, and extremely low-income residents.
- Assist in providing opportunities and services to improve the quality of life for lowerincome persons.
- Promote fair housing activities and affirmatively further fair housing.
- Reduce the number of persons with incomes below the poverty level and expand economic opportunities for very low- and low-income residents.

The Consolidated Plan also provides strategies the City is using or will use to make progress on the above goals:

- Provide down payment assistance to low- and moderate-income households (up to 120% of the AMI) through the First Time Homebuyer Assistance program.
- Provide home rehabilitation loans and emergency grants through the City's Home Rehabilitation Loan Program.— Homeowners in Walnut Creek with household incomes below 80% AMI are eligible for these low interest loans and emergency grants for home repairs, particularly those related to health, safety, and accessibility.
- Provide funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provide funding for programs that provide critical, supportive, and emergency services to individuals with special needs, such as survivors of domestic violence, persons with HIV/AIDS, and disabled persons.
- Provide funding for HUD-certified fair housing providers.

2.6.3 **People with Disabilities**

The Americans with Disabilities Act defines a person with a disability as a person having a physical or mental impairment that substantially limits one or more major life activities.— People with disabilities have special needs and many earn little income, have high healthcare costs, are dependent on supportive services, and/or require special accessibility accommodations, such as access ramps or elevators.

People with disabilities face unique problems obtaining adequate housing.— This specific segment of the population, which includes individuals with mental, physical, and developmental disabilities, requires affordable housing conveniently located near needed services that is specially adapted for their specific needs.— Living arrangements for people with disabilities depend on the severity of the disability and can include arrangements such as living at home in an independent environment with the help of other family members, special housing design features for those with physical disabilities, income support for those unable to work, and inhome supportive services for people with medical conditions.

2.6.3.1 People with Physical and Mental Disabilities

Physical and mental disabilities can hinder access to housing units of conventional design and limit the ability of the individuals with disabilities to earn an adequate income.— The proportion of individuals with physical disabilities is increasing nationwide due to overall increased longevity and lower fatality rates.— Individuals with mental disabilities include those disabled by a mental illness or injury, including schizophrenia, Alzheimer's disease, and conditions related to brain trauma.— Disabilities tabulated by the census include sensory, physical, and mental limitations.

Needs Assessment for People with Physical and Mental Disabilities

According to the 2015–2019 ACS 5-Year Data, 8,545 Walnut Creek residents (approximately 12% of the City's population) were identified as having a disability.— Disabilities included each of the categories tabulated by the census, with the majority of residents having a physical disability.

<u>Figure 2-35</u>, Disability by Type, presents the percentage of adult residents in the City with different types of disabilities, as reported by the 2015–2019 ACS 5-Year Data.

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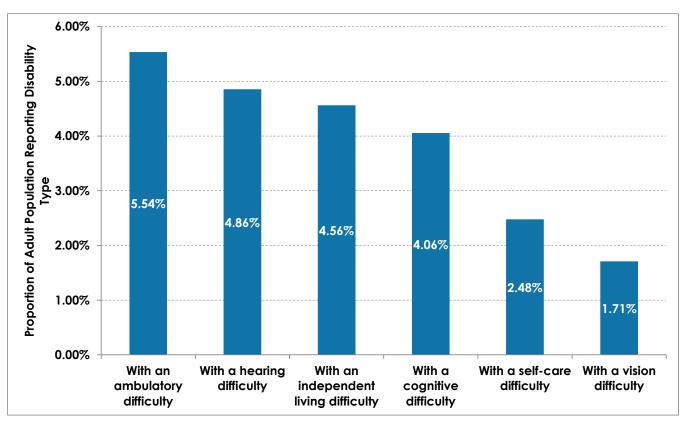


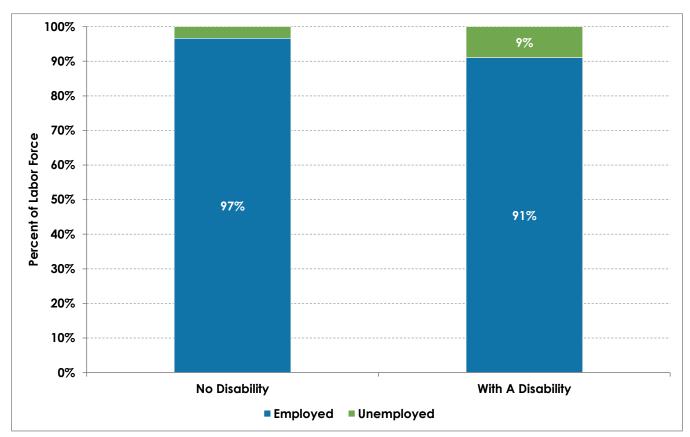
Figure 2-35. Disability by Type

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107.

Per the 2015–2019 ACS 5-Year Data, 3,230 (or 16%) of the City's 20,572 seniors live with an ambulatory disability, the most common disability for seniors as well as for all adults.— As the general population ages, the City will remain vigilant to address the needs of senior residents who are part of the City's population with disabilities (Figure 2-32Figure 2-32, Disability by Type – Seniors (Age 65 or Older)).

Understanding the employment status of individuals with disabilities may also be an important component in evaluating specialized housing needs.— In Walnut Creek, 91% of the population with a disability are employed compared to 97% of the population with no disability.—Conversely, the City's unemployment rate for individuals with a disability is higher than it is for those with no disability (9% and 3%, respectively) (Figure 2-36Figure 2-36, Disability by Employment Status). Overall, because individuals with a disability are less often employed, they may require more assistance with finding affordable housing options.

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Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table C18120.

2.6.3.2 People with Developmental Disabilities

Pursuant to California Welfare and Institutions Code, Section 4512(a), developmental disabilities are those disabilities that begin before adulthood and include intellectual disability, cerebral palsy, epilepsy, autism, and those disabling conditions that are closely related to intellectual disabilities or require treatment similar to that of those with intellectual disabilities.— This definition does not include handicapping conditions that are solely physical in nature.

Using this definition as a benchmark for the purpose of this analysis, data provided by the ACS for the City's population with cognitive difficulties was used to quantify the total number of people with developmental disabilities.— The definition of a "cognitive difficulty" provided by the ACS includes those resulting "because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions." Therefore, the ACS data used the definitions provided by the California Welfare and Institutions Code.

Needs Assessment for People with Developmental Disabilities

As mentioned previously, the 2015–2019 ACS 5-Year Data indicate that 8,545 Walnut Creek residents (approximately 10% of the City's population) were identified as having a disability.– Of this total:

- Approximately 2,787 (or 33%) have a disabling cognitive difficulty.
- Of those 2,787 residents with a disabling cognitive difficulty, approximately 1,522 are age 65 or older (or 55% of residents with a disabling cognitive difficulty).

The California Department of Developmental Services provides data on developmental disabilities by age and type of residence (<u>Table 2-17Table 2-16</u>, Developmental Disabilities by Age, and <u>Table 2-18Table 2-17</u>, Developmental Disabilities by Residence).— This information includes a breakdown of the housing types in which individuals with developmental disabilities reside and a breakdown by age (minors versus adults).— This data is collected at the ZIP-code level and may not perfectly match the ACS data used in this chapter.— However, the data provides more context of the housing conditions of individuals with disabilities.— As shown in <u>Table 2-18Table 2-16</u>, individuals with developmental disabilities typically reside with a parent, family member, or guardian.— However, many individuals reside in independent/supported living or in a community care facility.

Table 2-17. Developmental Disabilities by Age

Age Group	value
Age 18+	210
Age Under 18	160
Totals	370

Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020).

Table 2-18. Developmental Disabilities by Residence

Residence Type	value
Home of Parent /Family /Guardian	275
Independent /Supported Living	59
Community Care Facility	24
Intermediate Care Facility	12
Other	8
Foster /Family Home	8
Totals	386

Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020).

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Developmental disabilities can result in individuals with self-care and/or independent living difficulties, thereby preventing usability of housing units of typical design and function without personal care.— Due to these individuals' ability to remember, concentrate, and make decisions, their housing opportunities are further hindered because of economic constraints.— These factors together drive the need for facilities designed to accommodate individuals with developmental disabilities.

Resources and Services for All Disability Types

Fair Housing Accessibility Standards and California Administrative Code, Title 24, set forth access and adaptability requirements for those with physical disabilities.— These regulations apply to public buildings such as motels, employee housing, factory-built housing, and privately funded newly constructed apartment houses containing five or more dwelling units.— The regulations also require that ramp ways, wider doorways, and restroom modifications be designed to enable free access.— Such standards, however, are not mandatory of new single-family residential construction, as defined in Section 10-2.1.403(A)(8) of the City's Municipal Code.

Walnut Creek currently has a number of existing programs and services available exclusively or primarily to persons with disabilities.— These services are outlined in <u>Table 2-21</u>Table 2-27, Special Needs Resources (All Populations), in Section 2.6.7.

The Consolidated Plan includes the following goals to address the availability of quality housing, including housing for individuals living with a disability:

- Expand housing opportunities for extremely low-, very low-, low-, and moderate-income households through an increase in the supply of decent, safe, and affordable rental housing and rental assistance.
- Increase homeownership opportunities for lower-income households.
- Maintain and preserve the existing affordable housing stock, including single-family residences and apartments owned and occupied by low- to moderate-income households.
- Increase the supply of appropriate and supportive housing for special needs populations, including seniors, persons with disabilities, persons with HIV/AIDS, low-income veterans, the homeless, and extremely low-income residents.
- Assist in providing opportunities and services to improve the quality of life for lowerincome persons.
- Enhance the quality of life of senior citizens and frail elderly and enable them to maintain independence.

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- Assist in providing opportunities and services to improve the quality of life and independence for persons with special needs, such as disabled persons, battered spouses, abused children, persons with HIV/AIDS, and low-income veterans.
- Promote fair housing activities and affirmatively further fair housing.
- Reduce the number of persons with incomes below the poverty level and expand economic opportunities for very low- and low-income residents.

The Consolidated Plan also provides strategies the City is using or will use to make progress on the above goals:

- The City provides down payment assistance to low- and moderate-income households (up to 120% of the AMI) through the First Time Homebuyer Assistance program.
- The City provides home rehabilitation loans and emergency grants through the City's Home Rehabilitation Loan Program.— Homeowners in Walnut Creek with household incomes below 80% AMI are eligible for these low interest loans and emergency grants for home repairs, particularly those related to health, safety, and accessibility.
- Provide funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provide funding for programs that provide critical services to seniors and frail elderly including case management, legal services, and food provision.
- Provide funding for programs that provide critical, supportive, and emergency services to individuals with special needs, such as survivors of domestic violence, persons with HIV/AIDS, and disabled persons.
- Provide funding for HUD-certified fair housing providers.
- Provide funding to support accessibility upgrades to public facilities.

2.6.4 Female-Headed Household

Single-parent households require special consideration and assistance because of their greater needs for daycare, healthcare, and other facilities.— According to the HCD's website, "female-headed households can have lower-incomes and higher living expenses and may lack the resources needed for adequate childcare or job training services, often making the search for affordable, decent, and safe housing more difficult."

2.6.4.1 Needs Assessment for Female-Headed Households

As shown on <u>Figure 2-37</u>, Female-Headed Households by Poverty Status, the 2015–2019 ACS 5-Year Data report 1,913 female-headed households in Walnut Creek.– This number represents 6% of the 31,390 households in the City with the following additional characteristics:

- 1,044 (or 3% of total households and 55% of female-headed households) had children 18 years or younger.
- 170 (or 0.5% of total households and 9% of female-headed households) live below the poverty level.

Overall, Walnut Creek has a small female-headed household population.— However, services and housing are still needed for these families.

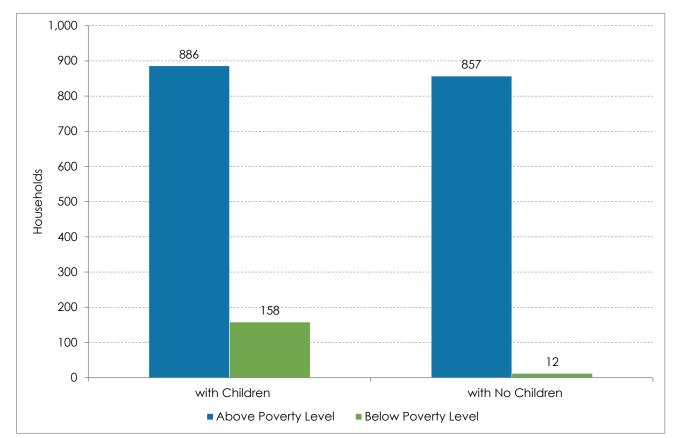


Figure 2-37. Female-Headed Households by Poverty Status

Source: U.S. Census Bureau, ACS 5-Year Data (2015–2019), Table B17012.

High-quality, affordable childcare is a challenging issue that affects all families but especially those headed by women.— This can be a significant constraint that can prevent parents from being fully employed, resulting in lower income for the household and an inability to pay market rents or mortgages.

Although female-headed households in Walnut Creek represent a smaller special needs group than seniors and people with disabilities, the Housing Element provides for the needs of this group through policies that promote maintenance and construction of affordable housing, specifically in areas close to commercial districts and transportation corridors.

2.6.4.2 **Resources and Services for Female-Headed Households**

Walnut Creek currently has a number of existing programs and services available to femaleheaded households.— These services are outlined in <u>Table 2-21</u>Table 2-20, Special Needs Resources (All Populations), in Section 2.6.7.

The Consolidated Plan includes the following goals to address the availability of quality housing, including housing for female-headed households:

- Expand housing opportunities for extremely low-, very low-, low-, and moderate-income households through an increase in the supply of decent, safe, and affordable rental housing and rental assistance.
- Increase homeownership opportunities for lower-income households.
- Maintain and preserve the existing affordable housing stock, including single-family residences and apartments owned and occupied by low- to moderate-income households.
- Increase the supply of appropriate and supportive housing for special needs populations, including seniors, persons with disabilities, persons with HIV/AIDS, low-income veterans, the homeless, and extremely low-income residents.
- Assist in providing opportunities and services to improve the quality of life for lowerincome persons.
- Increase opportunities for children/youth to be healthy, succeed in school, and prepare for productive adulthood.
- Assist in providing opportunities and services to improve the quality of life and independence for persons with special needs, such as disabled persons, battered spouses, abused children, persons with HIV/AIDS, and low-income veterans.
- Promote fair housing activities and affirmatively further fair housing.
- Reduce the number of persons with incomes below the poverty level and expand economic opportunities for very low- and low-income residents.

The Consolidated Plan also provides strategies the City is using or will use to make progress on the above goals:

- The City provides down payment assistance to low- and moderate-income households (up to 120% of the AMI) through the First Time Homebuyer Assistance program.
- The City provides home rehabilitation loans and emergency grants through the City's Home Rehabilitation Loan Program.— Homeowners in Walnut Creek with household incomes below 80% AMI are eligible for these low interest loans and emergency grants for home repairs, particularly those related to health, safety, and accessibility.
- Provide funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provide funding for programs that provide services ensuring the well-being and safety of children and youth.
- Provide funding for programs that provide critical, supportive, and emergency services to individuals with special needs, such as survivors of domestic violence, persons with HIV/AIDS, and disabled persons.
- Provide funding for HUD-certified fair housing providers.
- Provide funding to assist low-income individuals and business owners to start a new microenterprise or expand existing businesses.

2.6.5 Farmworkers

The special housing needs of many farmworkers stem from their low wages and the seasonal nature of their employment.—While traditional affordable housing programs and policies can also assist farmworkers, there are unique needs that must be analyzed and addressed.

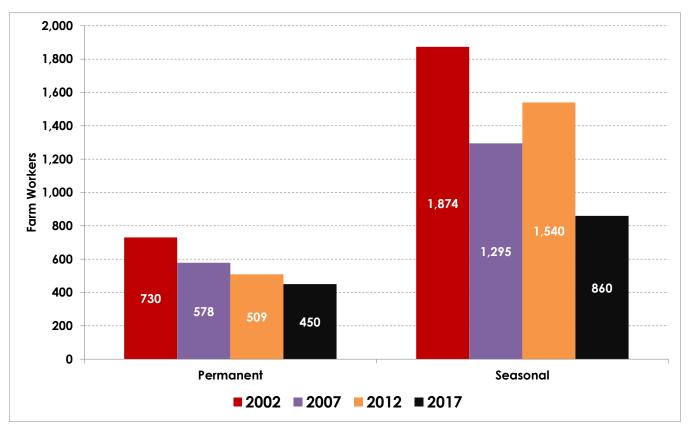
In January 2022, ABAG prepared a Farmworker Toolkit as a resource for Bay Area cities to identify farmworker needs.—According to the Farmworker Toolkit, the Bay Area has shifted away from its historically agricultural economic base.—However, Bay Area counties have continued to preserve their agricultural roots because many farmworkers live within Bay Area cities while commuting long distances for work.—These farmworkers are considered permanent residents in their home communities.—The Farmworker Toolkit presents data at the state level, and the ABAG Housing Needs Data presents data at the county level.—Farmworker data available for this section is not presented at a city level.

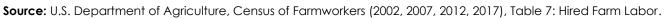
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2.6.5.1 Needs Assessment for Farmworkers

According to the 2017 U.S. Department of Agriculture's Census of Farmworkers, there are 450 permanent and 860 seasonal farmworkers in Contra Costa County.—These individuals make up 0.1% of the Contra Costa County population (see Figure 2-38Figure 2-38, Farm Operations and Farm Labor by County (Contra Costa County)).— Estimates of the farmworker population in Contra Costa County include hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors).

Figure 2-38. Farm Operations and Farm Labor by County (Contra Costa County)





According to the Farmworker Toolkit provided by ABAG, over the past two decades, there has been a shift to a more permanent workforce for many farms, shifting the bulk of the affordable housing need from seasonal to permanent.— As shown on Figure 2-39Figure 2-39, Farmworker Migration Patterns, more than 80% of hired crop farmworkers are not migrant workers, but rather, settled.— This means that they work at a single location within 75 miles of their home.— Among the smaller share of migrant workers are those who migrate from state to state, working on different crops as seasons advance, those who are shuttled across international borders, and newcomers who have not established a migration pattern.

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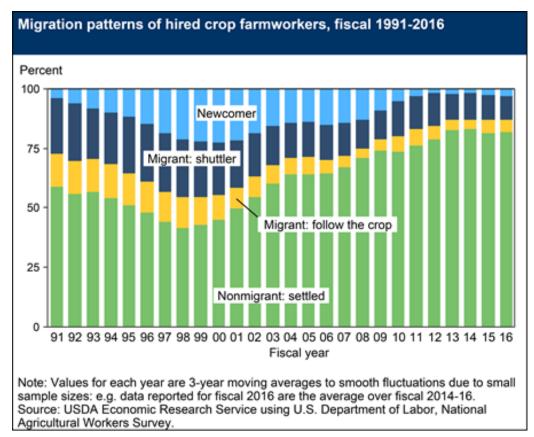
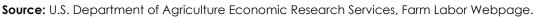


Figure 2-39. Farmworker Migration Patterns



Among other issues, farmworkers typically face low wages, leading to high rates of housing cost burden for farm working families.— According to the BLS, California mean farmworker wages range from \$30,370 to \$42,480 per year (see Figure 2-40Figure 2-40, California Farmworker Wages).— As discussed in Section 2.4.7.3, the median contract rent in the City is \$2,750.— This means that a worker would have to make \$9,167 per month (\$110,004 per year) to avoid being housing cost-burdened (spending more than 30% of their household income in housing costs).

Occupational Employment and Wages, May 2020	Employment	Employment (per thousand jobs)	Location quotient (1)	Hourly mean wage	Annual mean wage
Farmworkers and Laborers, Crop, Nursery, Greenhouse (45-2092)	200,130	12.18	5.76	\$ 14.60	\$ 30,370
Farmworkers, Farm, Ranch and Aquacultural Animals (45-2093)	2,290	0.14	0.53	\$ 16.54	\$ 34,400
Agricultural Workers, All Others (45-2099)	1,390	0.08	1.82	\$ 20.42	\$ 42,480
Agricultural Equipment Operators (45-2091)	7,060	0.43	2.04	\$ 16.55	\$ 34,420

Figure 2-40. California Farmworker Wages

Source: BLS, California Farmworker Wages (May 2020).

Finally, the Farmworker Toolkit states that based on recent studies in the greater Bay Area (San Mateo and Monterey County), the following issues affect farmworkers:

- High unmet needs for agricultural workforce housing;
- Housing that is often in poor repair and overcrowded;
- Financial needs to support small agricultural producers/employers and employees that cannot afford market rate housing;
- Difficulty attracting and retaining employees as a result of low housing availability;
- Sharp decline in foreign agricultural workers and a shift to more permanent workers (2002 permanent workers equaled 38%; 2017 permanent workers equaled 49%); and
- Need for farmworker housing that accommodates families in urban communities.

Ultimately, less than 2% of Walnut Creek residents are employed as farmworkers, and there are no parcels within the City that are zoned for agricultural use.— Given the minimal presence of farm workers in the community, the City has not identified a need for specialized farm worker housing.— Still, there are a number of existing programs and policies applicable to the needs of farmworkers that the City provides.

2.6.5.2 Resources and Services for Farmworkers

Walnut Creek currently has a number of existing programs and services that are not specific to, but rather available for, farmworker families.— These services are outlined in <u>Table 2-21Table 2-</u>20, Special Needs Resources (All Populations), in Section 2.6.7.

The Consolidated Plan includes the following goals to address the availability of quality housing, including housing for farmworker households:

- Expand housing opportunities for extremely low-, very low-, low-, and moderate-income households through an increase in the supply of decent, safe, and affordable rental housing and rental assistance.
- Increase homeownership opportunities for lower-income households.
- Maintain and preserve the existing affordable housing stock, including single-family residences and apartments owned and occupied by low- to moderate-income households.
- Increase the supply of appropriate and supportive housing for special needs populations, including seniors, persons with disabilities, persons with HIV/AIDS, low-income veterans, the homeless, and extremely low-income residents.
- Assist in providing opportunities and services to improve the quality of life for lowerincome persons.
- Promote fair housing activities and affirmatively further fair housing.
- Reduce the number of persons with incomes below the poverty level and expand economic opportunities for very low- and low-income residents.

The Consolidated Plan also provides strategies the City is using or will use to make progress on the above goals:

- The City provides down payment assistance to low- and moderate-income households (up to 120% of the AMI) through the First Time Homebuyer Assistance program.
- The City provides home rehabilitation loans and emergency grants through the City's Home Rehabilitation Loan Program.— Homeowners in Walnut Creek with household incomes below 80% AMI are eligible for these low interest loans and emergency grants for home repairs, particularly those related to health, safety, and accessibility.
- Provide funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provide funding for HUD-certified fair housing providers.
- Provide funding to assist low-income individuals and business owners to start a new microenterprise or expand existing businesses.

2.6.6 Homelessness, Transitional Housing, and Emergency Shelters

Throughout California, homelessness has become a substantial issue.— Previous factors contributing to the rise in people experiencing homelessness included the general lack of housing affordable to lower-income people, increases in the number of people whose incomes fall below the poverty level, reductions in public subsidies, the de-institutionalization of those with mental illness, and increasing substance abuse issues.— The increase in the number of layoffs and the loss of employment during the COVID-19 pandemic have likely contributed to an increase in this population because these effects resulted in the inability to afford housing.— Any impacts of the COVID-19 pandemic on homelessness in Contra Costa County likely continued beyond the lifting of eviction moratoriums and resulted in a further increase in people experiencing homelessness.

2.6.6.1 Needs Assessment for Homelessness

According to the published August 2020 Contra Costa County Annual Point in Time Count Report conducted in January 2020, 2,277 individuals are experiencing homelessness in Contra Costa County.— The Point in Time count equates to 1,972 households of which 92 households (5%) were families with children.— These 92 households are composed of 261 individuals, 80 of whom are unsheltered.— The remaining 1,880 households (95%) were solely adults. Furthermore, a total of 1,570 (70%) people experiencing homelessness are unsheltered (<u>Table</u> 2<u>-</u>19Table 2-18, Homelessness by Household Type and Shelter Status (Contra Costa County)).

	People in Households Composed Solely of Children Under 18	People in Households with Adults and Children	People in Households without Children Under 18
Sheltered – Emergency Shelter	0	152	398
Sheltered Transitional Housing	0	49	108
Unsheltered	0	80	1,490

Table 2-19. Homelessness by Household Type and Shelter Status (Contra Costa County)

Source: Contra Costa Health Services: Health, Housing, and Homeless Services Division Contra Costa County: Annual Point in Time Count Report (2020).

An important consideration about homelessness is that it does not have a universal solution. Providing housing is not enough; individuals experiencing homelessness may also suffer from chronic substance abuse, HIV/AIDS, mental illness, and domestic violence.— It is important for cities to consider these different issues to better address homelessness.

As shown in <u>Table 2-20Table 2-19</u>, Characteristics for the Population Experiencing Homelessness (Contra Costa County), residents experiencing homelessness suffer mostly from chronic substance abuse and severe mental illness.— This calls for permanent supportive housing with available services to address these issues.

Table 2-20. Characteristics for the Population Experiencing Homelessness (Contra Costa County)

	Severely Mentally III	Chronic Substance Abuse	Veterans	HIV/AIDS	Victims of Domestic Abuse
Sheltered – Emergency Shelter	176	94	32	7	23
Sheltered – Transitional Housing	10	9	17	0	8
Unsheltered	740	770	68	10	493

Source: HUD, Continuum of Care Homeless Populations and Subpopulations Reports (2020).

2.6.6.2 Homelessness Trends and Patterns

The City of Walnut Creek has a multi-faceted approach to addressing homelessness.— This work – both directly and through various other public agencies and private service providers – has given the City important knowledge of local homelessness conditions, trends, concentrations, and patterns.

The City's work involves the following:

- The Police Department has developed a Homeless Outreach Program (HOP) team, which partners with local and county homeless service centers to provide assistance to residents experiencing homelessness.— The HOP team is comprised of specially assigned trained officers, who work directly with unhoused resident and connect them to available resources.
- In contract with Contra Costa County, the City has a full-time Coordinated Outreach, Referral, Engagement (CORE) team of two social workers.— The CORE team does outreach work with unsheltered individuals in Walnut Creek to provide health and basic need services, and to help secure permanent housing.
- For more than 10 years, Walnut Creek has worked with Trinity Center, a non-profit that serves as the local navigation center.— Five days a week, Trinity Center offers those experiencing homelessness and those who are living in poverty, a range of emergency services coupled with individualized case management support and essential functions such as meals (breakfast and lunch), showers, laundry, clothing, computer, and telephone access.— From December through March each year, Trinity Center operates a winter night shelter program, in partnership with the City, at the local National Guard Armory.
- Finally, the City is an active member of the Walnut Creek Homeless Task Force (WCHTF), a collaboration dedicated to identifying potential solutions, actions, and resources for residents experiencing homelessness.

Homelessness Concentrations

As reported by the HOP, *Walnut Creek experiences homelessness concentrations in the Core Area of the City, where the Walnut Creek BART Station is located.*— Homeless concentrations near transportation hubs are a common trend in the United States, as public transportation provides access and shelter.— A 2021 report titled "Homelessness in Transit Environments Volume II: Transit Agency Strategies and Responses" published by the University of California Los Angeles (UCLA Study) states the following:

"In the U.S., over 500,000 people lack a stable roof over their heads on any given night (U.S. HUD, 2020).— With few other places for unhoused individuals to turn, transit settings such as buses, train cars, bus stops, and train stations often represent sites of visible homelessness in U.S. cities, especially since the advent of the Coronavirus Disease 2019 (COVID-19) pandemic."

While concentrations of homelessness near transit hubs is a common trend across California, this concentration provides the City with insight into the needs of unhoused residents.—According to the UCLA Study, another study performed in 2011 in Santa Clara County found that a significant portion of unhoused individuals use public transportation as a safe shelter due to dissatisfaction with local shelters, as well as safety.—The UCLA Study states the following:

"A 2011 study surveyed unhoused individuals sleeping overnight in buses in Santa Clara County, California (Nichols and Cázares, 2011).— Of 49 interviewees, about two thirds reported that the 24-hour bus line was their only shelter or one of their usual shelters; many slept on the bus every day.— Respondents cited dissatisfaction with shelter rules as a major reason for sleeping on the bus, while safety was another important consideration, especially for women.— This study offers insights on who tends to use the bus as shelter, and why they do so."

In addition to the Core Area, the HOP reports citywide homelessness "hot spots" resulting from building vacancies.— Specifically, when properties become disused and become slated for demolition, the HOP will find an increase in concentration.— Similar to public transportation, vacant properties provide unsheltered individuals with the shelter and safety that they cannot find in local shelters.

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Homelessness Characteristics and Trends

Age:

The Trinity Center provides services to residents experiencing homelessness.— From July to December 2022, the Trinity Center served 667 individuals, who self-reported their age.— Figure 2-41 Figure 2-41, Trinity Center Service Recipients Age Distribution (July – December 2022), portrays the age distribution of the 667 service recipients.— Based on this data, the unhoused population served by the Trinity Center, which includes Walnut Creek residents, is primarily made up of individuals aged 18 – 54 years old.— Although this population is largely concentrated on working-age adults, seniors make up 17% of the population.

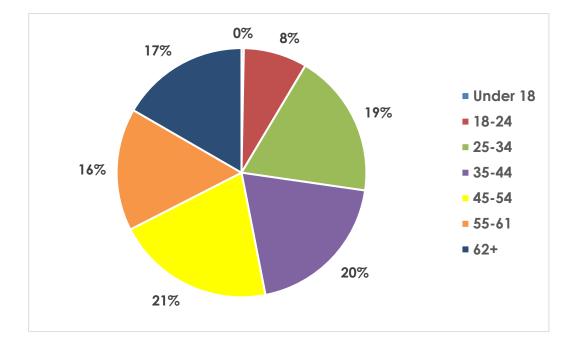


Figure 2-41. Trinity Center Service Recipients Age Distribution (July – December 2022)

Source: Trinity Center, July to December 2022.

Conditions:

As reported by the HOP, *mental illness and substance abuse are the two conditions most commonly observed in Walnut Creek residents experiencing homelessness.*—Particularly, the HOP considers the extremely addictive nature of fentanyl to be a major contributor to substance abuse in the unhoused community.

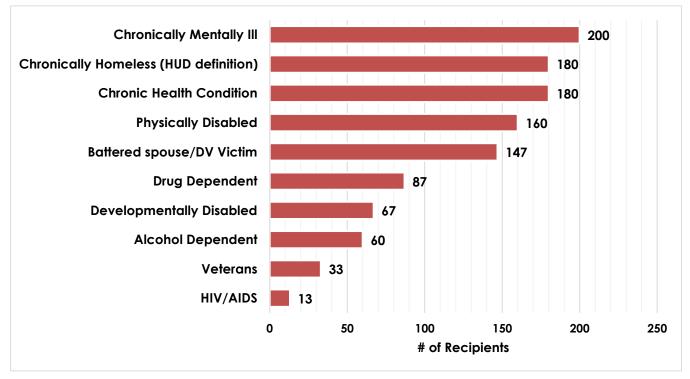
The Contra Costa Continuum of Care publishes an annual report with a summary of services provided to residents who accessed homeless services.—The 2021 Contra Costa Continuum of Care on Homelessness Annual Report (2021 CoC Report) states that 71% of the households served in Contra Costa County reported having a disabling condition.—Mental health (46%) is the most common disability among households served in Contra Costa County, followed by

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chronic health (36%), physical disability (34%), substance use disorder (16%), and developmental disabilities (16%).— While the City of Walnut Creek does not have specific data on such demographics, the 2021 CoC Report provides some insight into the characteristics of the unhoused population in Walnut Creek.

The WCHTF also reports mental illness, substance abuse, and behavioral problems as commonly observed conditions.— However, through their experience, they have also learned that the unhoused population has changed and that the conditions they observe now have increased in the last few years.— In addition to collecting data on the age of service recipients, the Trinity Center collects data on their characteristics.— Figure 2-42Figure 2-42, Trinity Center Service Recipients Characteristics (July – December 2022) shows the results of the data gathered.— It is important to note that the Trinity Center does not provide services to Walnut Creek residents, exclusively.— Therefore, it is difficult to determine the exact number of unhoused Walnut Creek residents who received services.— However, this data provides some insight into what the unhoused population looks like in the city.

Figure 2-42. Trinity Center Service Recipients Characteristics (July – December 2022)



Source: Trinity Center, July to December 2022.

Gender:

As the CORE program engages residents experiencing homelessness, it gathers demographic data, such as gender.— Between July and December 2022, the C.O.R.E. program made contact

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with 106 individuals.— Of the total, 50 (or 47.2%) identified as female, 55 (or 51.9%) as male, and one (or 0.9%) as a gender other than singularly female or male.— While the CORE program's sample does not represent the entire unhoused population, it provides an insight into the probable demographics of the City's unhoused residents.

Race:

The CORE program also gathers data on racial demographics.— Figure 2-43Figure 2-43, CORE Program Service Recipients Race (July – December 2022), presents the race distribution of CORE program recipients.— While the CORE program's sample does not represent the entire unhoused population, it provides an insight into the probable demographics of the City's unhoused residents.

Race	Total	%
American Indian, Alaska Native, or Indigenous	8	7.55%
Asian or Asian American	2	1.89%
Black, African American, or African	29	27.36%
Client doesn't know	1	0.94%
Multi-racial	11	10.38%
Native Hawaiian or Pacific Islander	2	1.89%
White	53	50.00%
Total	106	100%

Figure 2-43. CORE Program Service Recipients Race (July – December 2022)

Source: CORE Program, July to December 2022.

-Tenure:

The CORE program also asks service recipients to disclose the total number of months that they have experienced homelessness.<u>– Figure 2-44Figure 2-44</u>, CORE Program Service Recipients' Tenure (July – December 2022), shows the tenure distribution of CORE program recipients. While the CORE program's sample does not represent the entire unhoused population, it provides an insight into the probable demographics of the City's unhoused residents.

Total Months Homeless In Lifetime	Total	%
0-6	29	27.36%
07-12	20	18.87%
13-24	13	12.26%
25-36	15	14.15%
37-48	11	10.38%
49-60	2	1.89%
Over 5 Years	17	16.04%
Total	106	100%

Figure 2-44. CORE Program Service Recipients' Tenure (July – December 2022)

Source: CORE Program, July to December 2022.

Finally, the HOP has observed an increase in the number of Walnut Creek residents experiencing homelessness in the last decade.— Although there is a lack of data, the HOP considers increased housing costs and the widespread availability, low cost, and extremely addictive nature of fentanyl to be the two most significant factors leading to their observed increase in homelessness.

2.6.6.3 **Resources and Services for Homeless**

In Contra Costa County, homelessness is addressed regionally by the Contra Costa County Continuum of Care program, a program designed to assist individuals and families experiencing homelessness by providing services that are needed to help these individuals and families move into permanent housing, with the goal of long-term stability.— Walnut Creek provides funding, community outreach and coordination for these regional efforts through actions including the following:

- Participates in the Contra Costa County Consortium and preparation of the Consolidated Plan which includes objectives and strategies to reduce and alleviate homelessness.
- Active membership in the Homeless Task Force, Contra Costa County CDBG Consortium, HOME Consortium, -the Association of Bay Area Governments, the East Bay Housing Organizations, and the Council on Homelessness.
- Provides a conditional use permit to the Trinity Center, as has been done for the past 6 years, allowing for continued temporary emergency shelter services to the homeless population in Walnut Creek during the winter months.
- Provides funding for daytime drop center, outreach programs and homeless prevention services.

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- Provides funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provides funding for HUD-certified fair housing providers.
- Co-hosts an educational forum to address homelessness in the community.— The purpose
 of the forum is not only to educate about what homelessness is, but also to teach the
 community about the need for affordable housing, homeless prevention efforts, and what
 individuals can do to help.— Links to videos of past forums are posted on the City's
 website.

In addition, the Walnut Creek Police Department partners with local and county homeless service centers to provide assistance to individuals experiencing homelessness.— The Walnut Creek Police Department also participates in monthly meetings with community members, business owners, Trinity Center staff and City staff to network and coordinate the City's activities for services and housing resources for residents experiencing homelessness.— In addition, the Walnut Creek Downtown Association is committed to serving business owners by assisting the Police Officers and coordinating with business owners.

Walnut Creek and Contra Costa County currently have a number of existing programs and services for individuals experiencing homelessness.— These services are outlined in <u>Table</u> 2<u>-</u>21<u>Table 2-20</u>, Special Needs Resources (All Populations), in Section 2.6.7.— Furthermore, it is anticipated that HUD and the State will provide additional grant funding opportunities over the next 8 years for housing and shelter solutions for those experiencing homelessness because it is one of the State's highest priorities.— This will make even more services available for individuals experiencing homelessness.

Furthermore, the Consolidated Plan includes the following <u>goals</u> to address the availability of housing for people experiencing homelessness:

- Expand housing opportunities for extremely low-, very low-, low-, and moderate-income households through an increase in the supply of decent, safe, and affordable rental housing and rental assistance.
- Increase homeownership opportunities for lower-income households.
- Maintain and preserve the existing affordable housing stock, including single-family residences and apartments owned and occupied by low- to moderate-income households.

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- Increase the supply of appropriate and supportive housing for special needs populations, including seniors, persons with disabilities, persons with HIV/AIDS, low-income veterans, the homeless, and extremely low-income residents.
- Assist the homeless and those at risk of becoming homeless by providing funding to
 organizations that provide emergency shelter and transitional and permanent affordable
 housing with appropriate supportive services.
 - For the past 6 years the City has granted a conditional use permit to the Trinity Center, a nonprofit corporation located in Walnut Creek that provides services to the homeless population, for a temporary emergency shelter for up to 50 individuals during the winter months.²
- Reduce the incidence and risk of homelessness and assist in alleviating the needs of the homeless.
- Assist in providing opportunities and services to improve the quality of life for lowerincome persons.
- Promote fair housing activities and affirmatively further fair housing.

The Consolidated Plan also provides strategies the City is using or will use to make progress on the above goals:

- The City provides down payment assistance to low- and moderate-income households (up to 120% of the AMI) through the First Time Homebuyer Assistance program.
- The City provides home rehabilitation loans and emergency grants through the City's Home Rehabilitation Loan Program.— Homeowners in Walnut Creek with household incomes below 80% AMI are eligible for these low interest loans and emergency grants for home repairs, particularly those related to health, safety, and accessibility.
- The City provides a conditional use permit to the Trinity Center, as has been done for the past 6 years, allowing for continued temporary emergency shelter services to the homeless population in Walnut Creek during the winter months.
- Provide funding for daytime drop center, outreach programs and homeless prevention services.

² Viewer.php?view_id=12&clip_id=4380&meta_id=255560.

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- Provide funding for programs providing critical and supportive services to low-income individuals and households, including crisis intervention services, food provision services, tenant/landlord services, and support groups.
- Provide funding for programs that provide critical, supportive, and emergency services to individuals with special needs, such as survivors of domestic violence, persons with HIV/AIDS, and disabled persons.
- Provide funding for HUD-certified fair housing providers.

2.6.7 Special Needs Resources (All Populations)

The City of Walnut Creek provides funding for many nonprofit organizations that provide services for special needs populations in the City<u>– Table 2-</u>21Table 2-20, Special Needs Resources (All Populations), provides the services available for all special needs populations.

Туре	Name	Phone	Additional Information	Website	Serves
	Allied Housing/ Abode Services	(510) 657-7409		abodeservices.org	All Special Needs Families
	Bay Area Community Land Trust	(510) 545-3258		bayareaclt.org	All Special Needs Families
	BRIDGE Housing	(415) 989-1111		bridgehousing.com	All Special Needs Families
	Christian Church Homes (CCH)	(510) 632-6712		cchnc.org	All Special Needs Families
	Community Housing Development Corp. (CHDC)	(510) 412-9290		chdcnr.org	All Special Needs Families
	EAH Housing	(415) 258-1800		eahhousing.org	All Special Needs Families
	East Bay Asian Local Development Corp. (EBALDC)	(510) 287-5353		ebaldc.org	All Special Needs Families
	Eden Housing	(510) 582-1460		edenhousing.org	All Special Needs Families
	Episcopal Senior Communities	(925) 956-7400		covia.org	All Special Needs Families
Non-Profit Housing Developers	Habitat for Humanity East Bay/ Silicon Valley	(510) 251-6304		habitatebsv.org	All Special Needs Families
	Housing Consortium of the East Bay	(510) 832-1382		hceb.org	All Special Needs Families
	Human Good	(925) 924-7100		humangood.org	All Special Needs Families
	Mercy Housing California	(415) 355-7100		mercyhousing.org	All Special Needs Families
	MidPen Housing	(650) 356-2900		midpen-housing.org	All Special Needs Families
	Northern California Land Trust	(510) 548-7878		nclt.org	All Special Needs Families
	Resources for Community Development (RCD)	(510) 841-4410		RCDhousing.org	All Special Needs Families
	Richmond Neighborhood Housing Services Inc.	(510) 237-6459		RichmondNHS.org	All Special Needs Families
	Satellite Affordable Housing Associates (SAHA)	(510) 647-0700		sahahomes.org	All Special Needs Families

Table 2-21. Special Needs Resources (All Populations)

Source: City of Walnut Creek.

Туре	Name	Phone	Additional Information	Website	Serves
	Abode Services	(510) 657-7409	Sunrise Village Emergency Shelter: (510) 252-0910	abodeservices.org	All Special Needs Families
	Alameda Point Collaborative	(510) 898-7800	677 West Ranger Ave. Alameda, CA 94501	apcollaborative.org	Homeless and Severe Poverty
	Anka Behavioral Health, Inc.	(925) 825-4700	1850 Gateway Blvd., Ste. 900 Concord, California 94520	ankabhi.org	Homeless
	Bay Area Community Services (BACS)	(510) 613-0330	629 Oakland Ave. Oakland, CA 94611	bayareacs.org	Homeless
	Bonita House, Inc.	(510) 923-1099	1410 Bonita Ave. Berkeley, CA 94709 Homeless Outreach and Stabilization Team: (510) 809- 1780	bonitahouse.org	Homeless and Disabilities
	Building Futures	(510) 357-0205	1395 Bancroft Ave. San Leandro, CA 94577 Crisis Line: 1-866-292-9688	bfwc.org	Homeless
Housing & Support Services	Building Opportunities for Self Sufficiency (BOSS)	(510) 649-1930	Multi-Agency Service Center 1930 Center St., Berkeley, CA 94704 (510) 843- 3700 South County Homeless Project (510) 732-5956	self-sufficiency.org	Homeless and Severe Poverty
	Center for Independent Living	(510) 841-4776	3075 Adeline Street, Berkeley, CA 94703	thecil.org	Disabilities
	Community Resources for Independent Living (CRIL)	(510) 881-5743		crilhayward.org	Disabilities
	Hope Solutions	(925) 944-2244	399 Taylor Blvd., Ste. 115 Pleasant Hill, CA 94523	hopesolutions.org	Homeless and Severe Poverty
	Davis Street Family Resource Center	(510) 347-4620	3081 Teagarden St. San Leandro, CA 94577	davisstreet.org	Low-Income families
	East Bay Community Recovery Project	(510) 446-7100	2577 San Pablo Ave, Oakland, CA 94612	lifelongmedical.org/ebcrp	Homeless and Disabilities
	East Oakland Community Project	(510) 532-3211	7515 International Blvd. Oakland, CA 94621	eocp.net	Homeless
	First Place for Youth	(510) 272-0979	426 17th St., Ste. 100 Oakland, CA 94612	firstplaceforyouth.org	Youth Resources
	Housing Consortium of the East Bay	(510) 832-1382	410 7th St., Ste. 203, Oakland, CA 94607	hceb.org	Disabilities
	Lutheran Social Services	(925) 825-1060		lssnorcal.org	Homeless
	Rubicon Programs	(510) 412-1725	101 Broadway St., Richmond, CA 94804	rubiconprograms.org	Severe Poverty
	St. Mary's Center	(510) 923-9600	925 Brockhurst Ave. Oakland, CA 94608	stmaryscenter.org	Seniors and Homeless

Table 2-21. Special Needs Resources (All Populations) – Continued

Source: City of Walnut Creek.

Туре	Name	Phone	Additional Information	Website	Serves
	Bay Area Community Services (BACS)	(510) 613-0330		bayareacs.org	Homeless
	Bay Area Rescue Mission	(510) 215-4555		bayarearescue.org	Homeless
	Berkeley Food and Housing Project	(510) 649-4965	Shelter Reservation: (866) 960-2132	bfhp.org	Homeless
	Building Futures		Crisis Line: (866) 292-9688	bfwc.org	Homeless
	Catholic Charities of the East Bay	(510) 768-3100			Seniors and Homeless
	Center for Independent Living	(510) 841-4776		thecil.org	Disabilities
	Contra Costa Crisis Center/ Contra Costa 211	211 or (800) 833-2900		crisis-center.org • 211 database.org	All Special Needs Families
	CORE Homeless Outreach Team		core@cchealth.org		Homeless
	East Oakland Community Project	(510) 532-3211		eocp.net	Homeless
Housing, Shelter,	Eden Information & Referral/ 211 Alameda County	211 or (888) 886-9660		edenir.org	All Special Needs Families
Emergency Resources & Referrals	Greater Richmond Interfaith Program	(510) 233-2141		gripcares.org	Homeless
	A Safe Place Domestic Violence Services	(510) 536-7233		asafeplaced.org	Female-Headed Household
	SAVE (domestic violence)	24-hour Crisis Hotline: (510) 794- 6055 Empowerment Center: (510) 574- 2250		save-dv.org	Female-Headed Household
	SHELTER, Inc.	(925) 338-1038		shelterinc.org	Homeless
	The Society of St. Vincent de Paul of Alameda County	(510) 638-7600		svdp-alameda.org	Female-Headed Household and Homeless
	Trinity Center	(925) 949-8712	info@trinitycenterwc.org	trinitycenterwc.org	Homeless
	STAND! For Families Free of Violence	(925) 676-2845	Crisis Hotline: (888) 215-5555	standffov.org	Female-Headed Household
	City of Alameda	(510) 747-4300		alamedahsg.org	All Special Needs Families
	Berkeley	(510) 981-5470		ci.berkeley.ca.us/BHA	All Special Needs Families
	Livermore	(925) 447-3600		livermoreHA.org	All Special Needs Families
Public Housing	Oakland	(510) 874-1500		oakha.org	All Special Needs Families
Authorities	Richmond	(510) 621-1300		ci.richmond.ca.us/rha	All Special Needs Families
Aumonnes	Pittsburg	(925) 252-4830		ci.pittsburg.ca.us/index. aspx?page=150	All Special Needs Families
	Alameda County	(510) 538-8876		haca.net	All Special Needs Families
	Contra Costa County	(925) 957-8000		contracostahousing.org	All Special Needs Families

Table 2-21. Special Needs Resources (All Populations)- Continued

Source: City of Walnut Creek.

Туре	Name	Phone	Additional Information	Website	Serves
-	Asian, Inc.	(415) 928-5910		asianinc.org	Racial Justice
	Bay Area Legal Aid	510) 233-9954	Legal Advice: (800) 551-5554	baylegal.org	All Special Needs Families
	Causa Justa :: Just Cause	(510) 763-5877	Tenants Rights Clinic: (510) 836-2687	cjjc.org	Racial Justice
	Centro de Servicios	(510) 489-4100		centrodeservicios.org	Racial Justice
	Centro Legal de la Raza	(510)437-1554		centrolegal.org	Racial Justice
	Community Housing Development Corp. (CHDC)	(510) 412-9290		communityhdc.org	All Special Needs Families
	East Bay Community Law Ctr.	(510) 548-4040		ebclc.org	Racial Justice
	ECHO Housing Assistance Ctr.	(855) ASK-ECHO		echofairhousing.org	Homeless
	Eviction Defense Center	(510) 452-4541	350 Frank Ogawa Plaza, Ste. 703 Oakland, CA 94612		All Special Needs Families
Legal, Financial, Foreclosure & Tenants	Family Violence Law Center	(510) 208-0220	Hotline: (800) 947-8301	fvlc.org	All Special Needs Families
Services	Housing and Economic Rights Advocates (HERA)	(510) 271-8443 ext. 300		heraca.org	All Special Needs Families
	Lao Family Community Development, Inc.	(510) 533-8850		lfcd.org	All Special Needs Families
	Oakland Housing Support Ctr.	(510) 238-6182	250 Frank Ogawa Pl., Ste. 6301 Oakland, CA 94612	oaklandca.gov/topics/housing- resource-center	All Special Needs Families
	Operation HOPE	(510) 535-6700		operationhope.org	All Special Needs Families
	Pacific Community Services	(925) 439-1056	329 Railroad Ave. Pittsburg, CA 94565	pacomserve.org	All Special Needs Families
-	Project Sentinel (800) 855-7100		39155 Liberty St., Ste. D440 Fremont, CA 94528 Espanol: (800) 855-7200	Housing.org	All Special Needs Families
	Tenants Together	(415) 495-8100	Foreclosure Hotline: (888) 495-8020	tenantstogether.org	All Special Needs Families
	The Unity Council	(510) 535-6900		unitycouncil.org	All Special Needs Families
Foreclosure Prevention	Homeownership Preservation Foundation	(888) 995-HOPE (4673)		995hope.org	All Special Needs Families
Hotlines	Keep Your Home California	(888) 954-KEEP (5337)		keepyourhomecalifornia.org	All Special Needs Families

Table 2-21. Special Needs Resources (All Populations)- Continued

Source: City of Walnut Creek

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3 HOUSING CONSTRAINTS

The City of Walnut Creek (City or Walnut Creek), State of California (State or California), and federal government can adopt regulatory requirements that constrain development, such as those contained in the California Building Code and the California Environmental Quality Act (CEQA), as well as through local zoning, land use plans, and internal processes that affect project permitting complexity, timelines, and costs. _Furthermore, development can face additional nongovernmental constraints that take the form of market factors (e.g., land costs, construction costs, ability to obtain financing, and development feasibility of housing projects) and environmental constraints.

The City has long facilitated housing development through its practices and programs._However, many factors can act as constraints in housing development. This section includes a summary of constraints—such as private market forces, governmental codes and regulations, and the physical and natural environment—and discusses past and planned initiatives to reduce them where possible.

3.1 Nongovernmental Constraints

Nongovernmental constraints are market and environmental forces that can impede housing development. Although the City has less control over these factors, it can take actions to help mitigate burdens to housing production.

3.1.1 Land Costs

Based on a search for vacant developable land, there are currently <u>31–98</u> completely vacant parcels in the City._The combined acreage of these parcels is <u>14.275.29</u> acres._Of these <u>9828</u> parcels, <u>3625</u> are included in the Sites Inventory. The <u>other sixremaining parcels</u> are generally zoned for commercial use and/or not developable._Redevelopment of developed but under-utilized land is the most feasible option for residential development but can be very costly. The extremely limited supply of vacant land combined with high demand for residential units results in increased land costs.

Land prices in the City depend on a number of factors, such as proximity to Bay Area Rapid Transit (BART) stations, major highways, recreational amenities, and proximity to employment centers. _Development factors such as allowable density, the suitability of the residential development, presence of services and utilities, topography, and other environmental constraints, as well as the quality of nearby developments, can also affect land costs.

Land values vary depending on the amount of density. October 2021 data from ParcelQuest, a California property information database, and the Federal Housing Finance Agency indicates that current average land values can range between \$1.5 and \$2.5 million per acre for Single-Family Detached zoning, depending on the ZIP code, and between \$9.9 and \$16.7 million per acre zoned for high-density, Multifamily Residential zoning, depending on lot size, development potential, and other factors.

3.1.2 Construction Costs

Since the Great Recession, residential construction costs have increased significantly. According to a report by University of California, Berkeley, Terner Center in March 2020, construction costs in California increased by 25% between 2008 and 2018. The Terner Center Report notes that construction costs fell immediately following the Great Recession but rose 80% between 2014 and 2018. While hard construction costs have climbed statewide, they have risen most dramatically, and are the most expensive, in the San Francisco Bay Area. While normalized Statewide costs increased 25% between 2008–2009 and 2018, costs for projects in the Bay Area rose 119% over the same period, reaching more than \$380 per square foot in 2018. The Terner Center Report notes that the Bay Area has comparatively higher construction wages than elsewhere in California, which could help to explain the difference in hard costs at the regional level.

Even within the Bay Area, there is a range of construction costs. Locally, an analysis of prototypical developments in the City using Marshall & Swift construction cost estimates suggests that construction costs for single-family and multifamily developments can be approximately \$270 and \$298 per square foot, respectively. These estimates represent significant increases from construction costs in the 5th Cycle Housing Element, which the City estimated in 2014 at \$114 and \$135 per square foot, respectively. Significant increases in lumber and other construction materials, as well as the high demand for housing, will likely further increase residential construction costs.

3.1.3 California Government Code, Section 65583(a)(6), Development Analysis

California Government Code, Section 65583(a)(6), requires an analysis of requests to develop housing at densities below those anticipated in the Sites Inventory and the length of time between receiving approval for housing development and submittal of an application for building permit. The analysis must also look at local efforts to remove nongovernmental constraints that create a gap in the jurisdiction's ability to meet the Regional Housing Needs Assessment (RHNA) by income category. In Walnut Creek, most of the few requests for development at densities below anticipated densities are for properties designated for at least 40 dwelling units per acre

and the site area is less than a half or quarter of an acre._Most proposed developments are for more than the maximum densities. The length of time between receiving approval for housing development and submittal of an application for building permit is typically 2–6 months depending on project complexity and the time the developer takes to complete construction documents._Items like changes to construction costs or other development costs that affect the feasibility, financing, or negotiations with design professionals are outside the City's control and may delay projects.

Additionally, this analysis examines local efforts to remove nongovernmental constraints that limit the City's ability to meet the RHNA by income category. The overall cost of affordable housing development (high land and development costs) and the lack of public funding sources to subsidize such development are the primary nongovernmental constraints. For example, a recently approved project in San José involving nearly 100 affordable housing units has an estimated project cost of \$83.6 million, or \$836,000 per unit.¹ _Data on construction costs indicates that, even with by-right density bonuses pursuant to State law, developing affordable housing (particularly for households with low and very low incomes) does not allow for developers to cover development costs without public funding sources.

Developers typically require funding from investors and lending institutions, which expect a pro forma analysis (i.e., an analysis showing the costs to develop and the revenues available to fund the development) demonstrating financial feasibility, or costs that are less than or equal to revenues. Therefore, public subsidies are required to develop affordable housing. Subsidies typically come in the form of Low-Income Housing Tax Credits, State grants, HOME Investment Partnerships Program (HOME) funds, dedication of land for projects, and other public sources. When these funding options are scarce, affordable housing projects can become more concentrated in areas with lower development costs. Public funding is an especially difficult hurdle to overcome. Cities can offer expedited permit processing and fee deferrals but cannot fill the financial gap in funding for affordable housing developments on their own.

3.1.4 Availability of Financing

The availability of capital to finance new residential development can significantly affect both the cost and supply of housing. There are two types of capital involved in the housing market: (1) capital used by developers for initial site preparation and construction, and (2) capital for financing the purchase of units by homeowners and investors. Interest rates on capital financing can substantially affect home construction, purchase, and improvement costs. A fluctuation in rates as low as 2.5% can make a dramatic difference in the annual income needed to qualify for

¹ Affordable Housing Development in San José Edges Closer to Construction, East Bay Times, March 24, 2022. https://www.eastbaytimes.com/2022/03/24/affordable-home-develop-san-jose-edges-close-construct-real-estate/.

a loan. _Generally, financing for new residential development is available at reasonable rates. Economic fluctuations due to the COVID-19 pandemic have caused caution among lenders. Most recently, pent-up demand unleashed during the recovery from the pandemic has led to inflation and rising costs not seen in decades. _That, in turn, has led to rising interest rates that have further increased costs in an already expensive housing market. _Economic conditions resulting from the pandemic and the recovery are expected to have lasting effects through this 6th Cycle Housing Element Planning Period.

Data from the City's 2021 Annual Progress Report indicates that above-moderate (i.e., marketrate) housing development happens at a higher rate than affordable housing development. Notably, the City has already met its above-moderate RHNA requirement almost twice over, with 2 years left in the planning cycle. _This data provides evidence that the availability of financing for market-rate developers is not a constraint. _However, the availability of financing for affordable housing developers does represent a governmental constraint as public financing sources are required to establish affordable housing projects as "financially feasible" as the revenues derived from these projects (i.e., rents and sales prices that are below market rate and affordable to extremely low to moderate-income households) are less than the cost to develop the units. _The lack of sufficient public subsidies at State and federal levels required for affordable housing development prevents affordable units from being developed and represents a significant constraint._Section 3.3, Governmental Constraints, provides a detailed discussion on State and federal governmental constraints.

3.1.4.1 Homeownership

The COVID-19 pandemic contributed to a dramatic decrease in home mortgage interest rates in 2020 and 2021. This decrease in interest rates, combined with pent-up demand for housing, led to significant increases in home prices. According to Redfin.com, the median sales price for single-family residences in the City increased by 18% between December 2020 and December 2021. This trend could create barriers to homeownership for lower-income residents due to the fact that wage growth seldom keeps up with rising home prices. For example, according to Redfin.com, median sales prices for single-family residences in Walnut Creek have increased 28% between December 2016 and December 2019. However, median earnings for working residents have only increased 19% during the same period, according to the 2015–2019 and 2012–2016 American Community Survey 5-Year Estimates.

The data presented in the Housing Needs Assessment chapter (Chapter 2) of this Housing Element indicates that a higher percentage (65%) of households in Walnut Creek own their homes versus rent. _However, seniors over 65 years old make up 53% of owner households. Furthermore, Chapter 2 of this Housing Element also shows that approximately 18,582 (56%) housing units were constructed in the City between 1960 and 1979._ This points to three facts:

(1) The majority of ownership housing was built before 1980, (2) ownership housing development has been relatively slow in the last 40 years, and (3) a significant number of households in Walnut Creek own a home built before 1980.

3.1.4.2 Rental Housing

According to the 2015–2019 American Community Survey 5-Year Estimates, a smaller percentage of households in the City are severely cost-burdened (i.e., spend 50% or more of income on rent) than in Contra Costa County as a whole. More specifically, 20% of renter households in the City spend 50% or more of their gross income on housing costs compared to 25% countywide.

Although the percentage of severely cost-burdened renter households in the City is lower than the County, the demand for housing in Contra Costa County is expected to increase as a result of the inland migration from San Francisco; this increase in demand could lead to an increase in rent across Contra Costa County. According to the Marcus & Millichap Oakland Metro Area Multifamily Market Report for Q3 of Fiscal Year (FY) 2020–21 (Marcus & Millichap Market Report), numerous residents in the densely populated cities of the Bay Area sought larger accommodations in more sparsely populated cities like Walnut Creek following the work-from-home orders of the COVID-19 pandemic. As a result of this migration, the County's vacancy rate declined from 4% in the first quarter of FY 2019–20 to 2.9% in the second quarter of FY 2020–21.

In addition, the Marcus & Millichap Market Report predicts that the rise of future variants will likely keep many of those renters in place permanently as more tech firms adopt hybrid or remote work strategies. _Rents across the East Bay area declined by 5% in FY 2019–20 and stabilized the following year. _But with the release of vaccines, the State widely opening the economy in June 2021, and a general increase in Class A unit development, rents are expected to resume increasing.

3.1.5 Availability of Mortgage Financing

Under the Home Mortgage Disclosure Act, lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. _The data for Walnut Creek was compiled by aggregating Census tracts to approximate City boundaries. _A comparison between 2012 and 2020 is provided to evaluate changes during the current Housing Element cycle.

Conventional financing involves market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions. _Overall, there were more conventional home mortgage, refinance, and home improvement loan applications in 2020 than in 2012. _However, approval rates were slightly higher in 2012 than in 2020 for the same loans.__In contrast, government-backed mortgage loan applications decreased from 2012 to

2020, but with a slight increase in approval rates. _Mortgage denial rates have slightly decreased for government-backed mortgages, conventional home mortgages, and refinance loans, but have increased for home improvement loans (see <u>Table 3-1</u>Table 3-1, Disposition of Home Purchase and Improvement Loan Applications (2020), and <u>Table 3-2</u>, Disposition of Home Purchase and Improvement Loan Applications (2012)).

		Loan Type							
	Govt-Backed Purchase				Refinance		Home Improvement		
	#	%	#	%	#	%	#	%	
Approved ¹	55	79%	1,425	81%	6,492	72%	312	61%	
Denied	4	6%	72	4%	721	8%	130	25%	
Other ²	11	16%	264	15%	1,842	20%	71	14%	
Total Applicants	70	100%	1,761	100%	9,055	100%	513	100%	

Table 3-1. Disposition of Home Purchase and Improvement Loan Applications (2020)

¹ Includes applications approved by lenders but not accepted by the applicants.

² Includes files closed for incompleteness and withdrawn applications

Source: FFIEC MSA/MD 2020 Aggregate Report for Census Tracts in Walnut Creek.

Table 3-2. Disposition of Home Purchase and Improvement Loan Applications (2012)

	Loan Type							
	Govt-Backed Purchase		Re		Refin	ance	Home Improvement	
	#	%	#	%	#	%	#	%
Approved ¹	189	74%	1,101	82%	5,882	76%	143	68%
Denied	29	11%	112	8%	748	10%	44	21%
Other ²	36	14%	123	9%	1,069	14%	24	11%
Total Applicants	254	100%	1,336	100%	7,699	100%	211	100%

¹ Includes applications approved by lenders but not accepted by the applicants.

² Includes files closed for incompleteness and withdrawn applications

Source: FFIEC MSA/MD 2012 Aggregate Report for Census Tracts in Walnut Creek.

3.1.6 Requests to Develop Housing at Lower Densities

In order to account for potential requests to develop housing at densities below those anticipated in the Sites Inventory, the City performed an analysis of sites included in the City's 5th Cycle Housing Element Update. _The City found that no projects were completed at densities below those identified in the 5th Cycle Housing Element Update during the planning period. _Therefore, it does not appear that requests to develop housing at densities below those anticipated in the Sites Inventory present a constraint.

3.2 Environmental Constraints

Environmental factors can constrain residential development in a community by reducing the amount of land suitable for housing. _Potential environmental constraints for residential development in the City were determined based on information in the City's General Plan, General Plan Environmental Impact Report, the Contra Costa County Local Hazard Mitigation Plan, other available documentation, and a desktop review of aerial photographs._Identified environmental constraints in the City include biological resources, cultural and historical resources, hydrology and flooding, and geologic hazards. _The General Plan Safety Element is currently being updated and further describes potential hazards affecting development.

The City is in a valley surrounded by hillsides with undeveloped grassland and woodland to the west, east, and south.__Although much of the land within the City limits is composed of urban and suburban development and landscaping, several undeveloped areas are scattered throughout and in the southern portion of the City. With over 2,700 acres of undeveloped land, the City has one of the largest aggregations of City-owned open space in the United States. Several creeks and drainages with riparian and scrub vegetation extend into the City. Environmental constraints were factored into the Sites Inventory; however, sites are located in urbanized areas and are not impacted by environmental constraints.

Furthermore, the City received a public comment from the nonprofit organization East Bay for Everyone regarding the existence of large above-ground power lines that run in the Downtown area from Interstate 680 to the far end of Ygnacio Valley. Specifically, East Bay for Everyone expressed concern over the following sites:

- Site 89 (1901 Trinity Ave.) St. Paul's Episcopal Church deemed none of these issues to be insurmountable.
- Site 94 (1777 N. California Blvd.) The existing office building on this lot demonstrates its development feasibility. In addition, the City did take into account the transmission line when determining the realistic carrying capacity for new residential development.
- Site 73 (1840 & 1890 N. Main St.) The Planning Department has received multiple recent inquiries from developers who are aware of the power lines and are seeking to build housing on that lot. (Note: this was incorrectly referenced as 1980 N. Main St. in the public comment letter submitted by East Bay for Everyone)

Walnut Creek has long taken the electrical transmission line into consideration for city planning purposes and housing sites analysis in particular. The transmission line is located within a 100-foot-wide right-of-way easement that generally precludes any new structures.

Over the past half-century, higher-density development of the properties affected by this transmission line has consistently demonstrated the feasibility of construction on the lots upon which it crosses, despite the absence of the transmission line and related easement. _Such examples include the 3-story townhouse development at 1800 Cole Avenue (constructed in 1972), the 3-story office building located at 1777 N California Blvd (constructed in 1978), the 4-story office building with underground parking located at 1981 N Broadway (constructed in 1987), and the former Target Garden Center (constructed in 1999 and soon to be replaced by a new F&M Bank) at 1823 N Main Street. _Additionally, preliminary plans for a new 5-story mixed-use development at 1910 N Broadway (which is bisected by the transmission line), have been submitted to the City and demonstrate the feasibility of development for that site.

3.2.1 Biological Resources

Vegetation in the urban and suburban developed areas in the City are dominated by ornamental landscaping, but remnant native valley oaks and coast live oaks are scattered throughout the developed and undeveloped areas, and riparian vegetation occurs along the creeks and drainages.

Several plant and wildlife species exist in the City, primarily in the undeveloped lands, which would require additional review and potential mitigation or permitting if impacted by new residential development. _Special-status plant species found in the City include big tar plant (*Blepharizonia plumose*), Mount Diablo helianthella (*Helianthella castanea*), Contra Costa goldfields (*Lasthenia conjugens*), bent-flowered fiddleneck (*Amsinckia lunaris*), Mount Diablo manzanita (*Arctostaphylos auriculata*), Contra Costa manzanita (*Arctostaphylos auriculata*), Contra Costa manzanita (*Arctostaphylos manzanita* ssp. *laevigata*), Mount Diablo fairy lantern (*Calochortus pulchellus*), and Hall's bush mallow (*Malacothamnus hallii*)._Special-status wildlife species known to be in the City include Berkeley kangaroo rat (*Dipodemys hermanni berkeleyenis*), California tiger salamander (*Ambystoma californiense*), California red-legged frog (*Rana aurora draytonii*), and burrowing owl (*Athene cunicularia*). _Additionally, the City includes wetlands, areas of freshwater marsh, ephemeral drainages, and emergent marsh and willow scrub along creeks and larger drainages.

As stated above, the City has over 2,700 acres of oak woodland, savannah, and chaparral habitat. In 1974, the City bought and preserved the undeveloped Acalanes Ridge, Lime Ridge, Shell Ridge, and Sugarloaf open spaces. The largest of the four—Shell Ridge—has roughly 1,420 acres of oak woodland and grassland savannah and 31 miles of trails. To preserve and enhance the open spaces, the City works with a number of nonprofit and quasi-public organizations.

3.2.2 Cultural and Historical Resources

The City's open space areas and creeks show evidence of territories occupied by the area's first known inhabitants, two small Native American Tribes. _Most of the City is considered highly

sensitive with respect to Native American resources. Prehistoric archaeological resources in the City include habitation sites, burial sites and burial mounds, lithic scatters, shell middens, shell and earth middens, bedrock mortars, and cupule boulders. Typically, these sites are in stream valleys, including those of Walnut Creek, Las Trampas Creek, Tice Creek, and San Ramon Creek. In addition, the City has a number of historic buildings and structures, including three properties listed on the National Register of Historic Places and Points of Historical Interest. Properties listed on the National Register of Historic Places include Stanley Dollar House, Shadelands Ranch House, and Old Borges Ranch. Under the City's General Plan, the City would require review for the presence of archaeological and historical resources on or near identified sites on the City's Archaeological Sensitivity Map and the City's inventory of historically significant properties. For major new projects, the City would require consultation with the repository at Sonoma State University. The City would also continue requiring developers to halt work if cultural resources are encountered on a construction site and to employ proper mitigation measures.

3.2.3 Hydrology and Flooding

Two major waterways, San Ramon Creek and Las Trampas Creek, join near the intersection of Mt. Diablo Boulevard and Broadway to form Walnut Creek. The Walnut Creek watershed drains the central region of Contra Costa County northward to Suisun Bay. Historically, several streams in the City have flooded, including Walnut Creek, Las Trampas Creek, Grayson-Murderers creeks (particularly in the Eccleston Avenue area), and San Ramon Creek (primarily at the confluence of the waterways downtown). Smaller streams subject to flooding include Tice Creek (particularly in the Castle Hill area) and the Walnut Boulevard channel (also known as Homestead Creek) between Homestead Boulevard and Sierra Drive. Flood zone areas are primarily in the central and southern portions of the City. The City has a variety of flood control facilities ranging from natural creeks to large box culverts. However, most of the creeks and major flood control facilities have been improved to adequately handle 100-year floods.

3.2.4 Geological Hazards

Geologic hazards that exist in the City include but are not limited to earthquake fault zones, steep slopes, and areas subject to liquefaction and landslides. _Several historically active earthquake faults have been identified in and around the City, including the Concord Fault, Calaveras Fault, South Hampton Fault, and Franklin Fault._Of the faults mapped in the City, only the Concord Fault has been identified as an active Alquist-Priolo Earthquake Fault Zone. Portions of the City are in liquefaction-prone zones, specifically along the gently sloping valleys along the eastern City boundary._Slopes steeper than 15%, which are considered more prone to landslides, exist in the City primarily along the northwestern, south-central, and

eastern portions of the City. California is known for being a seismically active region, and earthquake fault hazards are limited to existing low-density areas where infill development potential is very limited.

However, the City should take necessary precautions, including building structures in accordance with the latest California Building Code. These constraints are typically addressed and managed through careful site planning and sound engineering in the design of improvements. The City incorporates its knowledge of safety hazards into its land use planning and development review processes.

3.3 Governmental Constraints

Factors in both the private and public sectors influence housing affordability. _The policies that guide residential development in Walnut Creek and the processes for building or expanding housing significantly influence the amount of housing developed and its type, form, location, and ultimate price. _Development standards, land use controls, fees, and other local programs can unintentionally serve as constraints to housing development. _The following describes the various potential government constraints on housing development in Walnut Creek.

3.3.1 State and Federal Constraints

In addition to local governmental constraints, federal and State barriers exist that limit the production of housing: National economic and job market conditions, a significant lack of funding and subsidies needed to support housing affordable to low- and moderate-income households, and State and federal laws and regulations.

3.3.1.1 National and State Economic and Job Market Conditions

Technology and globalization have changed the economy significantly in the last 2 decades. Federal laws and policies have facilitated the outsourcing of manufacturing and service jobs. U.S. companies now use outsourcing to maintain or increase profits, leading to a significant stagnation in wages for workers, while the cost of living (including housing costs) has continued to increase. _According to a Congressional Research Service published a study titled "Wage Inequality and the Stagnation of Earnings of Low-Wage Workers: Contributing Factors and Policy Options" (February 5, 2020):

Over the 1979–2018 period, real wages at the 10th percentile of the hourly wage distribution grew by 1.6%, whereas wages at the 50th percentile grew by 6.1% and wages at the 90th percentile grew by 37.6%.

According to a Massachusetts Institute for Technology 2019 study called "The Work of the Future: Shaping Technology and Institutions," with globalization, technology changes, and

automation, workers lacking some form of college degree suffer stagnating wages and significantly less economic security. _This study states that employment is "polarizing" in both the U.S. and the industrialized world for the following reason:

At the top end, high-education, high-wage occupations offer strong career prospects and rising lifetime earnings.__At the other end, low-education, low-wage occupations provide little economic security and limited career earnings growth.__As a result, the pathways to economically stable and secure careers for workers without college degrees are becoming narrower and more precarious._Simply put: we see no shortage of good careers for highly educated workers.__And we see no shortage of jobs for less educated workers.__But we do find a paucity of good careers for workers without significant post-secondary training—strong technical or vocational training, associate's degree level certification in a credentialed field, or attainment of a traditional four-year college or graduate degree.

As documented in this study, and in numerous articles and studies in recent years, as automation, technology, and globalization of jobs and manufacturing has occurred, workers experience wage growth that does not keep up with rising housing costs. _This further exacerbates an affordable housing and crisis that is already affecting California and many other states.

Furthermore, the University of California, Berkeley, Labor Center reports the following information on low-wage earners:²

- One of every three California workers earns low wages.
- 32% of California workers earned less than \$14.35 per hour in 2017.
- There are nearly 5 million low-wage workers in California.

Changes in the employment market and wage growth are experienced on a local level. According to Redfin.com, an online real-estate platform, Walnut Creek median sales prices for all home types have increased by 62% between December 2012 and December 2019. However, median household income in Walnut Creek (reported by the Census Bureau) only increased 27% between 2012 and 2019. As housing expenses increase, it is important for wages to keep up with such costs; limited wage growth is a significant barrier to individuals and families who are currently housed or seek housing and has largely contributed to the increased need for affordable housing.

² https://laborcenter.berkeley.edu/low-wage-work-in-california/

3.3.1.2 Lack of Federal and State Funding and Subsidies for Affordable Housing

Market factors and government regulations contribute to increased costs toward the development of affordable housing, making it even more costly than market-rate housing development. These factors include the need to secure multiple funding sources (which delays project development), prevailing wage premiums, and sustainable development standards (which help to address sustainability but increase costs). As detailed in Chapter 4, At-Risk Affordable Housing, of this Housing Element, data from the California Tax Credit Allocation Committee on affordable housing projects in the region that recently received Low-Income Housing Tax Credits indicates that the average newly constructed affordable multifamily project in the region has an estimated development cost of \$556,696 per unit.

These high costs of development can result from high land and labor costs, density restrictions, development fees, and the complexity of financing. As stated previously, affordable housing relies on a multitude of State and federal subsidies documented in Chapter 6, Housing Resources and Opportunities, of this Housing Element.

While the need for affordable housing is significant across California, neither the State nor the federal government allocate sufficient funding subsidies for the number of affordable units required by RHNA._Furthermore, public subsidies are rarely sufficient to fully fund an individual affordable housing project._Therefore, developers must leverage and apply for several State and federal sources of funds, in addition to private lending, all of which can be an extremely time-consuming process._More specifically, a multifamily development can require five to 10 funding sources to finance its construction and developers generally layer financing from State and federal tax credits, federal and State housing programs, local land donations, and private loans from a financial institution.

Federal funding represents a large portion of California's resources to support affordable housing development. However, with pressures to cut spending at the federal level, funding for housing has declined in recent years, while the number of severely cost-burdened (i.e., those spending 50% or more of their income on housing), low-income renter households continue to increase. More specifically, Community Development Block Grants and HOME funds allocated to California for the development of affordable housing declined by 51% and 66% between 2003 and 2015, respectively. These decreases in public subsidies, paired with increased demand for affordable housing, have made funding sources for affordable housing incredibly competitive.

3.3.1.3 Redevelopment Dissolution

As a result of State legislation in 2011, all redevelopment agencies in the State were dissolved. This has had a profound effect on the quantity and complexity of affordable housing development in the State._Redevelopment was a tax increment financing tool that allowed cities and counties to retain a higher share of the growth in property taxes in designated "blighted" areas to invest in those areas to remediate blight._Referred to as "urban renewal" before 1979, over 400 cities and counties in the State used this tool._Redevelopment projects were required to allocate 20% of all tax increment for affordable housing in the community._On a Statewide level, over \$2 billion generated annually for affordable housing was lost due to this State law change.

Despite State legislative efforts to replace Redevelopment with Enhanced Infrastructure Financing Districts and Community Revitalization Investment Areas, these financing tools generate a tiny fraction of the local funding that redevelopment did previously, which is the reason only a few Enhanced Infrastructure Financing Districts and no Community Revitalization Investment Areas have been adopted Statewide over the last 10 years. Given these facts, it is clear that there have not been tools established to adequately replace this significant permanent source of affordable housing funding.

The City used redevelopment to establish two redevelopment project areas in the 1970s: the South Broadway and the Mt. Diablo Boulevard project areas. The Mt. Diablo Boulevard project area reached its tax increment cap in 2010–2011, meaning that it no longer contributed to redevelopment agency revenues after that year. However, the South Broadway project area continues to generate approximately \$1.6 million in tax increment annually. As a result of the dissolution of redevelopment, approximately \$320,000 that would be allocated for affordable housing annually in the City is instead distributed to local taxing entities, including the County, the City, the school districts, and the regional park district.

3.3.1.4 State Regulations and Development Challenges

Other regulatory challenges that present barriers to development include the following:

- **Compliance with State regulations** and energy standards, greenhouse gas emissions reduction requirements, and other environmental conditions (needed to preserve the environment but add to development costs).
- **Prevailing wages** (a federal and State legal requirement for publicly funded projects) that can add 13–25% to hard construction costs (these additional costs are added to very high construction and materials costs and can push an affordable housing project to be financially infeasible).

3.3.2 Local Constraints

Land use elements set forth City policies for local land development, which, along with existing zoning regulations, establish both the distribution and amount of land allocated for different uses.

Local government regulations are intended to protect public health and safety, and to ensure a decent quality of life for residents. However, local policies and regulations may negatively or positively affect housing costs and availability—land use controls, fees and exactions, permit processing procedures, site improvement requirements, and other factors can constrain the maintenance, development, and improvement of housing.

State and federal regulations also affect costs and land availability for the development of housing. Regulations related to building codes, environmental protection, and other topics are designed to protect the public health and safety but can have adverse impacts on housing costs and availability. One of the greatest constraints to the production of affordable housing, specifically housing affordable to lower-income households, is the chronic shortage of State and federal financial assistance for affordable housing. While constraints exist at all levels of government, the City can only control its own and has little or no control over State and federal regulations and, therefore, lacks the ability to directly mitigate their effects on housing. Therefore, Walnut Creek's efforts emphasize policies and regulations that can be mitigated by the City.

The City adopted the current General Plan 2025 on April 4, 2006, and has adopted multiple focused amendments since then, including the most recent in 2020. This General Plan establishes the vision of planning and land use for Walnut Creek. In 2023, tThe City was is currently updating both the Housing and Safety Elements.

3.3.2.1 Land Use Policies

The Land Use Element of the Walnut Creek General Plan contains the primary policies that guide residential development in the City. These policies are implemented primarily through the Zoning Ordinance, which establishes the amount and distribution of different land uses in Walnut Creek; specific plans, which provide more focused policies and standards for certain geographic areas; and the Subdivision Ordinance, which provides specific guidelines and standards for the regulation of subdivisions.

The City's General Plan establishes the following designations related to housing:

- Single-Family Very Low (SFVL) (0.1 to 1 unit/acre): This land use is intended as a transition between open space areas and low-density single-family development. It is also intended to preserve hillside areas. Typical development is large-lot, single-family homes.
- Single-Family Low (SFL) (1.1 to 3.0 units/acre): This land use is intended as a transition between the typical suburban single-family neighborhood and outlying rural residential areas. Stables, livestock, and the growing of crops are permitted only on a noncommercial, resident-use basis.

- **Single-Family Medium (SFM) (3.1 to 6.0 units/acre):** This land use is intended for the typical single-family neighborhood with an average lot size of 10,000 square feet. Dwellings are generally detached with ample front, side, and rear yards.
- Single-Family High (SFH) (6.1 to 9.0 units/acre): This land use is intended only under a Planned Development Zoning District. A land use change to this category requires specific findings that the character and integrity of established residential neighborhoods will be preserved.
- **Multifamily Low (MFL) (6.1 to 14.0 units/acre):** This land use is intended as a transition between single-family neighborhoods and commercial or higher density residential areas.
- **Multifamily Medium (MFM) (14.1 to 22.0 units/acre):** This land use is intended for developments of condominiums and/or low-rise apartments with substantial amounts of open space, landscaping, and on-site recreational facilities.
- Multifamily Medium High (MFMH) (22.1 to 30.0 units/acre): This land use is intended for two-story (or higher) apartments or condominiums located within walking distance of downtown and major transit centers.
- **Multifamily Low (MFVH) (30.1 to 50.0 units/acre):** This land use is intended for the City's conventional apartment complexes of structures exceeding two stories and include on-site amenities such as recreational facilities, private balconies or patios, and common open space.
- Multifamily Downtown (MFD) (40.0 to 90.0 units/acre): This land use is intended for the development of multifamily apartments and condominiums in a convenient and safe urban environment near BART and bus services in the Downtown area.
- Multifamily Special High (MFSH) (50.1 to 100.0 units/acre): This land use is intended for the development of multifamily apartments and condominiums in Downtown Core Area around Alma Avenue where the Alma Avenue Specific Plan governs development.
- Mixed-use Residential Emphasis (MU-R) (Floor Area Ratio (FAR) 1.5 to 2.8): This
 land use is intended to encourage a combination of ground floor retail with office and/or
 residential uses above the ground floor. Residential must be the primary use with
 commercial uses allowed only to a maximum FAR of 0.3.
- Mixed-use Commercial Emphasis (MU-C) (FAR 1.0 to 2.0): This land use is intended to encourage a combination of commercial and residential uses. Commercial (office or retail) must be the primary use but will be allowed only to a maximum FAR of 0.85. This

type of development and density is encouraged around the west Mt. Diablo Boulevard corridor, and in the Newell Avenue/South California Boulevard area.

- Mixed-use Downtown (MU-D) (FAR 1.0 to 3.0): This land use is intended to encourage a combination of commercial and residential uses in a high-density/intensity urban environment. A broad range of uses are allowed to provide an appropriate amount of flexibility in development. In general, only retail/restaurant /service uses are permitted on the ground floor along Core Area retail streets, such as North California Boulevard.
- Mixed-use Golden Triangle (MU-GT) (FAR 1.5 to 2.5): This land use is intended to
 encourage a combination of ground floor retail, high-intensity office, and/or high-density
 residential development near the Walnut Creek BART station. The appropriate density
 for new residential projects will be determined with the approval of a planned development
 permit. The FAR associated with this district is applied to commercial (office or retail)
 development only.

The correlation between Walnut Creek General Plan land use designations and zoning districts is shown in <u>Table 3-3Table 3-3</u>, Land Use and Zoning Categories Permitting Residences. The Base Zoning District Regulations summarized below include: Single-Family Residential District (R), Single-Family High, Planned Development District 1 (SFH-PD1); Duplex Residential District (D-3), Multiple Family Residential Districts (M), High Density Residential Planned Development District (M-H-D), Pedestrian Retail District (P-R), Central Retail District (C-R), Office Commercial District (O-C), Mixed-use Planned Development District (M-U), and the Community Commercial District (C-C).

GENERAL PLAN LAND USE CATEGORY		DENSITY (DU/NET AC)	ZONING CATEGORIES*	TYPICAL RESIDENTIAL TYPE(S)*
SFVL	Single-Family Very Low	0.1 to 1	R-40	Single-family homes
SFL	Single-Family Low	1.1 to 3	R-15, R-20	Single-family homes
SFM	Single-Family Medium	3.1 to 6	R-8, R-8.5, R-10, R-12	Single-family homes
SFH	Single-Family High	6.1 to 9	SFH-PD1	Single-family homes on smaller lots
MFL	Multifamily Low	6.1 to 14	SFH-PD1, D-3, M-3	Single -family and duplex homes including zero lot line and patio homes, and attached townhomes
MFM	Multifamily Medium	14.1 to 22	M-2, M-2.5	Multi-family homes including condominiums and/or low-rise apartments
MFMH	Multifamily Medium High	22.1 to 30	M-1.5	Multifamily homes, such as two-story (or higher) apartments or condominiums
MFVH	Multifamily Very High	30.1 to 50	M-1	Multistory, high-density residential, such as conventional apartment complexes
MFD	Multifamily, Downtown	40.0 to 90.0	M-0.75	High-density residential neighborhoods consisting of apartments and condominiums
MFSH	Multifamily Special High	50.1 to 100	M-H-D	Higher density residential for downtown living
MU-R	Mixed-use – Residential Emphasis	FAR 1.5 to 2.8	MU-R	Higher density multifamily above the ground floor
MU-C	Mixed-use – Commercial Emphasis	FAR 1.0 to 2.0	MU-C	Multifamily apartments and condominiums
MU-D	Mixed-use- Downtown	FAR 1.0 to 3.0	MU-D	Multifamily apartments and condominiums
MU-GT	Mixed-use – Golden Triangle	FAR 1.5 to 2.5	M-U	High-intensity apartments and condominiums

Table 3-3. Land Use and Zoning Categories Permitting Residences

Source: City of Walnut Creek 2021.

*ADUs and SB 9 units are permitted in accordance with State law.

3.3.2.2 Density Bonus

Pursuant to California Government Code, Sections 65915–65918, developers are entitled to a density bonus and/or equivalent concessions for provision of affordable units to encourage the development of affordable and senior housing. Density bonuses can provide up to a 50% increase in project densities for most projects, depending on the amount of affordable housing provided, and an 80% increase in density for projects that are completely affordable.

Cities and counties are required to grant a density bonus and other incentives and concessions to projects that contain one of the following:

• 5% or more of units are restricted to very low-income households, as defined in Section 50105 of the California Health and Safety Code (HSC).

- 10% or more of units are restricted to lower-income households, as defined in HSC Section 50079.5.
- 10% of the total dwelling units in a common interest development, as defined in Section 4100 of the Civil Code, for moderate-income households, as defined in HSC Section 50093, provided that all units in the development are offered to the public for purchase.
- 100% of all units in the development, including total units and density bonus units, but exclusive of a manager's unit or units, are for lower-income households, as defined by HSC Section 50079.5, except that up to 20% of the units in the development, including total units and density bonus units, may be for moderate-income households, as defined in HSC Section 50053.
- 10% of units or more are for transitional foster youth, as defined in Section 66025.9 of the California Education Code, disabled veterans, as defined in Section 18541, or homeless persons, as defined in the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.). These units shall be subject to a recorded affordability restriction of 55 years and shall be provided at the same affordability level as very low-income units.
- 20% of units or more are for lower-income students who have a household income and asset level that does not exceed the level for Cal Grant A or Cal Grant B award recipients as set forth in paragraph (1) of subdivision (k) of Section 69432.7 of the California Education Code and attend an accredited college full-time.
- Donation of at least one acre of land or of sufficient size to permit development of at least 40 units (with appropriate General Plan designation, zoning, permits, and approvals and access to the public facilities) to the City or County for very low-income units.
- Senior housing (no affordable units required).
- Mobile home park age-restricted units for seniors (no affordable units required).

The number of density bonus units is set on a sliding scale based on the percentage of affordable units at each income level and ranges from 5% to 80%. Generally, the deeper the levels of affordability of a project, the higher the density bonus.

The City's Inclusionary Housing Ordinance requires that a minimum of 6% to 10% of all housing units (depending on the income level of the inclusionary units) be affordable. In addition, the City allows for a minimum density bonus of 20% per State law combined with other incentives for the development of affordable housing. The City's Density Bonus Ordinance is found in (Section 10-2.3.1001 et seq. of the Municipal Code_) is undergoing a comprehensive update for State law compliance. Program H-2.R is included in Chapter 8, Housing Plan, to amend the

City's Density Bonus Ordinance to ensure <u>continued</u> compliance with current State law<u>and</u> <u>maintenance of provisions that exceed State requirements</u>.

Several laws over the last several years have significantly reduced the percentage of affordable units that a developer must provide to receive a density bonus and requires one or more "incentives" or "concessions" from the local jurisdiction to assist in the construction of the project, with the number based on the percentage of affordable units in the project. Under the law, developers can receive a maximum density bonus of 50% when a project provides one of the following:

- 15% of total units for very low-income households.
- 24% of total units for low-income households.
- 44% of total units for moderate-income households.

Waiver or Reduction of Development Standards

If a city or county development standard would physically prevent a project from being built at the permitted density and with the granted concessions/incentives, a developer may propose to have those standards waived or reduced. A city or county is not allowed to apply any development standard which physically precludes the construction of the project at its permitted density and with the granted concessions/incentives. However, a jurisdiction is not required to waive or reduce development standards that would cause a public health or safety problem, cause an environmental problem, harm historical property, or would be contrary to State law. The waiver or reduction of a development standard does not count as an incentive or concession and can apply to setback, lot coverage and open space, and building height requirements.

Maximum Parking Requirements

State law dictates that if a developer requests lower parking standards, a city or county may not require more than the following parking ratios for a density bonus projects (<u>Table 3-4</u>, Maximum Parking Requirements for Density Bonus Projects).

Table 3-4. Maximum Parking Requirements for Density Bonus Projects Table 3-4. Maximum Parking Requirements for Density Bonus Projects

UNIT SIZE	MAXIMUM PARKING REQUIREMENT
Studio	1
One Bedroom	1
Two Bedroom	1.5
Three Bedroom	1.5
Four Bedroom	2.5

Special Parking Requirements

Assembly Bill (AB) 2097 removes all parking requirements for most new development located within one-half mile of specified transit stops (the Walnut Creek and Pleasant Hill BART stations, in the case of Walnut Creek), though in some cases cities and counties can require higher parking ratios if supported by a specified parking study and findings. These parking requirements are summarized in the <u>Table 3-5Table 3-5</u>, Special Parking Requirements for Near-Transit Developments.

Table 3-5. Special Parking Requirements for Near-Transit Developments

PROJECT TYPE	PARKING MAXIMUM
Rental/for sale projects with at least 11% very low-income or 20% lower-income units, within 1/2 mile of accessible major transit stop	0.5 spaces per unit
Rental projects 100% affordable to lower income, within 1/2 mile of accessible major transit stop	0 spaces per unit
Rental senior projects 100% affordable to lower-income, either with paratransit service or within 1/2-half mile of accessible bus route (operating at least eight times per day)	0 spaces per unit
Rental special needs projects 100% affordable to lower-income households, either with paratransit service or within 1/2-half mile of accessible bus route (operating at least eight times per day)	0 spaces per unit
Rental supportive housing developments 100% affordable to lower-income households	0 spaces per unit
For sale projects with at least 40% moderate-income units, within ½ mile of accessible major transit stop	0.5 spaces per bedroom

3.3.3 Development Standards

The City regulates the type, location, density, and scale of development through the General Plan, the Zoning Ordinance, and specific plans._Provisions in the General Plan specify maximum FARs and height limits for the City's Core Area._Provisions in the Zoning Ordinance specify minimum lot areas, setbacks, coverage, FAR, height limits, and parking (see <u>Table 3-7Table 3-</u>7, Single-Family Residential Development Standards; <u>Table 3-8Table 3-8</u>, Duplex and Multifamily Residential Development Standards; and <u>Table 3-9Table 3-9</u>, Multifamily Residential Development Standards; and <u>Table 3-9</u>, In addition to the base zoning districts described in the following tables, applicants can request rezoning to a customized Planned Development (P-D) District that allows deviation from the normal regulations where a development project is consistent with the General Plan and meets other community objectives.

Walnut Creek has 16 adopted specific plans that guide development for certain geographic areas of the City. The specific plans include development standards and policies to implement the General Plan tailored to their plan areas. The West Downtown Specific Plan and the North Downtown Specific Plan, which were adopted in 2018 and 2019, respectively, contain many of the identified opportunity sites.

Walnut Creek's regulations are comparable to those of similar cities. To facilitate transparency pursuant to California Government Code, Section 65940.1(a)(1), the City's website

(https://www.walnut-creek.org/departments/community-development-department/zoning) includes an interactive zoning web-map that allows the user to search properties by address. This same webpage also links to the Walnut Creek Zoning Ordinance that contains all the zoning and development standards for each parcel. Additionally, various development application and developer impact fee information, the Master Fee Schedule, and development application forms are available online at https://www.walnut-creek.org/departments/community-development. Lastly, to facilitate the development process, development plan and permit applications can be submitted 24/7 and processed via email.

3.3.3.1 Residential Density

The Zoning Ordinance allows for base residential densities ranging from one dwelling unit per acre to up to nine dwelling units per acre for single-family residential properties and 15 dwelling units per acre for duplex residential properties. Moreover, the Zoning Ordinance allows multifamily residential properties in residential zones to have densities ranging from 15 dwelling units per acre to up to 87 dwelling units per acre. For multifamily residential properties in mixed-use zones, the maximum density ranges from 50 to 116 dwelling units per acre (see Tables 3-7 through 3-9).

Residential densities set forth in the Zoning Ordinance may be exceeded on a case-by-case basis to encourage development of low- and moderate-income housing pursuant to State and local density bonus laws.

Growth Limitation Plan

Community concerns about growth and urbanization led to the adoption of a growth limitation program in 1993, which slowed new commercial development in Walnut Creek. The City Council extended the program through the 2006 adoption of a new General Plan, and continued it through 2015-, limiting new commercial growth to 75,000 sq. ft. per year for 10 years.

Policy 9.3 in Chapter 4, Built Environment, of the General Plan establishes a housing cap consistent with the Regional Housing Needs Assessment (RHNA) allocation assigned to the City, and exempts affordable units and density bonus units from the cap. However, the City lacks a legal mechanism to enforce it, as it has not adopted a corresponding ordinance to date. Such an ordinance was not adopted in light of the City never reaching the limit imposed by the Growth Limitation Plan. Furthermore, Walnut Creek has considered the housing portion of the Growth Limitation Plan to be invalid under state law, -pursuant to the Housing Accountability Act and the Housing Crisis Act of 2019 (Senate Bill 330). The Growth Limitation Plan does not represent a constraint to housing development, given the existing state legislation. However, Program H-4.G, Amend the General Plan to Remove Policy 9.3, Related to the Growth Limitation Plan.

3.3.3.2 Lot Size and Area

The current Zoning Ordinance establishes minimum lot areas for residentially zoned properties. The minimum lot area requirements for single-family residential properties varies from 4,840 to 40,000 square feet and is 6,000 square feet for duplex residential properties. For multifamily residential properties in residential zones, the Zoning Ordinance allows for a minimum lot area ranging from and 5,000 to 15,000 square feet. Moreover, multifamily residential properties in mixed-use zones have a minimum lot area requirement ranging from 10,000 to 40,000 square feet. As shown in Tables 3-7 through 3-9, these standards allow for a wide range of housing options in Walnut Creek. Although some lots are substandard (e.g., less than the minimum area or width), the minimum lot sizes in the Zoning Ordinance applies only to the creation of new lots and does not preclude their development.

3.3.3.3 Setbacks

As shown in Tables 3-7 through 3-9, the Zoning Ordinance establishes minimum front, side, corner side, and rear setbacks._Setback requirements range as follows:

- Single-Family Residential
 - Front Setback: 18–30 feet.
 - Side Setback: 5–15 feet.
 - o Corner Side Setback: 10–30 feet.
 - Rear Setback: 10–20 feet.
- Duplex Residential
 - Front Setback: 15 feet.
 - o Side Setback: 5 feet.
 - o Corner Side Setback: 10 feet.
 - <u>Rear Setback</u>: 10 feet.
- Multifamily Residential in Residential Zones
 - Front Setback: 10–20 feet.
 - Side Setback: 5–10 feet.
 - Corner Side Setback: 10–20 feet.
 - <u>Rear Setback:</u> 5–20 feet.
- Multifamily Residential in Commercial and Mixed-Use Zones

 Front, side, corner side, and rear setbacks vary. General Plan and applicable specific plans shall be used to determine minimum setback requirements.

3.3.3.4 Lot Coverage

The City imposes limits on building lot coverage that are comparable to neighboring cities. Single-family residential structures may occupy a maximum of 25% to 50% of the lot, depending on the residential zone. A duplex, on the other hand, can occupy up to 50% of the lot, while multifamily residential structures in residential zones may occupy up to 50% to 70% of the lot, depending on the zone. Finally, the Zoning Ordinance does not contain maximum lot coverage limits for multifamily residential structures in mixed-use zones (see Tables 3-7 through 3-9).

3.3.3.5 Maximum Floor Area Ratio

The City does not have maximum FAR requirements for residential uses in residential zones. However, the Land Use Element and specific plans (notably the North Downtown Specific Plan and the West Downtown Specific Plan) limits FAR in the mixed-use zones. Generally, the total FAR allowed per lot includes the floor area of residential units. Note that the upper limits of the ranges listed below are only allowable in exchange for community benefits (see Figures 3-1, Maximum Height and FAR in the North Downtown Specific Plan, and 3-3, Maximum FAR in the West Downtown Specific Plan):

- MU-R: 1.5 to 2.8, with commercial uses allowed only to a maximum FAR of 0.3
- MU-C: 1.5 to 4.5
- MU-D: 1.5 to 3.0

3.3.3.6 Parking

The City's parking requirements vary by use, by housing type, and by unit size. In zones that allow for residential development, the parking requirements are as follows:

- Single-Family Residential
 - Two covered spaces per dwelling unit. However, if required parking is demolished for the construction of an accessory dwelling unit (ADU), or converted into an ADU, no replacement parking is required.
- Duplex Residential
 - Two covered spaces per dwelling unit.
- Multifamily Residential
 - Studio: 1.25 spaces per dwelling unit.

- <u>1 Bedroom:</u> 1.5 spaces per dwelling unit.
- <u>2 Bedroom:</u> 2 spaces per dwelling unit.
- <u>2+ Bedroom:</u> 2.25 spaces per dwelling unit.

Every dwelling unit is required to have one covered space. However, if required parking is demolished for the construction of an ADU, or converted into an ADU, no replacement parking is required. Parking for senior housing is determined on a case-by-case basis by the City's Transportation Administrator.

State law also imposes the following parking maximums (i.e., a city or county may not require on-site parking in excess of these ratios for a density bonus projects) (<u>Table 3-6</u>, Maximum Parking Requirements for Density Bonus Projects).

Table 3-6. Maximum Parking Requirements for Density Bonus Projects

UNIT SIZE	MAXIMUM PARKING REQUIREMENT
Studio	1
One Bedroom	1
Two Bedroom	1.5
Three Bedroom	1.5
Four Bedroom	2.5

Parking requirements for low-income projects or projects located near accessible major transit stops with 5 or more units have reduced parking standards.__The reduced parking minimums vary by number of bedrooms, affordability level, and proximity to a BART station.__In addition, State law no longer allows local governments to impose any parking requirements for (1) 100% affordable housing projects located within 0.5 mile from an accessible major transit stop and (2) 100% affordable senior housing projects that either offer paratransit service or are located within 0.5 mile from an accessible major transit stop.__Parking requirements for projects with at least 11% very low-income or at least 20% lower-income units that are located within 0.5 mile from an accessible major transit stop are 0.5 space per unit._Senate Bill (SB) 290 (signed by Governor Newson in September 2021) expands this requirement to projects that provide at least 40% moderate-income units and are also within 0.5 mile of a major transit stop, except that the 0.5 spaces metric is per bedroom, and not per unit.

While housing developments, which are in proximity to major transit stops and/or include affordable housing may enjoy reduced parking requirements, the City's minimum parking requirements for market-rate housing projects may be viewed as a constraint to the production of housing. <u>THowever</u>, the City's Zoning Ordinance; however, provides for a 20% reduction in required parking through the provision of a minor use permit, subject to findings and conditions. Additionally, the City contains parking reduction overlays in the Core Area, which is an approximately 768-acre central district with higher allowed densities than other parts of the City.

There are five partially overlapping parking reduction zones that cover most of the Traditional Downtown, plus most of the office areas within a half-mile the Walnut Creek BART station-

Program H-4.B, <u>Reduce Parking Requirements</u>, is included in Chapter 8_to facilitate the development of new<u>multifamily</u> housing by <u>continuing to provideing reduced</u>provide reduced parking requirements <u>and adopting - additional reductions</u>. Program H-4.B will also ensure that the City complies with Assembly Bill (AB) 2097, which reduces the cost of housing through the elimination of some parking mandates for homes and commercial buildings near transit. Additionally, <u>T</u>the City shall complete a parking study (currently underway) and <u>use the findings</u> as a basis to bring policy recommendations for reducing ("right-sizing") parking requirements for multifamily housing to City Council for consideration and adoption.

3.3.3.7 Height Limits

Land use regulations establish a height limit of 25 feet, or two stories, for most single-family residential and duplex residential properties. Multifamily residential properties have maximum height limits ranging from 25 to 89 feet (see Tables 3-7 through 3-9).

Measure A, Building Height Freeze Initiative

As shown in Tables 3-7 through 3-9, the height regulations in Walnut Creek set a limit of 25 feet, or two stories, for most single-family residential and duplex residential properties. Multifamily residential properties have maximum height limits ranging from 25 to 89 feet. The height limits for all types of uses, including residential, have existed since prior to 1985 and were confirmed as the applicable height limits through a zoning measure approved by the voters. In 1985, Walnut Creek voters passed Measure A (the Building Height Freeze Initiative) in response to the perception of traffic impacts resulting from new office development around the Walnut Creek BART station, and a large downtown retail/hotel development then being proposed in the downtown Pedestrian Retail District. Measure A established building height limitations that could only be increased with voter approval or - in the case of residential projects, including mixed-use residential – under current state law through density bonus law, as set forth in Government Code Section 65915 et seq.

As evidenced by recent residential development trends in Walnut Creek, the voter-approved height standards do not constrain development:

Walnut Creek is a built-out community with limited sites for additional single-family detached units. Of Walnut Creek's 6,449 units of identified capacity, the vast majority of units would consist of multi-family dwellings (See Chapter 7, Table 7-2). The 25-foot height limit in single-family zones will not preclude the development of these units.

- For multifamily housing, the voter-controlled height limits generally align with building heights that are financially feasible for market-rate projects. The height limits do not constrain development because heights above the voter-controlled limits are not typically feasible since buildings over five or six stories in height necessitate significantly more expensive construction methods and materials (e.g. concrete and steel).
- As further evidence that the voter-controlled height limits do not preclude market-rate (i.e. above-moderate) multifamily projects, Walnut Creek permitted 1,798 market-rate units for the 2015-2022 RHNA Cycle more than double the total RHNA obligation for the 5th Cycle.
- Also, market-rate residential developers are using state density bonus law to secure height concessions and provide affordable units within market-rate projects. Walnut Creek supports this strategy as it facilitates much-needed affordable housing *within* market-rate projects.
- Affordable housing developers also are taking full advantage of state density bonus law to secure the height concessions needed to optimize the number of units in a project. This strategy is fully supported by the City. In fact, in the last ten years and through the use of state density bonus law, eight affordable density bonus projects yielded 59% more total residential units. Five of these eight projects were 100% affordable unit projects.

The City complements the work of both market-rate and affordable housing developers by prioritizing the review of residential projects providing affordable units and by advising on and providing the use of State and City authorized density incentives. See H-2.I, M, N, and O in Chapter 8 for further details on these programs. While Measure A does not constitute or present a constraint on housing development, the City has added Program H-4.J to conduct an educational and public outreach program on Measure A. and receive pThe City will seek out public comments regarding on potential impacts of Measure A as a potential possible constraint on development and on the City's ability to provide new housing consistent with the number of new housing units identified in the Housing Element. If the City is not on schedule to produce the new housing units or has identified Measure A heights limitations to be an additional constraint on housing production, and assuming available funding for election costs, staff will prepare for City Council consideration and action a ballot measure amending Measure A Height limits. The scope of this ballot measure will likely include for properties that allow multi-family development under the General Plan that could potentially to allow for additional residential units. The ballot measure could alternatively or pursue and/or implement other strategies as appropriate to address identified constraints

While Measure A does not constitute or present a constraint on housing development, the City has added Program H-4.J to conduct an education and public outreach and receive public comments on potential impacts of Measure A as a potential constraint on development and on

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the City's ability to provide new housing consistent with the new housing units identified in the Housing Element. If the City is not on schedule to produce the new housing units or has identified heights limitations to be an additional constraint on housing production, and assuming available funding for election costs, staff will prepare for City Council consideration and action a ballot measure amending Measure A Height limits for properties that allow multi-family development under the General Plan to allow for additional residential units or pursue and implement other strategies as appropriate to address identified constraints.

STANDARD	SFH-PD1	R-8	R-8.5	R-10	R-12	R-15	R-20	R-40
Minimum Lot Area (sq. ft.)	4,840	8,000	8,500	10,000	12,000	15,000	20,000	40,000
Minimum Lot Width	50 ft.	75 ft.	75 ft.	80 ft.	90 ft.	100 ft.	120 ft.	140 ft.
Minimum Lot Frontage	50 ft.	75 ft.	75 ft.	80 ft.	90 ft.	100 ft.	120 ft.	140 ft.
Minimum Lot Depth	n/a	95 ft.	95 ft.	100 ft.	100 ft.	120 ft.	150 ft.	150 ft.
Minimum Front Setback	18–20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	30 ft.
Minimum Side Setback	O ft.	5 ft., aggrega te 15 ft./2 nd story 10 ft.	5 ft., aggrega te 15 ft./2 nd story 10 ft.	5 ft., aggrega te 15 ft./2 nd story 10 ft.	10 ft.	10 ft., aggrega te 25 ft.	15 ft.	15 ft.
Minimum Corner Side Setback	15 ft.	10 ft.	10 ft.	10 ft.	10 ft.	10 ft.	15 ft.	30 ft.
Minimum Rear Setback	10–15 ft.	15 ft.	15 ft.	15 ft.	15 ft.	15 ft.	20 ft.	20 ft.
Maximum Height	25 ft., 2 stories	25 ft., 2 stories	25 ft., 2 stories	25 ft., 2 stories	25 ft., 2 stories	25 ft., 2 stories	25 ft., 2 stories	25 ft., 2 stories
Maximum Density (units/acre)	6–9 du/ net acre	5.4	5.1	4.4	3.6	2.9	2.2	1.1
Maximum Lot Coverage	50%	40%	40%	35%	30%	25%	25%	n/a
Threshold Floor Area Ratio	0.55	0.42	0.42	0.42	n/a	n/a	n/a	n/a
Floor Area Distribution (Maximum % of floor area on second floor of principal structure, where total floor area includes garage)	55%	40%	40%	40%	n/a	n/a	n/a	n/a
Distance Between Buildings	10 ft.	5 ft.	5 ft.	5 ft.	5 ft.	5 ft.	5 ft.	5 ft.
Required Off-Street Parking	2 covered spaces per dwelling unitNotwithstanding the foregoing, if the required parking is demolished in conjunction with the construction of an ADU, or converted to an ADU, no replacement parking is required.							

Source: City of Walnut Creek 2021.

STANDARD	D-3	M- 0.75	M-1 MULTIFA MILY	M-1.5 MULTIFA MILY	M-2 Multifa Mily	M-2.5 MULTIFA MILY	M-3 MULTIFA MILY	M-H-D HIGH DENSIT Y
Minimum Lot Area (sq. ft.)	6,000	10,000	5,000	9,000	8,000	10,000	15,000	15,000
Minimum Lot Width	60 ft.	80 ft.	50 ft.	90 ft.	60 ft.	90 ft.	90 ft.	100 ft.
Minimum Lot Frontage	60 ft.	80 ft.	50 ft.	90 ft.	60 ft.	90 ft.	90 ft.	100 ft.
Minimum Lot Depth	n/a	100 ft.	n/a	n/a	n/a	n/a	n/a	n/a
Minimum Front Setback	15 ft.	10 ft.	15 ft.	15 ft.	15 ft.	15 ft.	20 ft.	n/a
Minimum Side Setback	5 ft.	varies	5 ft.	5 ft.	5 ft.	5 ft.	10 ft.	n/a
Minimum Corner Side Setback	10 ft.	10 ft.	10 ft.	10 ft.	10 ft.	10 ft.	20 ft.	n/a
Minimum Rear Setback	10 ft.	varies	5 ft.	5 ft.	10 ft.	10 ft.	10–20 ft.	n/a
Maximum Height	25 ft., 2 stories	25–30 ft.	30–50 ft. as	specified in	the Zoning N	1ap		70 ft.
Maximum Density (units/acre)	14.5	varies	43.6	29.0	21.8	17.4	14.5	Max FAR: 1.5
Maximum Lot Coverage	50%	70%	70%	70%	60%	50%	50%	n/a
Required Off-Street Parking	2 covered spaces per unit	 1.25 spaces per studio, 1.5 spaces per 1 bedroom unit, 2 spaces per 2-bedroom unit; 2.25 spaces per 2+ bedroom unit. Every dwelling unit is required to have 1 covered space. Parking for senior housing is determined on a case-by-case basis by the City's Transportation Administrator. 					1 space per bed; min. 1.25 spaces /unit	

Table 3-8. Duplex and Multifamily Residential Development Standards

Source: City of Walnut Creek 2021.

Table 3-9. Multifamily Residential Development Standards in Commercial and Mixed-Use Zones

STANDARD	M-U MIXED-USE PLANNED DEVELOPMENT DISTRICT	MU-C COMMERCIAL MIXED-USE DISTRICT	MU-R RESIDENTIAL MIXED-USE DISTRICT	MU-D DOWNTOWN MIXED-USE DISTRICT	
Minimum Lot Area (sq. ft.)	40,000	10,000	10,000	10,000	
Minimum Front Setback	Non-Core Are	<u>ail streets:</u> 15 ft. from a a retail streets: 10 ft. f		de	
Minimum Side Setback	feet	lential district: 10 ft. fo	r the first 30 vertical feet; ng room window; 10' ou		
Minimum Corner Side Setback	Core Area retail street Non-Core Area retail s				
Minimum Rear Setback	None, except in the following conditions:Abutting residential district: 10 ft. for the first 30 vertical feet; 1N/Aabove 30 vertical feetDwelling units: 20 ft. outside of a living room window; 10 ft. ouof a bedroom window				
Maximum Height	defer to the standards Parcels which are not	s of those respective of within the boundaries Sheet 2 of the City's	owntown and West Dow documents (see Figures 3 s of the North Downtowr official Zoning Map, whic	3-1 to 3-3 below) n and West Downtown	
Maximum Density	Maximum residential density is determined by the Planning Commission when making a recommendation to the City Council on the planned development permit.	49.8 DUA	102.5 DUA	58.1 DUA	
Maximum Lot Coverage	n/a	n/a	n/a	n/a	

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STANDARD	M-U MIXED-USE PLANNED DEVELOPMENT DISTRICT	MU-C COMMERCIAL MIXED-USE DISTRICT	MU-R RESIDENTIAL MIXED-USE DISTRICT	MU-D Downtown Mixed-Use District			
			ntown and West Downto nents (see Figures 3-1 to 3				
Maximum Floor Area	Parcels which are not within North Downtown and West Downtown Specific Plans defer to Chapter 4, Figure 9 (Mixed-use Floor Area Ratios) of the General Plan, or to an applicable specific plan.						
Ratio	If the FAR of the parcel is not regulated by Chapter 4, Figure 9 (Mixed-use Floor Area Ratios) of the General Plan, or to any specific plan, the maximum FAR is 1.5.						
	The floor area ratio may not exceed 1.0 on any property with a net lot area less than ten thousand (10,000) square feet.						
Required Off-Street	 1.25 spaces per studio, 1.5 spaces per 1 bedroom unit, 2 spaces per 2-bedroom unit; 2.25 spaces per 2+ bedroom unit. 						
Parking	Every dwelling unit is required to have 1 covered spaceParking for senior housing is determined on a case-by-case basis by the City's Transportation Administrator.						

Notes:

¹ The City of Walnut Creek regulates height limits through the Overlay Zoning, Building Height, Parking Reduction, and Future Street Line Map._Height limits do not correspond directly to zones.

* See the North Downtown Specific Plan and West Downtown Specific Plan

Source: City of Walnut Creek 2021.

North Downtown Specific Plan and West Downtown Specific Plan

Limits for height and FAR for parcels in the North Downtown Specific Plan and West Downtown Specific Plan are regulated independently of the base zoning districts. With a community benefits agreement, the height and FAR limits are increased as shown on Figures 3-1, 3-2, and 3-3. Community benefits that the developer may provide in exchange for increased height and FAR include but are not limited to the following:

- Public open space
- Mid-block connections
- Affordable housing beyond that which is required
- Shared parking garage
- Grocery store
- Green buildings
- Off-site services or infrastructure improvements

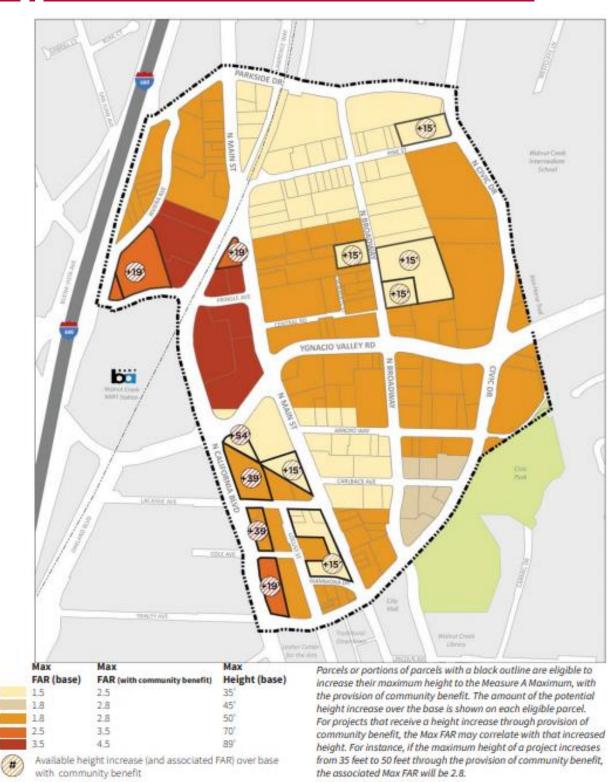
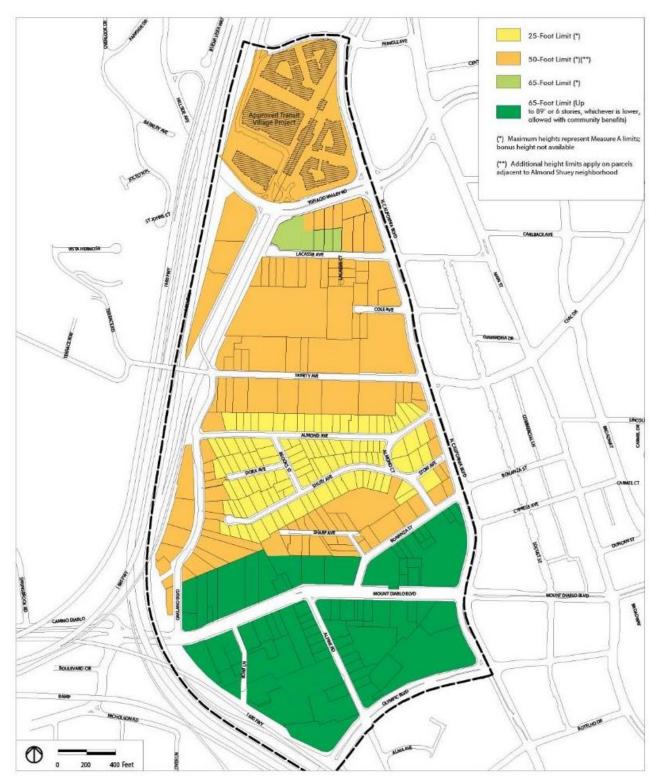


Figure 3-1. Maximum Height and FAR in the North Downtown Specific Plan

Source: North Downtown Specific Plan, Figure 4.3.

Figure 3-2. Maximum Height West Downtown Specific Plan



Source: West Downtown Specific Plan, Figure 3-3.

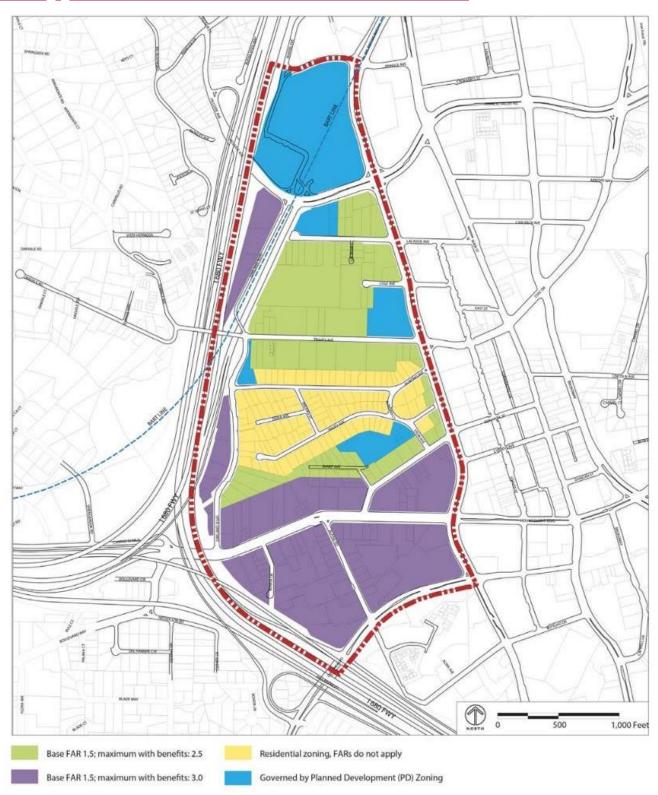


Figure 3-3. Maximum FAR in the West Downtown Specific Plan

Source: West Downtown Specific Plan, Figure 3-2.

3.3.3.8 Cumulative Impacts of Development Standards

The cumulative impacts of Walnut Creek's development standards established in the Zoning Ordinance and specific plans do not unduly constrain achieving the densities permitted by the zones. The residential development regulations are comparable to those of other jurisdictions. The City does not have a maximum floor area ratio (FAR) requirement for residential uses in residential zones. Developers interviewed for the Housing Element Update did not identify the City's zoning regulations as a constraint to development, or as factor that added excessive costs. In addition, development trends and project approval evidence confirms that Zoning Ordinance standards do not create a building envelope that conflicts with achieving the densities allowed in the zones as multi-family developments in the City's multi-family zones and specific plan areas have consistently achieved the maximum permitted densities permitted by the zones, as documented in Table 7-3 "Entitled and Pending Development Applications." However Program H.4.K has been added to the Housing Plan, to obtain quantitative data to better understand the maximum residential development capacity on individual parcels citywide Program H.4.K has been added to the Housing Plan. The Program requires the City tois to conduct a Building Envelope Needs Assessment that considers the general plan density standards and the Zoning Code's development standards. If needed, code amendments will be conducted based on study findings.

Higher densities are also frequently achieved pursuant to State Density Bonus Law or other provisions, as also shown in Table 7-3. However, as discussed below, Program H-4.B has been added to address parking requirements. In addition, Program H-4.C has been added to ensure that the City's Zoning Ordinance is in conformance with state law, including the Housing Accountability Act, and the Housing Crisis Act of 2019. The components of the City's development standards are described as follows:

- The Zoning Ordinance allows multifamily residential properties in residential zones to have densities ranging from 15 dwelling units per acre to up to 87 dwelling units per acre. For multifamily residential properties in mixed-use zones, the maximum density ranges from 50 to 116 dwelling units per acre (see Tables 3-7 through 3-9).
- For multifamily residential properties in residential zones, the Zoning Ordinance allows for a minimum lot area ranging from 5,000 to 15,000 square feet. Multifamily residential properties in mixed-use zones have a minimum lot area requirement ranging from 10,000 to 40,000 square feet.
- For multifamily residential properties in residential zones, the Zoning Ordinance requires front and corner setbacks from 10 to 20 feet and side and rear setbacks from 5 to 20 feet.

- The City does not have maximum FAR requirements for residential uses in residential zones. However, specific plans allow FARs generally ranging from 1.5 to 4.5 in the mixed-use zones, with upper limits only allowable with community benefits.
- Parking requirements vary (see Section 3.3.3.6). City staff is currently studying parking requirements with the intent to adjust parking requirements for multifamily projects to facilitate the development of new housing. Staff anticipates bringing forward amendments of the City's parking regulations to the City Council for consideration and adoption (see Program H-4.B, Complete Parking Study and Continue to Implement Reduced Parking for Affordable Housing).
- Multifamily residential properties have maximum height limits ranging from 25 to 89 feet (see Tables 3-7 through 3-9).

Much of the City's remaining residential development capacity is within two specific plan areas: the West Downtown Specific Plan and the North Downtown Specific Plan. As a part of the analysis prepared for the Specific Plan Environmental Impact Report (EIR) in 2018, the City prepared growth projections that would likely occur under the Specific Plan by 2038. Full buildout of the North Downtown Specific Plan was projected to result in an increase in population of approximately 1,519 persons, the addition of approximately 899 housing units, and the addition of approximately 3,546 jobs. These future projections were identified by the City based on a parcel-by parcel analysis of the potential development sites in the Plan Area that have the highest likelihood of being redeveloped over the 20-year time horizon of the Specific Plan. The projections included considerations of the development regulations included within the City's Zoning Ordinance as modified by the Specific Plan, as well as market factors which includes costs to development. The Specific Plan was found to directly induce growth in an environmentally sound method.

The West Downtown Specific Plan was adopted in September 2018. The Specific Plan provided development capacity estimates based on "a careful study of opportunity sites in the Plan Area and considered such factors as existing land uses, land and improvement values, access, and physical constraints." -Buildout projections also considered typical heights, lot coverages, and residential unit sizes. For opportunity sites with a "Mixed-Use" classification, it was assumed that the majority of new mixed-use development would be buildings with ground floor retail and residential units above. The plan was estimated to result in 2,400 net new housing units, along with additional retail, office and hotel uses. As a part of the Program H.4.K- Building Envelope Analysis described above, the City will analyze how height limits influence building type and affordability in specific plan areas and conduct amendments if needed. The City will also analyze specific plan permit processing requirements.

Higher densities are also frequently achieved pursuant to State Density Bonus Law or other provisions, as also shown in Table 7-3. However, City staff has identified parking as a potential constraint to development. As a result, as discussed below, Program H-4.B has been strengthened to commits to adoption of Zoning Ordinance amendments to reduce parking requirements for multi-family housing. added to address parking requirements.

Height limits pursuant to Measure A are further explained in Section 3.3.3.7. Measure A does not create a constraint to housing development because the height limit generally aligns with commercially and structurally feasible heights for multifamily projects. The height limits under Measure A fosters developments at heights ranging from 50 to 89 feet (54 to 93 feet with pitched roofs), while the single-family and "missing middle" density areas within the rest of the City have Measure A height limits ranging from 25 to 30 feet (29 to 34 feet with pitched roofs). Furthermore, these Measure A height limits have been exceeded through the use of waivers and concessions for density bonus projects. Although Measure A does not constitute or present a constraint on housing development, the City has added Program H-4.J, Measure A Outreach and Review. See discussion on Program H-4.J in Section 3.3.3.7.

As a part of Program H-4.J, the City will conduct public outreach and receive public comments on potential impacts of Measure A on the City's ability to provide new housing consistent with the new housing units identified in the Housing Element and, if the City is not on schedule to produce the new housing units <u>-or has identified height limitations to be an additional constraint</u> <u>on housing production</u>, and assuming available funding for election costs, <u>staff will prepare for</u> <u>City Council consideration and action</u> a ballot measure amending Measure A Height limits for properties that allow multi-family development under the General Plan<u>to allow for additional</u> <u>residential units or pursue and implement other strategies as appropriate to address identified</u> <u>constraints</u>.

In addition, Program H-6.J, Housing Mobility, has been added to evaluate- and consider a Zoning Ordinance amendment to increase- heights in residential districts to the maximum permitted under Measure A to increase density-.

3.3.4 Housing in Coastal Zone

The City does not lie within the coastal zone boundary.

3.3.5 Fees and Exactions

Prior to embarking on a housing project, housing developers conduct a financial feasibility analysis that compares development costs to the revenues received in rent or sales prices. This analysis calculates the rate of return on the project or investment. Like any other business, developers require a minimum profit or rate or return on housing development and only proceed

with a development when revenues are expected to exceed costs to the level where this profit is achieved. Housing development requires investors who, in turn, require a rate of return on their investment. This makes housing development challenging, especially when costs are high.

Fees and exactions are a factor that adds to housing development costs and are included in developers' financial feasibility analysis.__If revenues do not outweigh the costs and yield the required rate of return, developers will not move forward with the project._However, it is important to note that in cities and counties where market-rate rents and housing prices are high, like Walnut Creek, revenues derived from housing development projects are similarly high, yielding a desirable return.__In Walnut Creek, nearly 1,900 new housing units were reported during the first 6 years of the 2015–2023 5th Cycle Planning Period._While this number shows considerable progress toward the 2,235 total units required by RHNA, 1,692, or more than 90%, of the units developed were above-moderate-income (i.e., market-rate) units.__This points to strong demand supporting the development of market-rate housing in the City and a need to build more housing at affordable levels.

The number of units developed during the 5th Cycle suggests that current fees are not an impediment to housing development.

3.3.5.1 Development Services and Impact Fees

Development services fees cover review and processing of the development by City staff. Development impact fees offset the costs of improvements serving the development._The City's fee schedule is based on typical anticipated costs associated with review and approval of proposed projects._The City's current development fee schedule for residential projects is summarized in <u>Table 3-10Table 3-10</u>, Development Fees for Residential Projects._In addition to summarizing planning and development fees, <u>Table 3-10_Table 3-10</u> provides fee estimates for two typical developments in the City.

Table 3-10. Development Fees for Residential Projects

		SAMPLE FEES FOR REPRESENTATIVE PROJECTS		
FEE ITEM	RATE	SF DEV. ¹ (1-UNIT DET.)	MF DEV. ² (100 UNITS)	
City Fees				
Building Permit Fee ³	Fee based on Building Valuation ⁴ <u>\$100K-\$500K</u> : \$3,827.13 for the first \$500K plus \$5.40 for each additional \$1,000 or fraction thereof, to and including \$1M <u>\$1M and Up</u> : \$6,527.13 for the first \$1,000,000 plus \$3.81 for each additional \$1,000 or fraction thereof	\$2,539.15	\$39,436.39	
Building Plan Review Fee	100% of Building Permit Fee For buildings with a valuation less than or equal to \$25,000, 25% of Building Permit Fee	\$2,539.15	\$39,436.39	
Mechanical, Electrical, plumbing (MEP) Permit Fees	55% of Building Permit Fee Electrical 20%, Plumbing 18%, and Mechanical 17%	\$1,396.53	\$21,690.01	
MEP Plan Review Fee	75% of MEP Permit	\$1,047.40	\$16,267.51	
Application Processing Fee	\$51 + (0.000357 * valuation)	\$160.56	\$3,491.62	
Green Building Code Fee	10% of sum of Building, Electrical, Plumbing, and Mechanical Permit Fees	\$647.48	\$10,056.28	
Planning Review Fee	15% of the Building Division's total Permit Fees	\$380.87	\$5,915.46	
Technology Fee	5.75% of the combined total of permit and plan review fees	\$432.53	\$6,717.74	
Building Division Training Fee	1.25% of the combined total of permit and plan review fees	\$94.03	\$1,460.38	
General Plan Update Fee	0.1% of Project Valuation	\$2.54	\$39.44	
Waste Management Fee	\$52 non-refundable fee	\$52.00	\$52.00	
Traffic Impact Fees ⁶	\$3,749 per PM peak hour trip	\$3,711.51	\$164,956.00	
Property Development Tax	\$112.5 for each dwelling unit containing not more than one bedroom. \$22.5 for each additional bedroom	\$112.50	\$11,250.00	
Public Arts Requirement	Fee paid by buildings with a \$500K valuation or more: <u>Residential with 6+ Units</u> : 1% of construction cost	\$0.00	\$96,376.00	
Inclusionary Housing Fees	Residential projects are required to either provide units on-site or pay a fee. <u>Fee</u> : \$18/sf	\$55,800.00	\$1,440,000.00	
Parkland Dedication Acreage Fee ⁷	Multifamily: Current in-lieu fee is based on a value of \$800,000/acre Fee = (# of bedrooms) * (0.005 acre) * (800,000/acre) This is equivalent to \$4,000 per bedroom Single-Family: Based on General Plan density as detailed in Title 10-1.602	\$16,000.00	\$600,000.00	

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	DATE	SAMPLE FEES FOR REPRESENTATIVE PROJECTS			
FEE ITEM	RATE	SF DEV. ¹ (1-UNIT DET.)	MF DEV. ² (100 UNITS)		
Pre-Application Review	\$200/hr.; not applicable to SFDSFH.	\$0.00	\$1,000.00		
Project Review Team	\$2,500/Dep for SFD; \$10,000/Dep for MFD	\$2,500.00	\$10,000.00		
Subtotal: City Fees		\$87,416.25	\$2,468,145.22		
Subtotal: City Fees – Per Unit		\$87,416.25	\$24,681.45		
Other Agency Fees ⁸					
School District Fee ⁹	<u>Walnut Creek School District</u> : \$2.86/sf <u>Mt. Diablo School District</u> : \$4.08/sf <u>San Ramon Valley School District</u> : \$3.79/sf	\$10,608.00	\$326,400.00		
CA Building Standards Fee	1–3 Stories in Height: \$13 per \$100K valuation; All Other Buildings: \$28 per \$100K valuation	\$12.28	\$385.50		
CCC Sanitary District Connection Fee	\$9,300 per unit	\$9,300.00	\$930,000.00		
Strong Motion Instrumentation Fee ¹¹	<u>1–3 Stories in Height</u> : \$13 per \$100K valuation <u>All Other Buildings</u> : \$28 per \$100K valuation	\$39.90	\$1,252.89		
Subtotal: Other Agency Fees		\$18,218.18	\$1,160,438.39		
Subtotal: Other Agency Fees	– Per Unit	\$18,218.18	\$11,604.38		
Total Fees					
Total Fees	\$105,634.43	\$3,628,583.61			
Total Fees – Per Unit		\$105,634.43	\$36,285.84		

Notes:

¹⁻² Development fees were calculated based on the final version of the C4 fee summary assumptions. These assumptions include the following:

<u>SF Development</u>: 1-Unit Detached, 3,100 sf./unit

MF Development: 100 units, 800 sf./unit

³ Building permit fees are based upon the building valuation, starting at \$2,000.__This table only presents fees for valuations above \$500,000._For the complete fee schedule, see the City's FY 2022–23 Master Fee Schedule.

⁴ <u>Building Valuation</u> = Market value of labor plus materials

SF Valuation: \$306,900

MF Valuation: \$9,637,600

- ⁶ Per the Institute of Transportation Engineers Trip Generation Manual (10th Edition), single-family detached housing generates 0.99 PM peak hour trips per unit, while mid-rise multifamily housing in suburban areas generates 0.44 PM peak hour trips per unit.
- 7 This fee is exempt for 100% affordable housing.
- ⁸ This does not include all fees for other agencies.
- ⁹ Fees are for residential development only._For other fees, refer to the Walnut Creek, Mt. Diablo, and Sam Ramon Valley School Districts for fees and charges._Sample fee calculation assumes developments are in the Walnut Creek School District.
- ¹⁰ CA Building Standards Fee is the same as the CALGreen Fee \$1/\$25K valuation.
- ¹¹ Fees are based on number of stories. Sample fee calculation assumes single-family units are 1–3 stories in height and multifamily developments are over 3 stories in height.

Source: City of Walnut Creek Master Fee Schedule FY 2022–23; C4 Fee Summary

3.3.5.2 Planning Application Fees

For the City, processing of development applications and appeals, such as General Plan Amendments, Zoning Ordinance amendments, use permits, subdivisions, design review, environmental review, and all other development review processing is charged at an hourly rate for required staff time. Charges for staff time spent processing each application will be based on the latest City Council-approved fee schedule. As shown in <u>Table 3-11Table 3-11</u>, Planning Fees for Residential Projects, the FY 2020–21 hourly rate is \$200 per hour.

As shown in <u>Table 3-11</u><u>Table 3-11</u>, a deposit is also required for all applications. The deposit amount for each application reflects the average amount of time spent to process a standard application but in no way reflects the individual aspects of a project that may extend the processing time. Nor is the deposit amount intended as a cap. Instead, the deposit allows the City to create an account, which shall be charged at the current hourly rate for all staff processing time. Once the costs exceed the deposit amount, the account will be billed monthly at the current hourly rate for the additional charges. If the final costs are less than the deposit amount, the unused portion will be returned at the conclusion of the process.

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Table 3-11. Planning Fees for Residential Projects

APPLICATIONS	FEE/DEPOSIT	RATE
Public Hearings		
Appeals, re-considerations, and complaints (non-applicants only)	—	\$205 (flat)
Public Hearing Noticing Fee	_	\$215/hearing
Public Hearing Publication Fee	—	Actual Cost
Environmental Review ¹		
Environmental Assessment	\$1,200	\$200/hr.
Probable Negative Declaration	\$2,500	\$200/hr.
Environmental Impact Report	\$5,000	\$200/hr.
Design Review	40,000	\$2007111
Single-Family Homes – Staff Design Review	\$2,500	\$200/hr.
Single-Family Homes – Design Review Commission	\$5,000	\$200/hr.
New Buildings/Projects	\$10,000	\$200/hr.
Small Additions/Remodel and Storefronts	\$1,200	\$200/hr.
Awning and Canopy Permit	φ1,200 —	\$200 (flat)
Subdivisions		
Tentative map (4 or fewer parcels)	\$4,000	\$200/hr.
Tentative map (5 or more parcels)	\$10,000	\$200/hr.
Minor Use Permit/Fence	\$1,200	\$200/hr.
Use Permit	\$2,500	\$200/hr.
Administrative Use Permit	\$800	\$200/hr.
Banner Permit		\$100.00 (flat)
Grand Opening Permit	—	No Charge
Short Term Promotional/Temporary Activity Permit		\$100.00 (flat)
Variance	\$2,500	\$200/hr.
Large Family Daycare Permit	\$2,000	\$200/hr.
Annexation Requests	\$2,000	\$200/hr.
Street Name/Number Change Requests	\$1,200	\$200/hr.
Home Occupation Permit (Staff Review Only)		\$100.00 (flat)
Home Occupation Permit (Zoning Administrator Review)	\$1,200	\$200/hr.
Sidewalk Dining Encroachment Permit		\$200 per year
Wireless Antenna Requests (Design Review/Use Permit)	\$5,000	\$200/hr.
Preliminary Review Team		
Multifamily and Commercial, 1st Review	—	\$200 (flat)
Multifamily and Commercial, 2 nd Review	\$1,200	\$200/hr.
Single-Family Dwelling, 1 st Review	—	No Charge
Single-Family, 2 nd Review	_	\$100.00 (flat)
General Records Research (per hour plus actual cost of documents)	No charge 1 st 15 minutes	\$200/hr.
Specific Records Research (per hour plus actual cost of documents)	—	\$200/hr.
	—	\$195/hr. w/W.O. or 15
Building Permit Planning Division Review		% of building permit plan check fee.
Certificate of Zoning Status or Zoning Interpretation	\$400	\$200/hr., 2-hour min.
Planning Records Fee (Per entitlement, i.e., GPA, RZ, CUP)	_	\$35 per entitlement
Off-street Private Parking Lot Certification		\$150 per lot
Private Lot Enforcement Certification		\$295 per lot
Subordination Agreement	_	\$280 (flat)
First-Time Down Payment Assistance Loan		\$280 (flat)

Notes:

¹ Does not include California Department of Fish and Wildlife filing fee. Refer to CA DFG webpage for more information.

Source: City of Walnut Creek 2021.

3.3.5.3 Comparable Fees (Other Cities)

In exploring the existence of current development costs as a possible hurdle to the City's ability to develop more affordable housing, a review of comparative costs among their neighboring cities was done. <u>Table 3-12Table 3-12</u>, Comparison of Residential Development Fees, outlines the various development-related fees charged by the City in comparison to cities nearby. The City's fee structure reflects the types of developments in the City and necessary costs associated with proper review and project mitigation. As presented in <u>Table 3-12Table 3-12</u>, the City's development fees are similar to those of surrounding cities. It should be noted that the C4 data made available for comparison made choices on which fees to report for, which resulted in not accounting for certain fees for certain cities. The City added complete information for its own fees but did not add supplemental information for the comparison cities, making the City's fees seem higher by comparison. For this reason, two "Total Project Fees" calculations are provided for Walnut Creek. One representing a comprehensive fee total and the other the C4 totals to allow for comparison with other cities. Based on the C4 fee study, Walnut Creek's fees are substantially below the average cost for single-family and multifamily projects.

Table 3-12. Comparison of Residential Development Fees

DEVELOPMENT FEE TYPE	WALNUT CREEK	CONCORD	LAFAYETTE	MARTINEZ	PLEASANT HILL	Contra Cos County Aver
Single-Family Residential Developme	nt					
Entitlement Fees	\$2,500.00	\$1,366.68	\$6,400.00	\$9,168.00	\$2,500.04	
Building Fees	\$9,292.43	\$16,373.68	\$13,991.99	\$15,584.86	\$4,927.63	
Impact Fees	\$93,842.01	\$29,507.71	\$48,554.26	\$33,949.00	\$23,500.00	
Total Project Fees	\$105,634.44/ 31,004.88 *	\$47,248.07	\$68,946.25	\$58,701.86	\$30,927.67	\$58,327.09
Multifamily Residential Development	– 100 Units			· ·	· ·	
Entitlement Fees	\$11,000.00	\$10,584.00	\$6,400.00	\$14,153.00	\$10,356.80	
Building Fees	\$146,149.60	\$84,308.64	\$92,893.61	\$193,415.76	\$115,651.58	
Impact Fees	\$3,471,434.00	\$1,670,953.12	\$3,032,756.00	\$2,261,200.00	\$1,544,400.00	
Total Project Fees	\$3,628,583.60/ \$1,507,627.70	\$1,765,845.76	\$3,132,049.61	\$2,468,768.76	\$1,670,408.38	\$2,621,978.09
Multifamily Residential Development	– 10 Units					
Entitlement Fees	\$11,000.00	\$10,584.00	\$6,400.00	\$14,153.00	\$6,944.80	
Building Fees	\$23,256.30	\$37,085.50	\$23,853.89	\$30,941.92	\$16,092.81	
Impact Fees	\$356,950.20	\$189,595.31	\$340,715.60	\$226,120.00	\$154,440.00	
Total Project Fees	\$391,206.50/ \$168,649.32	\$237,264.81	\$370,969.49	\$271,214.92	\$177,477.61	\$290,877.67

Note: Regarding variances between Walnut Creek and the listed cities for comparison, the C4 data did not account for certain fees for certain cities. The City added additional information for its own fees but did not supplement information for the comparison cities. The second "Total Project Fees" number listed for Walnut Creek is what is reported in the C4 fee study, for comparison purposes.

Source: C4 Fee Summary, April 2022.

Combining planning/processing fees and development impact fees, a developer can expect to pay an estimated \$106,000 in fees per single-family unit and \$36,300 in fees per multifamily unit (<u>Table 3-13</u>, Overall Development Cost for Typical Residential Unit).

Table 3-13. Overall Development Cost for Typical Residential Unit

DEVELOPMENT COST	SINGLE-FAMILY	MULTIFAMILY
Estimated Fees per Unit	\$106,000	\$36,300
Estimated Cost of Development per Unit ¹	\$1,316,000	\$389,000
Estimated Percent Fee Cost to Overall Development Cost	8%	9%

Notes:

¹ Development costs are based on Marshall & Swift construction costs estimates (May 2022), and land prices per Federal Housing Finance Agency and ParcelQuest data (referenced earlier in this section). Assumes single-family unit is 3,100 and multifamily unit averages 800 square feet.

Source: City of Walnut Creek, 2021 (for fees). Marshall & Swift, Federal Housing Finance Agency, and ParcelQuest, 2021–2022 (for development cost).

To facilitate affordable housing development, the City has provided financial subsidies to offset the cost impacts of development and planning fees. Financial assistance can come in the form of City, Community Development Block Grants, or HOME funding and City fee waivers. For example, the development of the St. Paul's Commons, a 44-unit affordable housing development, was made possible by a City fee waiver valued at \$366,642, as well as \$5,000,000 in direct City funding. Other forms of concessions given to affordable housing developments include priority/expedited processing for all entitlement and ministerial permits required for development of the project, and a reduction in development standards such as setback requirements, landscaping requirements, parking requirements, and building heights.

3.3.6 Processing and Permitting Procedures

Depending on the specific type of residential use, the zone in which a project is proposed, and the design of the project, residential developments may require a variance, conditional use permit, special use permit, minor use permit, planned development permit (P-D permit), hillside planned development permit (H-P-D permit), design review approval, or community benefit agreement. Applications for these entitlements are reviewed by one or more of the following bodies: the City Council, the Planning Commission, the Design Review Commission (DRC), or the Zoning Administrator. Each entitlement contains a set of findings which must be made prior to approval. These processes allow approving bodies to approve, condition, or deny projects based on the required findings. Figure 3-4Figure 3-4, Residential Building Permit Process, outlines the process to obtain residential building permits.

To provide clarity, in summary this Section 3.3.6 describes approval findings for all development projects, including those projects that qualify for a streamlined review process and those that undergo the standard discretionary review process. Specifically, the City's discretionary design review approval process applies to all new construction with the exception of certain ministerial

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projects including ADUs and SB 9 units, as well as single-family dwellings. Standard design review approval findings include considerations for general standards of orderly development and promotion of good design and development in the best interests of the public health, safety, and welfare, as more specifically outlined in Subsection 3.3.6.3. In addition, findings for CUPs and PDs include considerations for consistency with the General Plan and compatibility with site conditions and environment, as outlined in Subsections 3.3.6.1 and 3.3.6.2.

With respect to housing development projects that are subject to the provisions of the Housing Accountability Act/SB 330 and SB 35,7 the City has utilized alternate review processes, where the former is reviewed under staff/administrative/objective design review against objective design standards, and the latter is reviewed against an SB 35 checklist. Neither procedure would require the adoption of findings and approvals are based on compliance with objective standards; the foregoing discretionary findings would not apply to the objective/streamlined review processes. Finally, the City is currently undertaking additional steps to review and align its design review processes. The City does not otherwise impose additional approval findings for housing development projects outside of the foregoing review and approval procedures."

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Figure 3-4. Residential Building Permit Process

Applicant submits building permit and site development permit application, site plan, and additional documents via email to buildingtech@walnut-creek.org.

City staff confirms the application, plan, and documents were received and files correctly and in full.



Once plan check fees are paid, the plan and documents are routed to the engineering and planning departments for review. First review is a maximum of 23 business days for single family and duplex development and 28 business days for multifamily development. Subsequent reviews are a maximum of 18 business days for single family and duplex development and 23 usiness days for multifamily development. The turnaround times assume design review has been completed.

City staff emails instructions for payment to the applicant within five (5) business days upon receipt of the submittal.



Once the plans are approved, City staff emails the applicant instructions to pay the permit fees and other forms required for permit issuance.

Once fees are paid, City issues the package of the approved plans, forms, permits, and job cards.

Source: City of Walnut Creek 2021.

Conditional Use Permits (CUP) and Design Review Approvals are summarized below.

3.3.6.1 Conditional Use Permits

The City does not require CUPs for residential development within most zoning designations. The majority of commercial zones allow residential with a CUP if there is an overlaying specific plan that allows residential uses, or for affordable housing with at least 90% of the units affordable to low-income households. In the absence of these factors, the City's current zoning ordinance does not allow housing in commercial zones.

In the event a CUP is required, it is to ensure the following:

- The use is appropriate in the location and circumstances in which it is proposed.
- The use is compatible with the existing and proposed on-site and proximate land uses.
- The use is consistent with the General Plan and Zoning Ordinance.
- Project impacts are identified and mitigated.
- Major issues associated with the development of the site have been addressed and resolved.

The CUP process is detailed in Title 10, Chapter 2, Part IV, Article 6, of the City's Municipal Code. An application for a CUP may be filed with the Planning Division of the Community and Economic Development Department. CUP applications are submitted to the DRC for preliminary review of the site plan and building design. Within 25 days of the submittal, the DRC advises the Planning Commission of any comments it desires to make and any changes to the site plan or building design which it deems appropriate as a result of its preliminary review. Upon receipt of the DRC's comments, the Planning Commission schedules and holds a public hearing with at least 10 days' noticing.

Findings required for approval of CUPs include the following:

- That the use, including any conditions imposed, is consistent with the General Plan, any applicable specific plan, and the Municipal Code;
- That the proposed use, including any conditions imposed, will not be detrimental to the public health, safety, or welfare; and
- Any findings required by the land use regulations for the zoning district within which the property subject to the use is located.

CUP processing time varies according to the complexity of the project, generally ranging from 2 months to 8 months. On average, CUPs typically require 8–12 weeks for processing.

The City's CUP process is not a potential barrier to housing as the City has a 100% approval rate of CUPs for multifamily residential projects.__The City maintains a commitment to balancing

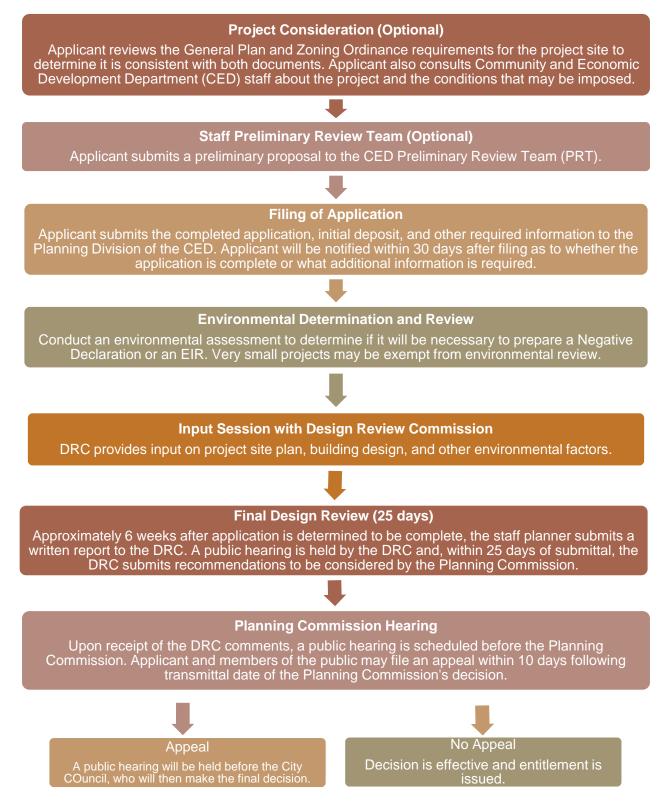
a welcoming environment for new residential development with a concern for and protection of the public health, safety, and welfare. The CUP process enables the City to maintain this balance, using objective development standards such as setbacks, height, parking, density, and open space. The process provides the City an opportunity to evaluate quality of life issues such as a resident's exposure to noise, noxious odors/fumes, other health effects and, where appropriate, social, and environmental justice issues when projects are located in transitional areas of the community. The City will evaluate the required findings as a part of Program H-4.I.

<u>Figure 3-5</u>, Conditional Use Permit Process and Timelines, provides a flowchart demonstrating the typical process and timeline to obtain a CUP.

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Figure 3-5. Conditional Use Permit Process and Timelines



Source: City of Walnut Creek 2021.

3.3.6.2 Planned Development Permits

This section further describes the number of high density residential and mixed-use developments in the City and the average units per acre, which all exceeding the permitted density for their underlying parcels. As illustrated in Table 3-16Table 3-16, the City's planning entitlement through building permit issuance process contain a limited number of permit types; entitlements and review time periods are further reduced for projects qualifying for streamlined or administrative review, as illustrated in Tables 3-14 and 3-15. Overall, the time periods for processing residential development applications in the City are relatively short and the costs are relatively low when compared to other jurisdictions as illustrated in subsection 3.3.5.3.

Certain areas within the Mixed-Use Planned Development District (M-U) and the High Density Residential Planned Development District (M-H-D) require a Planned Development (P-D) permit for development. The purpose of the P-D permit process is to assure that the intent and purpose of the M-U and M-H-D Districts are implemented.

The P-D permit process is detailed in Title 10, Chapter 2, Part IV, Article 10, of the City's Municipal Code. An application for a P-D permit may be filed with the Planning Commission. P-D permit applications are submitted to the DRC for preliminary review of the site plan and building design. Within 25 days of the submittal, the DRC advises the Planning Commission of any comments it desires to make and any changes to the site plan or building design which it deems appropriate as a result of its preliminary review. Upon receipt of the DRC's comments, the Planning Commission schedules and holds a public hearing with at least 10 days' noticing.

Findings required for approval of P-D permits include the following:

- The approval of the plan is in the best interests of the public health, safety, and general welfare;
- The proposed plan is consistent with the General Plan and any specific plan that may be applicable;
- The plan conforms to the purpose of the planned development district; and
- The uses permitted and the conditions to the use are compatible with the site and its environs.

If located within the O-23 Overlay Zone (the Almond-Shuey Overlay Zone), the plan complies with all provisions contained therein, including but not limited to the regulations pertaining to minimum setbacks and maximum building height.

Upon receipt of a recommendation from the Planning Commission concerning a P-D permit application, the City Clerk schedules a public hearing on the application before the City Council, which is duly noticed in the same manner as for the Planning Commission. Following the public

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hearing, the City Council may approve, conditionally approve, or deny the application. The City Council may approve the application subject to conditions which it believes make the proposed use consistent with the General Plan, any applicable specific plan, or the P-D zoning district, or which will make the proposed use compatible with other uses in the vicinity, or which will otherwise promote the public health, safety, and welfare. The same findings listed above must also be made by the City Council. The Council may also refer the matter back to the Planning Commission for further report and recommendation. This may be seen as a potential constraint. However, the P-D permit process has not noticeably constrained residential development, as evidenced by on-the-ground results. There have been at least 26 high density residential or mixed-use developments in the City in recent years, mainly in the downtown area, including two 100 percent affordable projects. Developments built or proposed in mixed-use zones focusing on residential use (i.e., the MU-R zone) averaged 112 units per acre, or 110% of the permitted density. Developments built or proposed in the M-U zone, which can focus on residential or commercial use, averaged 90 units per acre, or 224% of permitted density, and were all residential-only developments. Furthermore, developers have the option to utilize SB 330 as a tool to avoid the need for a P-D permit.

Although the P-D permit process does not represent a significant constraint for residential development in Walnut Creek, Program H-4.C in Chapter 8, Housing Plan, includes a commitment to update the City's Zoning Ordinance to comply with current laws including the Housing Accountability Act and the Housing Crisis Act of 2019 (SB 330)._The codification of SB 330 will facilitate access for developers to utilize this tool and avoid any possible constraints caused by the P-D permit process. In addition, Program H-4.I has been added to amend the Zoning Ordinance to remove the requirement for a separate Planned Development Permit (PDP) in the M-U and M-H-D zones for residential development, subject only to the Objective Design Standards administrative design review process. _As a part of carrying out such zoning amendment, the City will also evaluate and amend as necessary discretionary CUP, PDP and Design Review findings used for residential developments that do not otherwise qualify for streamlined or ministerial review to address potential impacts on housing supply, cost, approval certainty, timing and feasibility.

3.3.6.3 Design Review

The City requires design review for all new construction, with the exception of ADUs, SB 9 developments, and some single-family homes. The design review process itself does not cause the CEQA process to be initiated, as per *McCorkle Eastside Neighborhood vs. City of St. Helena* (2019). The intent of the design review requirement is to ensure the following:

1. To improve the general standards of orderly development of the City through design review of individual buildings, structures, and their environs;

- 2. To improve and augment the controls now included in ordinances related to planning and building and in order to promote development which is in the best interests of the public health, safety, and welfare of the City;
- **3.** To establish standards and policies that will promote and enhance good design, site relationships and other aesthetic considerations in the City; and
- **4.** To encourage works of fine art to be placed in spaces that are open and accessible to the public in the Core Area.

The design review process is detailed in Title 10, Chapter 2, Part IV, Article 12, of the City's Municipal Code. This section lists the findings that must be made prior to approval:

- 1. The plan is consistent with the general plan, any applicable specific plan, and this chapter.
- 2. The approval of this plan is in the best interest of the public health, safety, and general welfare.
- 3. General site considerations, including site layout, open space and topography, orientation and location of buildings, vehicular access, circulation and parking, setbacks, height, walls, fences, public safety, and similar elements have been designed to provide a desirable environment for the development.
- 4. General architectural considerations, including the character, scale, and quality of the design, the architectural relationship with the site and other buildings, building materials, colors, screening of exterior appurtenances, exterior lighting and signing, and similar elements have been incorporated in order to ensure the compatibility of this development with its design concept and the character of adjacent buildings.
- 5. General landscape considerations, including the location, type, size, color, texture, and coverage of plant materials, provisions for irrigation, maintenance, and protection of landscaped areas and similar elements have been considered to ensure visual relief, to complement buildings and structures and to provide an attractive environment for the enjoyment of the public.
- 6. Compliance with all provisions of Chapter 8 (Preservation of Trees on Private Property) of Title 3 (Public Safety) of this code.
- **7.** Compliance with all provisions of Chapter 10 (Public Art) of Title 10 (Planning and Zoning) of this code and the Public Art Master Plan.
- 8. In reviewing the design of new single-family homes and additions to single-family homes, the following aspects shall also be considered:

- a. Single-family character shall be retained by reducing building masses and maximizing compatibility of the site with adjacent uses;
- Adequate open space areas, landscaped areas and buffering of adjacent uses shall be provided;
- c. Infill development within existing neighborhoods shall be sensitively designed to respect existing residential patterns and development, and reinforce the character and functional relationships of existing neighborhoods consistent with applicable development regulations; and
- **d.** The location of the house on the lot, windows, orientation, building height, and location of on-site open spaces shall consider preservation of the privacy of adjacent development, and whether the adjacent development has been previously impacted.

Following a public hearing, the DRC may approve, conditionally approve, or deny an application for a multifamily project.

In response to new State law (SB 35 and SB 330), the City has developed objective design standards and a ministerial review process for qualifying projects. The City adopted an addendum to its Design Review Guidelines entitled "Multifamily Residential Objective Design Standards," which are used in lieu of subjective guidelines for projects that seek streamlining. The City also created an Objective Design Standards Checklist and SB 330 Preliminary Application Guidelines and application form. All development projects are still subject to design review, but those projects that qualify for streamlined permitting are reviewed by staff rather than the Design Review Commission (DRC) and may not be denied or conditioned in any way that would reduce unit yield by this discretionary process. Staff level design review typically takes three to six weeks.__SB 330 streamlined review applies to all qualified projects, regardless of affordability, and consistent with Government Code Sections 65943 and 65950. In accordance with SB 35, the City uses a checklist to determine if projects are eligible for review under that law. Because the process is ministerial, eligible projects are exempt from CEQA. These forms, standards, and processes currently operate under state law, rather than the City's Zoning Ordinance. It is the City's practice to follow any superseding state laws when they conflict with the Zoning Ordinance. Program H-4.D in Chapter 8, Housing Plan, has been added to adopt written procedures for the SB 35 Streamlined Ministerial Approval process to provide information in a manner readily accessible to the general public. Furthermore, Program H-4.IC includes a commitment to update the City's Zoning Ordinance to comply with current laws including the

Housing Accountability Act and the Housing Crisis Act of 2019 (SB 330), and to review required permit findings.

3.3.6.4 Timelines for Permit Procedures

Design review and permit processing are necessary steps to ensure that residential development meets the objectives of the City, as well as outside agencies that have a vested interest in the project. However, the time and cost of permit processing and review can be a constraint to housing development if they place an undue burden on the developer.

The processing time needed to obtain development permits and required approvals is commonly cited by the development community as a prime contributor to the high cost of housing. Depending on the magnitude and complexity of the development proposal, the time that elapses from preliminary review to project approval may vary considerably. Factors that can affect the length of permit processing include completeness of the application submittal, responsiveness of developers to staff comments and requests for information, environmental review for projects that are not exempt from CEQA, rezoning or General Plan Amendment processing, and scheduling of a public hearing before the Planning Commission or City Council.

Certainty and consistency in permit processing procedures and reasonable processing times is important to ensure that the design review/approval process does not discourage developers of housing or add excessive costs (including carrying costs on property) that would make the project economically infeasible. The State Permit Streamlining Act (Government Code Section 65920) identifies timeframes for review of development applications. The Act also contains provisions that require cities to identify information needed for a complete application, and to provide follow-up information requests within certain timeframes.

Consistent with CEQA statutes and in conjunction with its review of project applications, the City timely evaluates whether a project is exempt from CEQA, requires an environmental impact report, or another form of environmental analysis, within 30 days of the application being determined complete. Further, the City's project approval process does not create an additional layer of environmental approval or require separate hearings by the decision-making body to make a CEQA determination before the project is considered on the merits. Rather, the decision-making body considers the staff recommendation, reviews any environmental documents prepared, provides opportunities for public input and receives public comments on CEQA and project considerations, and makes CEQA findings along with its decision on the project. The City's review process thus does not prolong or delay project review and decision contingent upon environmental review, and is compliant with both the Permit Streamlining Act to timely approve projects and CEQA requirements to consider public comments and exercise independent judgment and analysis on potential environmental impacts.

Government Code Section 66300 (SB 330, 2019) and Government Code Section 65913.4_(SB 35, 2017) also address permit processing streamlining. SB 330 applies to housing developments, including mixed-use projects with at least two-thirds of the square footage dedicated to residential. SB 35 established a streamlined ministerial approval process for qualified affordable housing projects or infill projects of 10 units or fewer. Both of these laws also establish specific timeframes for project approval. SB 35 requires project reviews to be completed within 90 days for qualified developments of 150 or fewer units and 180 days for qualified developments with more than 150 units, measured from the date the application is submitted. As stated in Section 3.3.6.3, the City offers a streamlined review process for projects that meet the requirements of SB 330 and SB 35. The City of Walnut Creek complies with the Permit Streamlining Act and other State laws related to permit processing times vary by project and is highly dependent on the level of required CEQA analysis, but most residential projects are approved in 2 to 8 months.

<u>Table 3-14Table 3-14</u>, Permit Processing Procedures, below provides a detailed summary of the typical processing procedures and timelines of various types of projects in the City. Depending on the level of environmental review required, the processing time for a project may be lengthened, as the City must completely implement CEQA processes, which substantially add to processing times. Given the relatively short time periods required for processing residential development applications in Walnut Creek, the City's discretionary processing procedures are not a significant constraint on residential development.

Table 3-14. Permit Processing Procedures

PROJECT TYPE	REVIEWING BODY	APPROVING BODY	HEARING REQUIRED	APPEAL BODY
Design Review New construction	Community Development Director	Design Review Commission	Yes	Planning Commission
Conditional Use Permit Residential uses marked "U" in the land use table (see <u>Table 3-</u> 17 Table 3-17)	Design Review Commission	Planning Commission	Yes	City Council
Variance Development in which the strict application of the code is infeasible due to peculiar physical circumstances of the lot.	n/a	Zoning Administrator	Yes	Planning Commission
Minor Subdivision Subdivision involving 4 or fewer parcels	Planning Manager City Engineer	Zoning Administrator	Yes	Planning Commission
Major Subdivision Subdivision involving 5 or more parcels	Planning Manager Design Review Commission City Engineer	Planning Commission	Yes	City Council
Planned Development Any development within the M-U or M-H- D districts	Design Review Commission Planning Commission	City Council	Yes	N/A

Notes: EIR = Environmental Impact Report; IS/ND = Initial Study/Negative Declaration; MND = Mitigated Negative Declaration

Source: City of Walnut Creek 2022.

<u>Table 3-15</u>Table 3-15, Timelines for Entitlement Procedures, outlines the standard processing times for some of the City's typical approvals and permits.

Table 3-15. Timelines for Entitlement Procedures

Table 3-15. Timelines for Entitlement Procedures

TYPE OF APPROVAL OR PERMIT	TYPICAL PROCESSING TIME
Design Review (Design Review Commission) Design Review (staff level)	4–24 weeks 3-6 weeks
CUP	16–24 weeks
Minor Subdivision (≤ 4 parcels)	16–24 weeks
Major Subdivision (> 5 parcels)	16–24 weeks
Zone Change	20–24 weeks
General Plan Amendment	20–24 weeks
Environmental Impact Report	9–12 months

Note: CUP = Conditional Use Permit

Subdivision review is included within the time frames indicated in this table.

Source: City of Walnut Creek 2021.

All projects require design review approval. ____Depending on the zone and the size of the development, a project may require one or more additional planning entitlements. __Projects that only require design review take approximately 4–24 weeks to process and require final approval from either from the design review or staff. Projects that require City Council approval (such as Planned Development Permits, General Plan Amendments, and zone changes) take approximately 20–24 weeks to process. __These estimates, however, highly depend on the completeness of the submittal and responsiveness of the developer and only apply to projects that do not require preparation of an EIR. _Projects requiring an EIR take approximately 1 year to process. __Approval requirements are the same for all residential projects, regardless of whether it is a single-family or multifamily development.

<u>Table 3-16</u>Table 3-16, Typical Permitting Requirements by Residential Project Type (Entitlement through Building Permit Issuance), lists the typical approval requirements and estimated total processing times for various residential projects. However, coordination with other impacted parties, such as community groups and homeowner's associations, may extend the overall period for development.

<u>Table 3-16. Typical Permitting Requirements by Residential Project Type (Entitlement through Building Permit Issuance)</u>

	SINGLE-FAMILY DETACHED UNITS	ATTACHED RESIDENTIAL
Requirements	Design Review Site Development Permit Building Permit Tentative Tract/Parcel Map	Design Review Site Development Permit Building Permit Tentative Tract/Parcel Map (for condominiums)

Notes: CUP = Conditional Use Permit; EIR = Environmental Impact Report **Source:** City of Walnut Creek 2021.

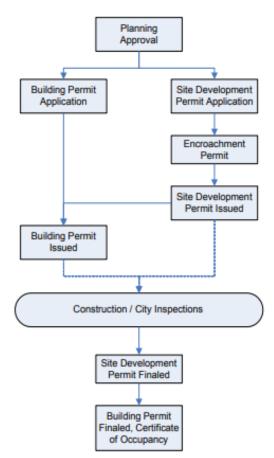
- **Design Review Commission (DRC):** The purpose of the DRC is to obtain input from residents and design professionals on proposed development to assure that the appearance of developments will be compatible and harmonious with the use and enjoyment of surrounding properties.
- Environmental Review: Individual single-family homes are usually exempt from environmental review. _Other residential projects are subject to varying levels of environmental clearance depending on potential impacts. _However, the required public hearing can be held concurrently with the entitlement hearing.
- Building Permit, Site Development Permit, and Inspections Review: A building permit is required for the construction of any habitable structures. _A site development permit is required for any grading, drainage, retaining walls, parking lots, landscaping, and other site improvements on private property outside a building structure. _Both permit applications can be submitted electronically via email. _Site development permits may be submitted and will be reviewed concurrently._Plans are automatically routed to all pertinent reviewers (e.g., Building, Planning, Engineering and Fire). _Under normal circumstances, where the applicant has a reasonably proficient and responsive design team, 2–6 months is the typical time frame from permit application submittal to issuance.

Once the building permit is issued, applicants schedule inspections online or by phone. All work associated with the site development permit must be complete before the Engineering Department will sign off a related building permit final inspection and allow occupancy (<u>Figure 3-6</u>, Building Permit Review Process).

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Source: City of Walnut Creek 2021.

3.3.7 Inclusionary Housing Ordinance

Inclusionary housing is a local ordinance or land use policy that either requires or encourages housing developers to include a specified percentage of low and/or moderate-income housing in new residential developments. _While many cities, such as Walnut Creek, have Affordable Housing programs that provide subsidies to developers to facilitate the development of affordable housing, existing programs only create a limited number of new units, given to limited subsidies. Based on the average per-unit amount provided in subsidies to Low Income Housing Tax Credit Bay Area applicants in 2022, a typical subsidy needed is between \$30,000 and \$50,000 a unit.__With an Inclusionary Housing Ordinance, if vacant and underutilized land identified in the Housing Element were developed at midpoint density, an inclusionary requirement of, say 20%, could result in an almost 40% increase in the affordable housing stock in the City.

The City of Walnut Creek adopted its Inclusionary Housing Ordinance in 2004 to expand the supply of affordable housing in conjunction with market-rate housing development. _Later, in 2009 and 2010, the City adopted revisions to the Inclusionary Housing Ordinance that addressed issues raised through two court cases, and recessionary relief measures. _In 2013, the relief measures expired._However, the provision which allows ownership projects of any size to pay the in-lieu fee was extended by the City Council and remains in force.

3.3.7.1 Requirements

The current Inclusionary Housing Ordinance requires all rental and ownership development projects (except for ADUs and single units constructed to replace a single unit destroyed by fire, flood, earthquake, or other act of nature) to include a number of inclusionary units or pay an inlieu fee, unless the developer proposes an alternative. The required number of inclusionary units shall depend upon the total number of dwelling units in the project and the type of inclusionary units being included (i.e., affordable to moderate-income, low-income, or very low-income households) and the developer of the project may choose which type of inclusionary units to include. The provisions of the Inclusionary Housing Ordinance apply as follows:

- New Ownership Projects Developer shall include one of the following or pay an in-lieu fee:
 - 10% of the dwelling units as moderate-income ownership units;
 - o 7% of the dwelling units as low-income ownership units; or
 - o 6% of the dwelling units as very low-income ownership units.
- **Condominium Conversions** Developer shall include one of the following or pay an inlieu fee:
 - o 15% of the dwelling units as low-income ownership units; or
 - 11% of the dwelling units as very low-income units.

If the project is fewer than 10 units, the developer can pay a fractional fee for lowincome ownership units.

- New Rental Projects Developer shall include one of the following or pay an in-lieu fee:
 - o 10% of the dwelling units as low-income rental units; or
 - 6% of the dwelling units as very low-income rental units.

In addition to the above provisions, developers must adhere to the following:

• **Fractional Units** – When the application of the percentages specified above results in a number that includes a fraction, the fraction shall be rounded up to the next whole number

if it is seven-tenths (0.7) or more. If the result includes a fraction below the seven-tenths, the developer shall have the option of rounding up to the next whole number or paying an in-lieu fee.

- **Blended Income Levels** The developer may request that the project include inclusionary units targeted to a mix of income levels instead of just one.
- **Partial In-Lieu Fee** The developer may request to pay the in-lieu fee for a portion of the required units. In this case, the per square foot fee would be decreased equal to the proportion of the required percentage of inclusionary units being provided.
- Unit Mix The unit mix of the inclusionary units shall be in the same proportion as the unit mix of the market-rate units.
- Location and Design All inclusionary units shall be built on the same site as the remainder of the project and distributed throughout the project. _They should also be comparable in construction quality and exterior design to the market-rate units and have access to all on-site amenities.
- **Replacement Units** The developer must replace units affordable to low-income households on a one-for-one basis if a proposed residential development project would result in the demolition of existing dwelling units that have (or had within the 12 months prior to submittal of the application) rents affordable to low-income households and these units were built less than 30 years ago. _However, this provision does not apply to condominium conversions.
- Credit for Additional Affordable Units If the developer completes construction of a greater number of inclusionary units in the project than required by this article, the additional units may be credited toward meeting the requirements of this article by a future project.
- Timing All inclusionary units must be constructed and occupied concurrently with or prior to the construction and occupancy of the market-rate units. In phased developments, inclusionary units may be constructed and occupied in proportion to the number of units in each phase of the residential development project.
- **Terms of Affordability** Rental inclusionary units must remain affordable for 55 years. Ownership inclusionary units must remain affordable for 45 years.

3.3.7.2 Alternatives

The developer may propose an alternative means of compliance instead of provision of inclusionary units or payment of an in-lieu fee, including the following:

- Off-Site Construction of Inclusionary Units Inclusionary units may be constructed off site only when the City determines that on-site construction is infeasible. If the option is chosen, then the off-site units must be constructed prior to or concurrently with construction of the residential development project.
- Land Dedication In lieu of building inclusionary units, the developer may dedicate land to the City if the City determines it is suitable for the construction of inclusionary units. The land must also be of equivalent or greater value than the corresponding in-lieu fee.
- **Provision of Moderate-Income Rental Inclusionary Units** A developer of a rental development project may propose to provide inclusionary units affordable to moderate-income households._This proposal must include a percentage of moderate-income units proportionally higher than the percentage required for low-income rental units.

3.3.7.3 Incentives

To assist in compliance with the inclusionary housing requirement, the City offers the following incentives:

- Unit Size Reduction The size of the inclusionary units may be smaller than the marketrate units.
- Interior Finishes Inclusionary units may have different interior finishes and features than market-rate units so long as the features are durable, of good quality, and consistent with current Building Code standards for new housing.
- Density Bonus Qualifying Affordable Units If the developer is proposing to provide affordable units in exchange for an increase in density, concessions, incentives, or waivers/modifications of development standards pursuant to the State Density Bonus Law, those affordable units may count as inclusionary units. When a density bonus is granted, the inclusionary requirements of the Inclusionary Housing Ordinance will apply to the entire project, including the bonus units.

Since the adoption of the City's Inclusionary Housing Ordinance in 2004, an additional 79 affordable units have been constructed. The number of units resulting from the City's Inclusionary Housing Ordinance makes it evident that inclusionary housing has not slowed housing production in the City.

Because prices and rents have also grown substantially with the costs of developing affordable housing, these prices and rents are typically high enough to absorb the additional costs resulting from the inclusionary requirement. Therefore, the cost of overall housing development is not impacted to the extent of making a market-rate housing project infeasible to date. As described

above, the City offers a range of options and incentives to ensure the inclusionary housing policy does not unduly constrain housing development in the City.

3.3.8 Codes and Enforcement and On-/Off-Site Improvement Standards

3.3.8.1 Codes and Enforcement

In 2001, the State of California consolidated its building codes into the California Building Standards Code, which is contained in Title 24 of the California Code of Regulations. The City most recently adopted the 2019 California Building Code; Residential Code; Green Building Standards Code; Reference Standards Code; and Electrical, Mechanical, Plumbing, Energy Codes. The 2019 California Building Code, with necessary State amendments, is adopted and referred to, and by reference expressly incorporated and made a part of Title 9, Chapter 1, of the Walnut Creek Municipal Code, subject to specified amendments. The California Building Code, as amended, shall be known, designated and referred to as the "Building Code" for the City of Walnut Creek. Local amendments include a requirement that fire protection systems shall comply with the local amendments by the Contra Costa County Fire Protection District, technical criteria pertaining to concrete specifications, and seismic design notations. These changes may have some impact on the cost of housing construction but are necessary to protect health and safety.

The Code Enforcement Division works to ensure compliance with the Municipal Code with a staff of two inspectors with expertise in code enforcement and capable of investigating any type of complaint.

 The Code Enforcement Division responds to complaints generally working under a model of voluntary compliance. The City seeks to avoid fines and penalties by providing a reasonable time allowed to meet compliance. In rare circumstances, we issue administrative penalties if someone fails to comply with the Municipal Code. However, complaints related to housing in the City typically involve the following:

- o Graffiti
- Abandoned shopping carts
- Debris and personal property
- o Noise
- o Inoperable vehicles
- Tree and landscape encroachment

• Unpermitted signage

Code Enforcement staff responds to approximately 25 new residential complaints and participates in hundreds of active investigations each month. Enforcement procedures place emphasis on voluntary compliance. On the average, Code Enforcement administers the following:

- 300 residential courtesy notices and notices of violation per year
- Seven administrative citations per year

3.3.8.2 On-/Off-Site Improvement Standards

The City's Design Review Guidelines, created in 1996 and most recently updated with a 2021 Addendum, is an informational booklet intended to assist applicants in understanding the standards of design used to evaluate and review projects for design review approval.__The guidelines cover site planning, architecture, signage, and other design details._The guidelines are intended to ensure uniform design and provide guidance to those preparing improvement plans within the City.

The Design Review Guidelines include guidance on landscape design. This guidance includes general landscaping requirements, as well as requirements specific to parking lot landscaping and standards for residential districts. Solid waste enclosures are also covered in the Design Review Guidelines, which address materials, accessibility, and location.

On-site improvement requirements can be waived for affordable housing as a processing incentive and has been done in the past primarily with density bonus projects. Possible incentives include the following:

- Priority/expedited processing for all entitlement and ministerial permits required for development of the project.
- Adjustments in development standards, such as setback requirements, landscaping requirements, parking requirements, and building heights. The City does not require on/off-site improvements beyond basic site and frontage improvements, such as the construction of a curb, gutter, sidewalk along the project frontage; undergrounding onsite utilities; and providing onsite rainwater treatment facilities, such as bio-retention basis (i.e. C.3.). The only exceptions to this general approach are (1) environmental impact mitigation measures imposed under the California Environmental Quality Act (CEQA), which are rarely required in the instances of residential and mixed-use developments; or (2) community benefits voluntarily provided by the developer/applicant in exchange for development bonuses above the permitted height, density, and FAR limitations in the West Downtown and North Downtown Specific Plan areas.

3.3.8.3 Constraints on Housing for People with Disabilities

State law requires that each local jurisdiction assess its local governmental constraints relating to the construction and improvement of housing for people with disabilities.

Zoning and Land Use Policies and Practices

California law declares that people who experience disabilities and require supervised care are entitled to live in normal residential settings; it also preempts cities from imposing many regulations on residential care homes. California HSC, Section 1500 et seq., establishes that residential care homes serving six or fewer people be (1) treated the same as any other residential use, (2) allowed by right in all residential zones, and (3) subject to the same development standards, fees, taxes, and permit procedures as those imposed on the same type of housing in the same zone.

The Walnut Creek Municipal Code defines residential care homes as:

A residential home or facility with a capacity of no more than six (6) persons which provides twenty-four (24) hour non-medical care to persons in need of personal services, protection, supervision, assistance, guidance, or training essential for sustaining the activities of daily living, or for the protection of the individual. This classification includes group homes, residential care facilities for the elderly, adult residential facilities, and other residential facilities licensed, certified, or authorized by the State Department of Social Services.

This classification also includes facilities with a capacity of no more than six (6) persons who are licensed, certified, or authorized by the State Department of Health such as drug and alcohol treatment facilities, intermediate care facilities for the developmentally disabled, congregate living health facilities, family care homes, foster homes, and group homes for mentally disordered or handicapped persons.

In compliance with State law, residential care homes with a capacity of no more than six persons, which provides 24-hour non-medical care to persons in need of personal services, supervision, or assistance is permitted by right in all residential districts in Walnut Creek, and many are located throughout the City.

Larger homes would fall under the definition of residential care facilities, defined in the Walnut Creek Municipal Code as:

Facilities which provide twenty-four (24) hour nonmedical care for <u>seven (7) or more</u> <u>persons</u> in need of personal services, protection, supervision, assistance, guidance, or training essential for sustaining the activities of daily living, or for the protection of the individual. This classification includes group homes, residential care facilities for the

elderly, adult residential facilities, wards of the juvenile court, and other facilities licensed by the State of California.

As shown in <u>Table 3-17</u>Table 3-17, Permitted Residential Uses by Zone, residential care facilities for disabled individuals (those who "meet the definition of handicapped under the Fair Housing Act") are permitted **by-right** (with objective design standards), in the following zones: Single-Family Residential (R), Duplex Residential (D-3), Single-Family High-Planned Development (SFH-PD1), Downtown Mixed-Use (MU-D), Commercial Mixed-Use (MU-C), and Residential Mixed-Use (MU-R). Other types of residential care homes are permitted in the following zones with a CUP: Office Commercial (O-C), Multiple Family Residential (M), High Density Residential Planned Development (M-H-D), Central Retail (C-R), and Hospital Planned Development (HO P-D).

The City has a large inventory of residential facilities for persons with disabilities, including the following, based on previously published information:

- 623 community care facility beds;
- 281 supportive care facility beds; and
- 373 beds in other residential facilities.

Currently, housing facilities for people with disabilities are regulated in the Zoning Ordinance under Residential Care Homes and Residential Care Facilities. There is no local requirement for proximity between two special needs housing sites. To further reduce constraints, Program H-3.H includes provisions to amend the Zoning Ordinance to allow as a permitted use residential care facilities for 7 or more persons subject only to objective standards in all zones allowing residential uses similar to other residential uses of the same type in the same zone.

The requirements of the California HSC, Section 1520.5, are enforced by the California Department of Social Services, Health, and Human Services Agency. The law requires that residential facilities be separated by a minimum of 300 feet to avoid over-concentration.

Definition of Family

Some local governments may illegally attempt to restrict access to housing for households failing to qualify as a "family" by the definition specified in the local government's Municipal Code. Specifically, a restrictive definition of "family" that limits the number of and differentiates between related and unrelated individuals living together may illegally limit the development and siting of group homes for people with disabilities, but not for housing families that are similarly sized or situated. Under the Municipal Code, "family" is defined as:

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<u>One person living alone, or two or more persons living together</u> as a single housekeeping unit in a dwelling unit. A housekeeping unit shall be a group which bears the generic character of a family unit as a relatively permanent household, <u>regardless of biological</u> <u>relationship</u>, and which is characterized by the following: a) Shared use of a single common kitchen; b) <u>Shared household expenses</u>; c) Use by all persons of a shared common entry to the dwelling unit; d) Shared use of all or virtually all areas of the dwelling unit at all times; e) <u>Shared responsibility for household work</u>; f) Shared food; g) Sharing of some or all meals; h) Occupation of the unit under a single lease if the unit is not occupied in part by the owner; i) Shared social, economic and psychological commitments. Family also does not include a group occupying a boarding house, dormitory, fraternity or sorority house, convent, rectory, or private residential club.

The City's definition of "family" is not used to limit the use or operations of group homes, and is consistent with fair housing law, as it does not limit the number of members in a family, and does not require members to be related by blood.

Building Codes

Building procedures within the City are also required to conform to the California Building Code, as adopted in the City's Municipal Code. Standards within the Building Code include provisions to ensure accessibility for people with disabilities. These standards are consistent with the Americans with Disabilities Act and Title 24. No local amendments that would constrain accessibility or increase the cost of housing for people with disabilities have been adopted.

The City encourages commercial building permit applicants to seek the services of a Certified Access Specialist to ensure that unintended access barriers and violations are not created during the development process and during the move-in process. A Certified Access Specialist can also provide plan review services and an access compliance evaluation of the facility. The City provides applicants with information on where to find a Certified Access Specialist, as well as information on government tax credits, tax deductions, and financing to encourage applicants to comply with State law.

Reasonable Accommodation Procedures

The federal Fair Housing Act and the California Fair Employment and Housing Act require local governments to make reasonable accommodations in their zoning ordinances and other land use regulations. These accommodations are typically needed to provide residents with a disability with an equal opportunity to live in a unit. HCD encourages cities to adopt written procedures for reasonable accommodation requests with respect to zoning regulations, permit processing, and building codes in light of the City's affirmative duty to comply with fair housing laws.

The City's Zoning Ordinance and Building Regulations, and its approach to code enforcement, allow for special provisions that meet the needs of people with disabilities without the need for variances. For example, handicapped ramps or guardrails are permitted to intrude into the standard setbacks required under zoning to allow first floor access for residents living with a disability. In addition, new apartment buildings with three or more units are subject to requirements for unit "adaptability" on ground floor units, and accessibility to common use areas.

On June 17, 2014, the Walnut Creek City Council adopted Ordinance No. 2131, its Reasonable Accommodation Ordinance. The purpose of the City's Reasonable Accommodation Ordinance is to provide individuals with disabilities reasonable accommodation in regulations, policies, practices, and procedures to ensure equal access to housing and to facilitate the development of housing for individuals with disabilities. The ordinance provides for reasonable accommodations in land use or zoning regulations, and in the application of land use, zoning, or building policies, procedures, and practices to eliminate barriers to housing opportunities.

A request for reasonable accommodation can be made by any individual with a disability, his or her representative, or a developer or provider of housing for an individual with a disability. Requests can be submitted when the application of a land use or zoning regulation, or land use, zoning, or building policy, practice, or procedure acts as a barrier to fair housing.

The City has established procedures in the Zoning Ordinance to provide the City's Community Development Department with the administrative authority to grant an exception to regulations related to accessibility or adaptability when such regulations create a hardship and equivalent provisions are provided. As part of the building permit application, an applicant can request reasonable accommodation. The Planning Manager establishes the submittal requirements, and the Zoning Administrator makes the decisions with no formal hearing process before any board being required. There is no fee imposed on the filing or processing of the application.

The reviewing authority shall approve the application with or without conditions, unless it determines on the basis of substantial evidence that one or more of the following findings cannot be made:

- The accommodation is requested by or on behalf of an individual with a disability protected under the fair housing laws.
- The housing, which is subject to the requested accommodation, will be used by an individual with a disability protected under fair housing laws.
- The requested accommodation is necessary to provide an individual with a disability an equal opportunity to use and enjoy a dwelling.

- The requested accommodation will not impose an undue financial or administrative burden on the City.
- The requested accommodation would not require a fundamental alteration in the nature of a City program or law, including land use and zoning.

The Zoning Administrator shall, within 30 days of determining the application complete, approve, approve with conditions, or deny the application based on the findings shown above.

Review of Programs

The City has several programs and services in place to meet the needs of its population with disabilities. The City's website provides information and support services to people with disabilities who live or work in the City. Programs and services offered include the following:

- Home Rehabilitation Loan and Emergency Grant program, which gives emergency grants and rehabilitation loans to low-income homeowners for health and safety upgrades, energy efficiency, removal of architectural barriers for residents with a disability, and more.
- **Community Violence Solutions** program is partially funded by the City and provides child sexual assault victims aged 2–17 years and their non-offending family members. Services are also provided to developmentally disabled individuals of any age.
- Inclusion and accommodation services for City sponsored classes, programs, and activities.
- Access reporting, which intakes and addresses resident complaints regarding community accessibility.

3.4 Zoning for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of a variety of housing types for all economic segments of the population. The City's residential and mixed-use zones allow for a wide variety of housing types. Table 3-17 Table 3-17 summarizes the housing types permitted in the City within zoning categories that permit residential development.

3.4.1 Single-Family Housing

Single-family residences are permitted in the following zones: Single-Family Residential (R), Duplex Residential (D-3), Hillside Planned Development (H-P-D), and Single-Family High-Planned Development (SFH-PD1). With limitations, single-family residences are also permitted in Multiple Family Residential (M) zoning and in Open Space/Recreation (O-S-R) zoning.

3.4.2 Multifamily Housing

The purpose of the City's multifamily residential zones is to promote and encourage multifamily developments at densities that are consistent with the General Plan land use designation and surrounding development. The intent is to provide for higher density classifications in and around the Core Area and adjacent to major transit centers, and lower density multifamily development in transition areas between single-family development and commercial areas or higher density residential areas.

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Table 3-17. Permitted Residential Uses by Zone

Residential Use Classifications	Single-Family Residential (R)	Duplex Residential (D-3)	Multiple Family Residential (M)	High-Density Residential Planned Development (M-H-D)	Hillside Planned Development (H-P-D)	Pedestrian Retail (P-R)	Central Retail (C-R)	Office Commercial (O-C)	Mixed-Use Planned Development (M-U)	Automobile Sales/Service and Custom Manufacturing (AS-CM)	Service Commercial (S-C)	Business Park (B-P)	Community Commercial (C-C)	Open Space/Recreation (O-S-R)	Community Facility (C-F)	Hospital Planned Development (HO P-D)	Single Family High-Planned Development (SFH-PD1)	Downtown Mixed-Use (MU-D)	Commercial Mixed-Use (MU-C)	Residential Mixed-Use (MU-R)
						-	-	-					_			L			_	
Adult Day Care Home	Р	Р	Ρ	Р	Р	Р	Р	Р	Р	Р	Р	N	Ρ	Ν	Ν	N	Р	Ρ	Р	Р
Congregate Living Facility	Ν	Ν	U	Р	Ν	L	U	L	Ν	L	Р	Ν	U	Ν	Ν	N	Ν	L	L	Р
Family Day Care Home																				
Small Family Day Care Home	Ρ	Ρ	Ρ	Ρ	Ρ	Ρ	Ρ	Ρ	Ρ	Ρ	Ρ	Ν	Ρ	Ν	Ν	Ν	Ρ	Ρ	Ρ	Р
Large Family Day Care Home	L	L	L	L	L	L	L	L	L	L	L	Ν	L	Ν	Ν	Ν	L	L	L	L
Group Residential	Ν	Ν	Ρ	Ν	Ν	L	U	L	Ν	L	U	Ν	U	Ν	Ν	U	Ν	L	L	Р
Multiple-Family Residential	Ν	L	Ρ	Р	Ν	L	U	L	Ν	Р	U	Ν	U	Ν	Ν	U	Ν	L	L	Р
Residential Care Home	Р	Р	Ρ	Р	Р	Ρ	Р	L	Ν	Р	Р	Ν	Ρ	Ν	Ν	Ν	Р	L	L	Р
Accessory Dwelling Units																				
Accessory Dwelling Units	Р	Р	Ρ	Р	Р	Ν	Ν	Ν	Р	Ν	Ν	Ν	Ν	Ρ	Ν	Р	Р	Ρ	Ρ	Р
Junior Accessory Dwelling Unit	Ρ	Ρ	L	N	Ρ	Ν	Ν	Ν	Ν	Ν	Ν	Ν	Ν	Ρ	Ν	Ν	Ρ	Ν	Ν	Ν
Single-Family Residential	Р	Р	L	Ν	Р	Ν	Ν	Ν	Z	Z	Ν	Ν	Ν	L	Ν	Ν	Р	Ν	Ν	Ν
Community Facility Use Classific	ation	s																		
Adult Day Care Facility	U	U	U	U	Ν	L	U	L	Ν	U	U	U	U	Ν	U	Ν	U	L	L	L
Child Day Care Facility	U	U	U	U	L	U	U	L	Ν	U	U	U	U	Ν	U	Ν	U	L	L	L
Housing for the Homeless/Emergency Shelters	N	Ν	L	Ν	Ν	U	L	U	Ν	L	Ν	N	L	Ν	U	N	Ν	U	U	U
Residential Care Facility	L	L	U	U	Ν	Ν	U	L	Ν	Ν	Ν	N	Ν	Ν	Ν	U	L	L	L	L
Accessory Uses																				
Accessory Living Quarters	L	L	L	Ν	L	Ν	Ν	Ν	Ν	Ν	Ν	Ν	Ν	Ν	Ν	N	L	Ν	Ν	Ν
Accessory Structure	L	L	L	L	L	L	L	L	L	L	L	L	L	Ν	Ν	L	L	L	L	L
Accessory Uses	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
Home Occupations	L	L	L	L	L	L	L	L	L	L	L	Ν	L	Ν	Ν	Ν	L	L	L	L

Key:

P: Permitted use.

L: Use permitted subject to certain limitations.

U: Use permitted with a CUP.

N: Not a permitted use.

Multifamily housing is permitted "by right" in the following zones: Multiple Family Residential (M), High Density Residential Planned Development (M-H-D), Residential Mixed-Use (MU-R), and Downtown Mixed-Use (MU-D). With limitations, multifamily housing is also permitted by right in the following zones: Duplex Residential (D-3) and Commercial Mixed-use (MU-C).

3.4.3 Manufactured Housing, Mobile Homes, & Mobile Home Parks

3.4.3.1 Manufactured Housing

The City's Zoning Ordinance defines a manufactured home as "a prefabricated or factory-built structure certified under the National Manufactured Housing Construction and Safety Standards Act of 1974 that is attached to a permanent foundation and is used as a dwelling unit." Furthermore, the Zoning Ordinance includes manufactured homes in the definition of <u>Single-Family Residential</u> as follows:

A structure containing one (1) dwelling unit located on a single lot. This classification includes mobile homes and <u>manufactured housing</u>.

Pursuant to California Government Code Section 65852.3, the City does not have special regulations for manufactured housing on a foundation and treats it similarly to Single-Family Residential. This is evidenced by the definition of Single-Family Residential, above.

3.4.3.2 Mobile Homes & Mobile Home Parks

The City's Zoning Ordinance defines a mobile home as "a trailer or prefabricated structure that is used as a permanent dwelling unit, is connected to utilities, and is designed without a permanent foundation." Furthermore, the Zoning Ordinance includes mobile homes in the definition of **Single-Family Residential** as follows:

A structure containing one (1) dwelling unit located on a single lot. This classification includes **mobile homes** and manufactured housing.

Pursuant to state law (and similarly to manufactured housing), the City allows mobile homes to be constructed in all Single-Family Residential zoning districts and treats it similarly to Single-Family Residential. Furthermore, the City does not have special restrictions for mobile homes. Currently, no mobile home park is located within the City.

3.4.4 Farmworker and Employee Housing

Pursuant to the California Employee Housing Act (Section 17000 of the California HSC), specifically Section 17021.5, any employee housing providing accommodations for six or fewer employees shall be deemed a single-family structure within a residential land use designation. Employee housing for six or fewer people must be permitted wherever a single-family residence is permitted. To comply with State law, no CUP or variance can be required.

Additionally, in accordance with HSC Section 17021.6, any employee housing consisting of no more than 36 beds in group quarters, or 12 units or spaces designed for use by a single-family

or household, or that is approved pursuant to HSC Section 17021.8, shall be deemed an agricultural land use. Except as provided in Section 17021.8, housing is an activity that differs in any other way from an agricultural use. No CUP, zoning variance, or other discretionary zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone. The permitted occupancy in employee housing in a zone allowing agricultural uses shall include agricultural employees who do not work on the property where the employee housing is located.

The census identifies less than 1% of Walnut Creek residents employed in farming, fishing, and forestry occupations. No parcels in the City remain in agricultural use. Given the extremely limited presence of farm workers in the community, the City has not identified a need for specialized farm worker housing. Furthermore, in addition to the single-family zones, zoning is available for employee housing through the variety of other housing types encouraged in the Zoning Ordinance, including multifamily, single-room occupancies (SROs), manufactured housing, and ADUs.

The Walnut Creek Zoning Ordinance does not currently address employee housing, including farmworkers. Therefore, the Housing Plan (Chapter 8) in this Housing Element includes Program H-4.E, to <u>uUpdate</u> the City's Zoning Ordinance and <u>pPolicies <u>rR</u>elated to <u>eEmployee</u> <u>hHousing to <u>c</u>omply with <u>c</u>urrent <u>ILaws</u>.</u></u>

3.4.5 Single-Room Occupancy

SROs are secure residential units that include communal or individual kitchens and communal or individual bathroom facilities. As the Zoning Ordinance defines Multiple Family Residential as including SROs, SROs can be built anywhere that multifamily housing can be built.

3.4.6 Emergency Shelters and Low-Barrier Navigation Centers

3.4.6.1 Emergency Shelters

The City of Walnut Creek defines an emergency shelter as a "facility that provides an immediate short-term solution to homelessness for a limited period."

Needs Assessment

SB 2, enacted in October 2007, requires local governments to provide sufficient capacity to meet all of the locality's identified need for emergency shelter. For example, if a jurisdiction determines that it has an unmet need of 200 persons experiencing homelessness, the identified zones must have sites with sufficient capacity to accommodate one or more shelters for 200 people. Regardless of the zone, a jurisdiction must provide sufficient capacity to accommodate at least one year-round shelter and accommodate the City's share of the regional unsheltered

homeless population. According to the 2020 Contra Costa County Annual Point-In-Time Count Report, 80 people experiencing unsheltered homelessness were living in Walnut Creek.

Additionally, Assembly Bill (AB) 139, enacted in 2019, requires the City to base the needs for emergency shelter in its housing element on the most recent homeless point-in-time count conducted before the start of the planning period, the need for emergency shelter based on number of beds available on a year-round and seasonal basis, the number of shelter beds that go unused on an average monthly basis within a 1-year period, and the percentage of those in emergency shelters that move to permanent housing solutions.

According to the 2020 Contra Costa County: Annual Point in Time Count Report, there are 80 unsheltered individuals in the City.³ The City has granted a CUP for the last 6 years in a row to the Trinity Center, a nonprofit corporation located in Walnut Creek that provides services to the homeless population, for a temporary emergency shelter for up to 50 individuals during the winter months. There are currently no year-round emergency shelters located within the City.⁴

Zoning Categories

SB 2 also requires local governments to identify one or more zoning categories that allow emergency shelters (year-round shelters for people experiencing homelessness) without discretionary review. In compliance with SB 2, the City reviewed its zoning regulations, identified areas where shelters are permitted by-right (i.e., without a public hearing or discretionary action requirement), and estimated the acreage available for the development of emergency shelters. The City of Walnut Creek's Zoning Ordinance permits emergency shelters for persons experiencing homelessness by-right (i.e., without a public hearing, CUP, or discretionary action requirement) in three commercial districts:

- Central Retail (C-R) District: Emergency shelters are permitted by-right (i.e., without a public hearing or discretionary action requirement) when located more than 500 feet from a residential zone. There are 9 properties, totaling 3½ acres that meet this criterion. Emergency shelters require a CUP in this zone if located within 500 feet of a residential zone.
- Community Commercial (C-C) District: Emergency shelters are permitted by-right (i.e., without a public hearing or discretionary action requirement) when located more than 600 feet from a residential zone. However, there are -no longer any properties that meet this criterion. Emergency shelters require a CUP in this zone if located within 600 feet of a residential zone.

³ https://cchealth.org/h3/coc/pdf/PIT-report-2020.pdf

⁴ https://walnutcreek.granicus.com/MetaViewer.php?view_id=12&clip_id=4380&meta_id=255560

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• Automobile Sales and Service (AS-CM) District: Emergency shelters are permitted byright (i.e., without a public hearing or discretionary action requirement) when located on the second or higher floor of a building. *There are 52 properties, totaling over 22 acres in this zone.*

Compliant with SB 2 requirements, there are approximately 26 acres of land within these three zones that could accommodate emergency shelters, providing sufficient capacity to meet the City's identified need of 80 individuals experiencing unsheltered homelessness. The total acreage is made up of 61 parcels that range in size from ¼ to 3½ acres. Additionally, there is a potential for redevelopment and reuse of existing structures in these zones. These buildings are fit for human habitation (i.e., none are in a hazardous state of disrepair) and offer potential for developers to reduce construction costs and provide services in these areas of the city. Additionally, their proximity to transit and services makes them ideal for residents experiencing homelessness.

Emergency Shelter Development Standards

AB 139 also mandates that emergency shelters may only be subject to those standards which apply to residential and commercial development within the same zone. However, a city may apply standards regulating the number of beds, parking for staff (provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone), length of stay, and other minor standards.

Currently, the City only has an emergency shelter parking requirement of one space per four beds, plus one space per employee.___These standards are not consistent with California Government Code, Section 65583(a)(4), which only allows parking to be required for shelter staff.__However, Program H-4.C, Update Special Needs Zoning the City's Zoning Ordinance and Policies Related to Emergency Shelters, Low-Barrier Navigation Centers, Transitional and Supportive Housing, Group Care Facilities, the Housing Accountability Act, and the Housing Crisis Act of 2019 to Comply with Current Laws, will bring the City's Zoning Ordinance into compliance with State law.__In addition, consistent with Government Code section 65583 as amended by AB 2339, as a part of Program H-4.C the City will amend the definition of "emergency shelters" to align with statutory definitions, identify zoning districts where residential and/or mixed uses are allowed to also allow emergency shelters as a permitted use without a conditional use permit or other discretionary permit, craft objective standards consistent with Government Code section 65583(a)(4) and related applicable state law, and continue to ensure adequacy of sites to accommodate the need for emergency shelters.

3.4.6.2 Low-Barrier Navigation Centers

Adopted in 2019, Assembly Bill (AB) 101 defines a Low-Barrier Navigation Center as "a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." When compared to traditional emergency shelters, low-barrier shelters may provide more services and additional flexibility to clients, such as allowing pets, permitting partners to share living space, and providing storage for residents' possessions.

AB 101 requires jurisdictions to permit Low-Barrier Navigation Centers that meet specified requirements by-right in mixed-use zones and other nonresidential zones permitting multifamily residential development. The bill also imposes the following timelines for cities to act on an application for the development of a Low-Barrier Navigation Center:

- Within 30 days of receiving an application for a center, a City must notify the applicant whether the application is complete.
- Within 60 days of a completed application, a City must act on the application.

The provisions of AB 101 are effective until they sunset in 2026. While the City complies with the provisions of AB 101, the Walnut Creek Zoning Ordinance has not been updated to permit low barrier navigation centers, making this a constraint to housing for unsheltered individuals. Therefore, the City <u>has included is adopting Program H-4.C.</u>, <u>Update the City's Zoning Ordinance and Policies Related to Emergency Shelters, Low-Barrier Navigation Centers, Transitional and Supportive Housing, Group Care Facilities, the Housing Accountability Act, and the Housing Crisis Act of 2019 to Comply with Current Laws, ii in the Housing Plan in order to bring the City's Zoning Ordinance with State law.</u>

3.4.7 Transitional and Supportive Housing

State law requires transitional and supportive housing to be defined as a residential use and subject only to the same regulations as comparable residential uses. The City's Zoning Ordinance provides definitions for transitional and supportive housing. The definitions are as follows:

Transitional Housing: Buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing shall be subject only to those requirements and restrictions that otherwise apply to the residential or community classification under which it operates (i.e., single-family residential, residential care facilities, etc.).

Supportive Housing: Housing with no limit on the length of stay, which is occupied by a target population and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Supportive housing shall be subject only to those requirements and restrictions that otherwise apply to the residential or community use classification under which it operates (i.e., single-family residential, residential care facilities, etc.).

In transitional housing or supportive housing, residents are provided with one-on-one case management, education and training, employment assistance, mental and physical services, and support groups. In 2014, the City amended the Zoning Ordinance to treat transitional and supportive housing as permitted uses in all residential districts, subject only to those restrictions that apply to other residential uses of the same type in the same zone.

AB 2162 (2018) further requires supportive housing projects of 50 units or fewer to be permitted by right in zones where multifamily and mixed-use developments are permitted when the development meets certain conditions. AB 2162 also prohibits minimum parking requirements for supportive housing within 0.5 mile of a public transit stop.

The Housing Plan (Chapter 8) in this Housing Element includes <u>Program H-4.C, Special Needs</u> <u>Zoning Update the City's Zoning Ordinance and Policies Related to Emergency Shelters, Low-Barrier Navigation Centers, Transitional and Supportive Housing, Group Care Facilities, the Housing Accountability Act, and the Housing Crisis Act of 2019 to Comply with Current Laws, which will bring the City's Zoning Ordinance into compliance with State law.</u>

3.4.8 Accessory Dwelling Units

An ADU is an attached or detached residential unit that provides complete independent living facilities (i.e., kitchen, sleeping facilities, and full bathroom facilities) for one or more people and is located on the same lot as a single-family or multifamily dwelling. A junior accessory dwelling unit (JADU) is an ADU contained entirely within a single-family residence. JADUs include an efficiency kitchen and sleeping facilities and can include their own bathroom or share a bathroom with the single-family dwelling.

3.4.8.1 Compliance

As shown in <u>Table 3-17</u>Table 3-17, ADUs are permitted <u>by-right</u> in all zones which permit singlefamily or multiple-family dwellings, including: (R) Single-Family Residential District, (D-3) Duplex Residential District, (M) Multiple Family Residential District, (M-H-D) <u>High DensityHigh-Density</u> Residential Planned Development District, (H-P-D) Hillside Planned Development District, (M-U) Mixed-Use Planned Development District, (O-S-R) Open Space/Recreation District, (HO P- D) Hospital Planned Development District, (P-D) Planned Development District, (SFH-PD1) Single-Family High-Planned Development District, (MU-C) Commercial Mixed-Use District, (MU-R) Residential Mixed-Use District, and (MU-D) Downtown Mixed-Use District.

JADUs, on the other hand, are allowed in all single-family residential zoning districts, as well as multi-family residential zones that allow for single-family dwellings, including: (R) Single-Family Residential District, (D-3) Duplex Residential District, (H-P-D) Hillside Planned Development District, (O-S-R) Open Space/Recreation District, and (SFH-PD1) Single-Family High-Planned Development District.

Recent State legislation, including AB 68, AB 345, AB 881, AB 587, AB 670, AB 671, AB 3182, and SB 13, modified the way local jurisdictions are allowed to regulate ADUs and JADUs. This legislation promotes the construction of new ADUs and JADUs and limits the ways cities can regulate their design. Under current State law, the City may adopt regulations governing the design of ADUs. However, , but no lot coverage, FAR, open space, or minimum lot size requirement can preclude the construction of a "Statewide exemption ADU," which is an ADU with an area of up to 800 square feet, height of up to 16 feet, and 4-foot side and rear yard setbacks. On September 21, 2021, the City adopted Ordinance No. 2210, amending the Walnut Creek Municipal Code to comply with the recent <u>S</u>state legislation.

The City does not require a public hearing for ADU and JADU applications. Applications are reviewed through the building permit process. Requests for ADUs and JADUs are ministerial applications in accordance with State law and will be approved if the proposed unit complies with the standards and requirements outlined in the City's Zoning <u>Ordinance</u>. Regulations.

Housing element law requires that jurisdictions analyze their accessory dwelling unit ordinances to ensure they are compliant with state requirements. While the City amended the Walnut Creek Municipal Code in 2021 to comply with the recent state legislation, further updates are needed to bring the Accessory Dwelling Unit Ordinance to compliance. For example, as clarified in the California Department of Housing and Community Development's July 2022 update to their *Accessory Dwelling Unit Handbook,* California Government Code Section 65852.2 requires that jurisdictions ministerially approve two detached accessory dwelling units, plus additional accessory dwelling units created through the internal conversion of existing non-residential floor area on properties containing multi-family dwellings. However, the Walnut Creek Municipal Code allows only one or the other, rather than both.

Given the additional changes in State Housing laws that affect the City's Accessory Dwelling Unit Ordinance, Chapter 8, Housing Plan, of this Housing Element contains the following program to bring the ordinance into compliance with Government Code Section 65852.2: H-4.F. Update the City's Zoning Ordinance and Policies Related to <u>the Accessory</u> Dwelling Unit<u>Zoning Ordinance</u>s to Comply with Current Laws

3.4.8.3 3.4.8.2 Promotion and Facilitation of ADUs

Walnut Creek is committed to the promotion and facilitation of ADU construction as a tool for the development of affordable housing.__For instance, in September 2021, City Council approved the production of pre-approved ADU designs and permit-ready construction plans that will be available to the public free of charge._Pre-approved plans can provide developers with cost savings, as it would void the cost associated with the design and shorten the approval process._Through the use of this tool, the City can facilitate the development of affordable housing in high-resource areas.

In addition, the City will take on multiple activities to promote the development of ADUs._For instance, staff will create educational and promotional materials to distribute at City Hall, on the City's website and newsletter, through mailers, and targeted education for homeowner associations and high-resource communities._Furthermore, Walnut Creek will monitor the production and affordability of ADUs on an annual basis and improve its reporting.

The Housing Plan (Chapter 8) in this Housing Element contains the following program to promote and facilitate the development of ADUs: H-1.A. Encourage and <u>Incentivize Monitor</u> Accessory Dwelling Units.

3.5 Senate Bill 35

The City currently has not adopted written procedures for the SB 35 (Chapter 366, Statutes of 2017), Streamlined Ministerial Approval Process. However, Program H-4.D, Adopt SB35 Streamlining Written Procedures, as described in Chapter 8 (Housing Plan), designates a program for the City to complete this legal requirement.

3.6 Reductions to Constraints

To address the constraints identified in Chapter 3, Housing Constraints, as well as those identified by developers through the outreach process, the City has identified several initiatives that include the following programs from Chapter 8 of this Housing Element:

• Constraints Identified by Developers:

- H-2.B. Local Funding for Affordable Housing
- **H-2.I.** Provide Density Bonus Ordinance Training/Education
- H-2.N. Assist with Development of Lower-Income Housing

- **H-2.P.** Advertise Available Resources
- Constraints identified in this Housing Constraints chapter:
 - o H-1.A. Encourage and Monitor ADUs
 - o H-2.Q. Faith Based Properties
 - H-4.A. Exemptions of Transit Priority Projects from Environmental Review
 - H-4.B. Complete Parking Study and Continue to Implement Reduced Parking for Affordable Housing
 - H-4.C. Update the City's Zoning Ordinance and Policies Related to Emergency Shelters, Low-Barrier Navigation Centers, Transitional and Supportive Housing, and Group Care Facilities to Comply with Current Laws
 - ← H-4.D. Adopt SB35 Streamlining Written Procedures
 - 0
 - 0

As part of this effort, the City will follow the Housing Plan and collaborate with housing providers and stakeholders to help mitigate housing constraints in the City. <u>See also the summary of programs featured in Appendix B, Table B-19.</u>

4 AT-RISK AFFORDABLE HOUSING

Pursuant to California Government Code, Section 65583(a)(9), an analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use must be identified in the Housing Element. The City (City or Walnut Creek) has a number of affordable housing developments with affordable covenants restricting their affordability for a specified term. Many of these covenants are the result of requirements for obtaining public subsidies. Housing units with covenants that expire within the next 10 years are considered "at risk" as the units could convert to market rate when the covenants expire. Table 4-1. Inventory of Assisted Rental Housing, Walnut Creek, includes an inventory of all constructed and occupied affordable and income restricted units in the City.

Project Name	Total Units	Affordable Units	Туре	Funding Source(s)	Expiration of Affordability
Casa Montego I	80	79	Senior/Persons	Section 8	2030
Casa Moniego i	80	/7	with Disabilities	HUD 202	2029
				Section 8	2030
Montego Place	33	33	Senior	HUD 202; City loan; Co. HOME; HCD grant	2064
Ivy Hill Apartments	116	47	Family	CFD bonds; Tax Credits; City Ioan	2055
Acalanes Court	17	17	Family	Tax Credits; City Ioan; Co. HOME	2060
The Oaks	36	35	Family	City loan; Tax credits	2049
Sierra Gardens	28	24	Family	City loan and grant; Co. HOME	2051
				Section 8	2031
Tice Oaks	91	90	Senior	CHFA loans; Tax Credits; City loan	2056
Villa Vasconcellos	70	70	Senior	City Ioan, HOME, MHSA	2063
Arboleda	48	48	Family/Special needs	City Loan and RDA	2069
Riviera Family Apartments	58	57	Family	City Loan HOME/HOPWA Section 8	2073 2039 2038
Anton Noma	135	11	Family	No City Funds	2077
St. Paul's Commons	45	45	Special needs	HOME; HOPWA; AHP; CDBG Section 8	2075 2040
Windsor	125	12	Family	No City Funds	2065
Iron Horse Place	26	2	Family	No City Funds	2061

 Table 4-1. Inventory of Assisted Rental Housing, Walnut Creek

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Chapter 4. At-Risk Affordable Housing

Project Name	Total Units	Affordable Units	Туре	Funding Source(s)	Expiration of Affordability
Bonanza Oaks	24	2	Family	No City Funds	2033
TOTAL	932	572			

Source: City of Walnut Creek, 2015-2021 APRs and HUD Section 8 Database, 2022.

4.1 At-Risk Affordable Housing

Table 4-2. Housing Projects with Expiring Covenants over Next 10 Years, provides a list of affordable housing developments in the City with affordability covenants that expire in the next 10 years. As shown in Table 4-2, 202 at-risk affordable housing units are in the City. The affordability of these units is currently restricted through various funding sources, including the following:

- **Multifamily Mortgage Bonds:** State (California or State) and local governments sell taxexempt Housing Bonds, commonly known as Mortgage Revenue Bonds and Multifamily Housing Bonds and use the proceeds to finance low-cost mortgages for lower-income first-time homebuyers or the production of apartments at rents affordable to lower-income families. There are no at-risk affordable housing units in the City funded using Multifamily Mortgage Bonds.
- **Project-Based Housing Choice Voucher Program (Section 8):** Project-based Section 8 vouchers are a form of rent subsidy issued by U.S. Department of Housing and Urban Development (HUD). The Section 8 vouchers are administered by the local Public Housing Agency and provide the property owner with a subsidy equal to the difference between the affordable rent paid and the fair market rent as determined by HUD. In total, 202 at-risk units in the City were funded with project-based Section 8 vouchers. It is important to note that because property owners ultimately are collecting fair market rents on these units (HUD makes up the difference between the amount of rent the resident can afford to pay and the current market rent for the area), there is a high likelihood that the affordability will be extended to preserve the vouchers.
- **HUD 202 Program:** HUD provides capital advances to finance the construction, rehabilitation, or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies for the projects. The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, and transportation.

Project Name	Address	Extremely Low Units	Very Low Units	Low Units	Moderate Units	Total # of Units	# of Senior Units	Type of Financing	Expiration	Risk of Conversion
Casa Montego I	1485 Montego	0	0	0	79	79	0	Section 8 & HUD 202	2030	Low
Montego Place	180 La Casa Via	0	0	33	0	33	33	Section 8	2030	Low
Tice Oaks	2150 Tice Valley Blvd	90	0	0	0	90	90	Section 8	2031	Low
	Total	90	0	33	79	202	123			

Table 4-2. Housing Projects with Expiring Covenants over Next 10 Years

Source: City of Walnut Creek.

4.2 Rent Subsidy

Rent subsidies are an effective strategy to preserve at-risk affordable housing units. Rent subsidies act similarly to housing choice vouchers because the City funds the difference between the affordable rent and the fair market rent. The City could leverage a number of funding sources to provide the necessary rent subsidies to extend the affordability covenants.

This section includes an analysis of potential rent subsidies needed to preserve the City's at-risk affordable housing stock. The analysis assumes that all housing units would be occupied by very low-income households and calculates the total monthly rent income supported by the maximum allowable housing costs at these income levels. The maximum allowable annual housing costs were calculated as 30% of 50% of the area median income for a household size of four in Contra Costa County (County or Contra Costa) as outlined by the 2022 Housing and Community Development State Income Limits.

The rent subsidy amount was calculated by subtracting the total monthly rent income supported by the housing costs of very low-income households from the average rent in Walnut Creek provided by Rent Cafe.

Table 4-3. Subsidy Costs to Extend Covenants, summarizes the analysis and estimates the total cost if rent subsidies were to be used to preserve the affordability of the various at-risk affordable housing developments in the City. <u>The total annual subsidy amount would be \$998,028 to preserve all 202 at-risk units in the City</u>. Therefore, the total cost to extend the affordability of all units for 20 years would be approximately \$20 million.

Table 4-3. Subsidy Costs to Extend Covenants

Project Units	Casa Montego I	Montego Place	Tice Oaks	Total
O BR	23	0	0	23
1 BR	56	33	90	180
2 BR	0	0	0	0
3 BR	0	0	0	0
4 BR	0	0	0	0
Total	79	33	90	203
Total Monthly Rent Income Supported by Housing Cost of Very Low-Income Households	\$1,305,120	\$565,785	\$1,560,195	\$3,413,100
Total Monthly Rent Allowed by Fair Market Rents	\$1,670,376	\$734,184	\$2,024,568	\$4,429,128
Total Annual Subsidies Required	\$365,256	\$168,399	\$464,373	\$998,028
Average Annual Subsidy per Unit	\$4,623	\$5,103	\$5,103	\$4,916
Average Monthly Subsidy per Unit	\$385	\$425	\$425	\$410

Notes: Average subsidy per unit for each project is estimated with the following assumptions:

1. A 1-BR unit is assumed to be occupied by a 2-person household, a 2-BR unit by a 3-person household, and a 3-BR unit by a 4-person household, and a 4-BR unit by a 5-person household.

2. Based on 2022 Area Median Income in Contra Costa County

3. HUD 2022 Fair Market Rents in Contra Costa County 0-BR \$1,538, 1-BR \$1,854, 2-BR \$2,274, 3-BR \$3,006 and \$3,578, for a 4-BR.

Sources: Department of Housing and Urban Development; California State Department of Housing and Community Development FY 2022 Fair Market Rent Documentation System - https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2022_code/2022summary.odn

4.3 Acquisition and Rehabilitation

At-risk affordable housing can be preserved through acquisition and rehabilitation of an existing affordable housing development or market-rate development to extend or apply new affordability covenants.

Several recent acquisition and rehabilitation projects were researched and analyzed to determine the estimated cost to acquire and rehabilitate at-risk affordable housing units. The development costs for these projects were analyzed using data from the California Tax Credit Allocation Committee (CTCAC) to derive the average per-unit development cost for acquisition and rehabilitation projects in Contra Costa County. <u>The average per-unit development cost for an acquisition and rehabilitation project in Contra Costa County is approximately \$482,000, as shown in Table 4-4. Acquisition and Rehabilitation Costs. <u>Therefore, the estimated acquisition and rehabilitation costs to preserve the 123 extremely low, very low and low at-risk units would total approximately \$59.2 million</u>. Moderate-income units are typically not included in tax credit affordable projects; therefore, the acquisition and rehabilitation cost has not been included for the purposes of this analysis.</u>

Project Name	Hacienda	Hilltop Commons Apartments	Average Development Cost Per Unit
CTCAC Application Year	C Application Year 2020		
Address	1300 Roosevelt Avenue	15690 Crestwood Drive	
City	Richmond	San Pablo	
Units	150	324	
Total Dev. Costs	\$73,929,316	152,540,519	
Cost per Unit	\$492,862	\$470,804	\$ 4 81 <i>,</i> 833

Table 4-4. Acquisition and Rehabilitation Costs

Source: CTCAC.

4.4 New Construction

The final examined method for preserving at-risk affordable housing is replacement of these units through new construction and application of new affordability covenants. The cost of developing new affordable housing units varies according to the average land value in the City, type of construction, density, and variety of soft costs.

Several newly constructed affordable housing projects were examined to determine the estimated cost to replace at-risk affordable housing units. The development costs for these projects were analyzed using data from the CTCAC to derive the average per-unit development cost for new construction projects in Contra Costa County. These development costs include

land and acquisition, construction, architecture and engineering, interest and financing charges, developer fees, and other miscellaneous soft costs.

Table 4-5. New Construction Costs, below summarizes the analysis of newly constructed affordable housing projects in Contra Costa County and calculates the average per-unit development cost. The average cost to develop a new affordable unit is approximately \$557,000. Therefore, the total estimated cost to replace all 202 at-risk affordable housing units would be \$112.5 million.

Project Name	Oakley Senior Apartments	Veterans Square	The Atchison	Beacon Villa	Average Development Cost per Unit
CTCAC Application Year	2020	2020	2020	2020	
Address	2605 Main Street	901 Los Medanos Street	2575 Railroad Avenue	505 West 10 th Street	
City	Oakley	Pittsburg	Pittsburg	Pittsburg	
Units	115	30	202	54	
Total Dev. Costs	\$47,995,058	\$22,477,409	\$90,115,222	\$33,159,987	
Cost per Unit	\$417,348	\$749,247	\$446,115	\$614,074	\$556,696

Table 4-5. New Construction Costs

Source: CTCAC.

4.5 Cost Comparison

Table 4-6. Preservation/Replacement Costs, shows a comparison of preservation costs through rent subsidies and replacement costs through acquisition and rehabilitation and new construction, as outlined above.

Table 4-6. Preservation/Replacement Costs

PRESERVATION/REPLACEMENT METHOD	COST PER UNIT	TOTAL COST
Rent Subsidy	\$4,916	\$998,028
Acquisition and Rehabilitation	\$481,833	\$226,469,835
New Construction	\$556,696	\$193,747,676

Chapter 4. At-Risk Affordable Housing

4.6 Qualified Entities to Acquire and Manage Affordable Housing

Pursuant to California Government Code, Section 65863.11, the State maintains a list of Entities Interested in Participating in California's First Right of Refusal Program. This list, as follows, includes 17 entities interested in properties in Contra Costa County and several entities interested in properties in any county in the State:

- Rubicon Programs, Inc.
- ACLC, Inc.
- East Bay NHS
- Affordable Housing Associates
- Eskaton Properties, Inc.
- Rural California Housing Corporation
- East Bay Asian Local Development
- Pacific Community Services, Inc.
- Community Housing Development

- Anka Behavioral Health
- Satellite Housing, Inc.
- Northern California Land Trust, Inc.
- City of Walnut Creek
- Alameda County Allied Housing Program
- ROEM Development Corporation
- Neighborhood Housing Services
- L+M Fund Management LLC

4.7 Potential Funding Sources to Preserve Affordable Housing

The funding sources that can potentially be used to preserve affordable housing are described in detail in Chapter 6, Housing Resources and Opportunities, of this Housing Element. It is important to note that the high costs to acquire and rehabilitate units and to develop through new construction exceed the available funding sources. Financing affordable housing is a complicated endeavor involving multiple federal, State, and local funding sources. The City is committed to coordinating with property owners of at-risk units and leveraging available resources to provide financial assistance when possible and available to preserve these at-risk units and to extend covenants for as long as possible.

5 HOUSING ACCOMPLISHMENTS

The City (City or Walnut Creek) implemented various programs as part of its 5th Cycle Housing Element in an effort to increase housing production, provide assistance to households with special needs, create equal opportunity to housing, protect and conserve existing housing stock, further energy conservation and sustainable development, and conduct code amendments to comply with State law.

5.1 2015–2023 RHNA Progress

The Regional Housing Needs Assessment (RHNA) by income category that was established for Walnut Creek by the Association of Bay Area Governments (ABAG) in the 5th Cycle is shown in Table 5-1. 2015–2023 RHNA Progress – Permitted Units, and compared with permits issued for housing units between the years 2015 and 2021. As of December 2021, total permits were issued for 2,001 units (90% of the City's total RHNA allocation number of 2,235). However, affordable housing, which requires public subsidies in order to be constructed, has been a challenge due to insufficient funding sources at the federal, state, and local levels to provide gap financing for affordable housing projects.

	Totals by Numbers of Units	Very Low (<=50% AMI)	Low-Income (5–-80% AMI)	Moderate (81–120% AMI)	Above Moderate (>120% AMI)
2015-2023 RHNA	2,235	604	355	381	895
Units Permitted	2,001	99	30	74	1,798
Remaining RHNA	234	505	325	307	-

Note: Permits issued as of the 2021 Annual Progress Report Review of 2015–2023 Housing Element

5.2 Housing Element Policies and Programs

Table 5-2. 5th Cycle Program Accomplishments, and Table 5-3. Progress in Achieving Quantified Objectives 2015–2023, provides an analysis of the progress and effectiveness of each program and reviews the appropriateness of the program to determine if it should be continued, modified, or removed from the 6th Cycle Housing Element.

5.2.1 Housing Accomplishments

The City's programs in Table 5-2 addressed the various housing needs analyzed in the 5th Cycle Planning Period. While the City achieved many positive results, below are some highlights of the City's major accomplishments:

- **Bay Area Rapid Transit Village:** The City approved and supported the development of the Walnut Creek Transit Village a mixed-use development featuring apartments, retail, and dining, located at the Walnut Creek Bay Area Rapid Transit station. The Walnut Creek Transit Village received its approvals in 2015 and will ultimately provide 600 units. It will also generate between \$6 million and \$7 million into the City's Housing Trust fund. The building permit for the first residential phase was issued and over \$4 million in housing in-lieu fees were paid into the City's affordable housing fund; and construction began in early 2020.
- ADU Code Changes: The City continues to implement the second family unit (now Accessory Dwelling Unit or ADU) ordinance and adopted significant updates in 2017 and 2019 which removed the limits on the number of ADUs permitted in each census tract, increased the number of ADUs allowed on a single lot, allowed ADUs on multifamily properties, allowed Junior ADUs on single-family properties, and eliminated the parking requirements. The City is currently working on further amendments to its ADU regulations in response to new State law. Additionally, the City is currently undertaking the creation of a pre-approved ADU program whereby the City will create and make available free to the public a selection of construction ready building plans for ADUs to be used in the City.
- Objective Design Guidelines: The City applied for and was awarded both Local Early Action Planning and Permanent Local Housing Allocation grants in 2020. The Local Early Action Planning funds will support the creation of Objective Design Standards, which are currently underway. The Objective Design Standards will help encourage and streamline the development of housing in Walnut Creek.
- **Regional Collaboration:** The City participates in the local Community Task Force on Homelessness, the Contra Costa Continuum of Care Council on Homelessness, the Contra Costa Mayor's Conference. The Coordinated Entry Oversight Committee, and the Contra Costa Consortium. This participation allows the City to access more regional resources to address many of the issues affecting the Walnut Creek and Contra Costa County community.
- Inclusionary In-Lieu and Commercial Linkage Fees: The City 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. with annual adjustments based on construction price index, 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. In addition, the City updated the Commercial Linkage Fee Ordinance. 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. City Council adopted the revised Inclusionary and Commercial Linkage Fee Ordinances in November 2017. Both ordinances have created an additional opportunity to generate funding for affordable housing.

5.2.2 Special Needs Housing Accomplishments

The City's programs addressed the housing needs of special needs populations during the 5th Cycle Planning Period. Special needs populations include seniors, people with disabilities (including developmental disabilities), large families, and families with female heads of household. The City addressed the housing needs of special needs populations through the following programs:

- Seniors: The City continues to fund Eden Council for Hope and Opportunity (ECHO) Housing to provide tenant, landlord and fair housing services to Walnut Creek residents. The City funds Contra Costa Senior Legal Services to provide legal assistance to lowincome seniors as well as Meals on Wheels Senior Outreach Services to provide meal delivery services and other support services for seniors.
- Large Families and Female-Headed Households: The City has created affordable housing opportunities through various programs. The City provides funding subsidy for 100% affordable housing projects to target those experiencing homelessness, special needs populations, extremely low-income households, and other low-income households. These efforts have resulted in the development of 129 housing units for families with lower incomes during the 5th Cycle Planning Period. The City also works with the Contra Costa Housing Authority to provide housing choice vouchers.
- People with Disabilities: The City provides information on all affordable housing units available online and maintains a list of residents interested in affordable housing of all types. In addition, the City has resources and referrals online for persons with disabilities. The affordable housing development Arboleda included 15 units reserved for households with disabilities. The project also provides on-site services to support the independence of people with disabilities. In addition, the affordable housing development St. Paul's Commons consists of 44 affordable housing apartments with a space for Trinity Center, which serves residents experiencing homelessness and the working poor.
- Families and Individuals in Need of Emergency Shelter: The City Council approved a new "Homeless Services Grant" to supplement Community Development Block Grants (CDBG) and Community Service Grants, and it 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.

The City also provided CDBG and Community Service Grants funding to several agencies that provide emergency shelter and services to homeless residents and low-income households at risk of homelessness. In addition to this, the City provided seed funding to pilot a new Safe Parking Program that was operated by Trinity Center at a local church parking lot and one-time funding for tenant improvements at the new Trinity Center (homeless service center). During the COVID-19 pandemic the City used CDBG Coronavirus funds to prevent homelessness by providing emergency rent and utility assistance, as well as support homeless services providers who faced cost increases to address the impacts of COVID-19.

5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
GOAL H-1: NEW HOUSING DEVELOPMENT					
 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: Revising Design Review standards and processes; Revising permitting process procedures; and Providing incentives and flexibility in development standards. 	H-4.3	FY 2015–16	The City adopted new zoning regulations for Mixed- Use Commercial and Mixed Use Residential General Plan land use classifications in October 2016These new regulations included specific provisions which encourage the development of new housing, as well as flexible design and development standardsThe West Downtown Specific Plan, adopted in 2018, designated new sites for mixed-use zoning, including a new higher-density Mixed Use Downtown General Plan land use classification, and the related Zoning Ordinance Amendments were adopted in 2019. The North Downtown Specific Plan, adopted in 2019 along with the related Zoning Ordinance Amendments, designated a significant number of new sites for mixed-use zoning.	Program completed <u>.</u> No further action required.	
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 unitsThe City shall consider modifying or removing the Zoning Ordinance requirement that the number of second units in a Census Tract may not exceed 5% of the number of single-family homes in that TractThe 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	H-1.9	Ongoing	The City continues to implement the second family unit (now ADU) ordinance and adopted significant updates in 2017 and 2019 which removed the limits on the number of ADUs permitted in each census tract, increased the number of ADUs allowed on a single lot, allowed ADUs on multifamily properties, allowed Junior ADUs on single-family properties, and eliminated the parking requirementsThe City is currently working on further amendments to its ADU regulations in response to new State lawAdditionally, the City is currently undertaking the creation of a pre-	Retain as program <u>.</u> Modify to include the approval of the production of pro- approved ADU designs and research on the feasibility of waiving or reducing permit fees for owners who take advantage of the pre-approved ADU design program.	

5™ HOU	5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
the City website and by distributing handouts <u>.</u> Create 67 second family units in the 8-year cycle.			approved ADU program whereby the City will create and make available free to the public a selection of construction ready building plans for ADUs to be used in the City.			
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.	H-1.6	Ongoing	The City continues to encourage the use of the planned development process to allow for innovative approaches to developing residential projectsThrough the preliminary review team process, staff has worked with several developers seeking guidance on the application of the local and State density bonus law.	Retain as program <u>.</u> Modify to provide technical assistance to developers to facilitate the development process.		
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 meetingsThe City shall update the Opportunity Sites at least annually, or as projects are approved on the sites or key other sites become available.	H-1.1	Annual Updates	The opportunity sites inventory is periodically reviewed and updated as projects are approved on the sites or as other sites become availableSince the time of the last Housing Element Update, 58 affordable units have been constructed 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 householdThe Housing Element identified a realistic net new capacity of 53	Retain as program <u>.</u> Modify to include actions such as accommodating shortfall, providing maps for developers, and applying for funding.		

5 [™] HOU	5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
			units, whereas the actual construction is resulting in a net increase of 55 units. (Riviera Family Apartments - both sites - were completed and fully occupied in 2018).			
			Also since the time of the last Housing Element Update, construction has started on a 135-unit mixed-use development on the McManus Property in opportunity site C- 5 (1940–1950 N. Main St.),_Of these 135 units, 11 will be affordable to very low- income households, with the remainder being market rate unitsThe Housing Element identified a realistic net new capacity of 74 unitsAdditionally, the City is currently processing an application for a 7- unit market rate development at 1394 Walden Road in opportunity site C-9, where the Housing Element identified a realistic net new capacity of 6 units.			
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 sitesBased 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.	H1.10	Ongoing	The Bay Area Rapid Transit village received its approvals in 2015The mixed-use project will ultimately provide 600 units and pay between \$6 million and \$7 million into the City's Housing Trust fundConstruction began in fall 2017 on the parking garage; in November 2019, the building permit for the first residential phase was issued and over \$4 million in housing in-lieu fees were paid into the City's affordable housing fund; and construction began in early 2020.	Remove program <u>.</u> There are no additional sites being considered for redevelopment.		

5 TH HOUS	SING ELEM <u>ENT</u>	PLANNI <u>NG</u>	G CYCLE (2015–2023)	
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
H-1.F. Monitor Sewer and Water Capacity The City shall monitor the capacity of sewer and water systemsShould a constraint develop, the City shall give priority to residential land uses over nonresidential land uses, regardless of the demand generated by these usesSpecifically, consistent with state law, the City shall provide priority status for water and sewer services for residential projects serving lower-income households.	H-1.11	Ongoing	Sewer and water capacity have not been an issue in the City for decades <u>.</u> This program did not need any actions.	Remove program <u>.</u> This is a routine function.
GOAL H-2: AFFORDABLE HOUSING				
 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: One Bay Area Grants awarded by the Association of Bay Area Governments U.S. Department of Housing and Urban Development (HUD) Section 811 funding for supportive housing for extremely low-income residents California Department of Housing and Community Development (HCD) Local Housing Trust Fund Program The state Infill Infrastructure Grant program, sponsored by HCD The state Multifamily Housing Program, sponsored by HCD The City shall also identify CDBG, City revolving bond funds, and other sources of funding to assist with the 	H2.1, H-2.3	At least once a year, evaluate the feasibility of pursuing additional funding from other sources, such as HCD and HUD.	The City is actively reviewing and researching grant opportunities as they come upRiviera Family Apartments, a 58- unit affordable project that completed construction in 2018, successfully competed for AHSC funding, HOME funds, and HOPWA fundsThe City's initial commitment for acquisition of the two sites was critical in the project's competitiveness for all three sourcesAnother project, St. Paul's Commons (45 units of affordable housing) under construction in 2018 (but completed in late 2019) and is also funded with HOME and HOPWA funds, as well as AHP and CDBGSeveral staff in the CED department, including the Housing Program Manager, are on the HCD and HUD email list for notification of upcoming grant opportunitiesIn 2019, the City applied for the SB2 Planning GrantProjects included pre-designed ADU's (constructions drawings) that the public can access to reduce cost and time in permitting, and the development of a local policy to expedite	Retain program <u>.</u> Modify to include directly reaching out to developers to identify viable projects <u>.</u>

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
purchase of land for affordable housing <u>.</u> Goal of securing new funding to support 100 affordable units			affordable housing. An RFP was issued for the expediting affordable housing policy in early 2020, and in late 2020 for the ADU project.		
			The City also applied for and was awarded both Local Early Action Planning and Permanent Local Housing Allocation grants in 2020The Local Early Action Planning funds will support two projects: Objective Design Standards and a Parking StudyThe Objective Design Standards are currently underway and the City selected a consultant who will perform the Parking StudyThe Permanent Local Housing Allocation funding will support ongoing homeless prevention and emergency housing.		
			In 2020, the City submitted a grant application to the State Local Housing Trust Fund Matching Grant program and was awarded \$2 million to support the development of 97 affordable units on Ygnacio Valley Road. In 2021, the City Council approved a resolution supporting the AHSC application		
H-2.B. 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	H-2.1,H-2.3	Ongoing	for 699 Ygnacio Valley Road. 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	Retain program <u>.</u> Modify to also includ added transparency for developers by	

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)						
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
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 assistanceAllocate funding to leverage additional resources to create 170 affordable units in the 8-year cycle.			Commons, a proposed 45-unit affordable rental project (for a total commitment of \$5 million)St. Paul's Commons was completed in late 2019 and fully occupied by early 2020. In 2018 and 2019, the City committed additional funding for both St. Paull's Commons (500K), and Riviera Family Apartment (\$400K) as both projects had cost overruns due to weather related construction delays and increase cost of labor and materialsThe City also committed an additional \$2 million for the Las Juntas Project (42 units by Habitat). In 2020, the City committed additional gap funding for St. Paul's Commons and Riviera Family Apartments as both projects grappled with cost increases (both projects are now complete and fully occupied). The City also provided acquisition, predevelopment, and development funding for a new 95-unit mixed-use development at 699 Ygnacio Valley Road in Walnut Creek.	publishing the amounts of funding available for affordable housing development.		

5 [™] HOU	5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
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 CDBG annual allocation for housing programs, consistent with the Contra Costa Consortium Consolidated Plan and the City's Annual Action Plan requirements.	H-2.1,H-2.6	Set aside funding annually	The City continues to operate a First Time Homebuyer Down Payment Assistance program that provides down payment assistance to low- and moderate-income rentersThe program only funded one loan in 2021 but continues to budget \$300,000 annually. The City continues to allocate and use CDBG funds annually for housing programs, including the Home Rehabilitation Loan and Emergency Grant ProgramThe City continues to be an active participant in the Contra Costa ConsortiumIn 2020, the City was awarded CDBG Coronavirus funds to address the impacts of COVID-19The majority of the funds went to emergency housing (rent, mortgage, and utility) assistanceThe local housing assistance program was put on hold for the State Emergency Rental Assistance Program to avoid duplication of benefitThe City anticipates the local emergency housing assistance program to resume in early April 2022.	Retain program <u>.</u> Modify to include outreach to fair housing providers to assess additional need for resources <u>.</u>		
H-2.D. Inclusionary Housing Ordinance The City shall continue to implement the Inclusionary Housing OrdinanceThe City shall evaluate whether it is necessary to prepare an updated nexus studyIf a nexus study is conducted, the City may update the Inclusionary Housing Ordinance based on the findings of the study.	H-2.1,H-2.3, H- 2.8	FY 2020-21	The City continues to implement the Inclusionary Housing OrdinanceDue to housing cost increases for both rental and ownership housing, the City contracted with a consultant to update the residential Nexus Study in October 2015The draft studies were completed in early 2016 and policy and fee recommendations were	Program completed <u>.</u> No further action required.		

5™ HOU	SING ELEMENT	PLANNING	G CYCLE (2015–2023)	
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
			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 2017City 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. with annual adjustments based on construction price index, 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 unitsCity 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 1, 2018. The 2021 inclusionary in-lieu fee was \$19.27 per sq. ft.	
H-2.E. Nexus Study for Commercial Linkage Fee The City shall prepare and update the nexus study for the Commercial Linkage Fee and based on the findings of the nexus study, the City may update the fee.	H-2.1,H-2.3	FY 15–16	The City contracted with Economic and Planning Systems, Inc. to update the Residential and Commercial Nexus study in October 2015The 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 2017The policy	Program completed <u>.</u> No further action required

5™ HOU	5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
			and fee recommendations were discussed at a joint City Council/Planning Commission meeting in 2017City staff updated the Commercial Linkage Fee Ordinance, and the City Council adopted the revisions in November 2017The 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.			
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.	H-2.6, H-2.8	Update List Annually	The City maintains a list of housing advocates and provides information regarding affordable housing projects and opportunitiesThe 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.	Retain program. Modify to include a meeting with affordable housing advocates and property managers to create a referral program and increased information on the City's website.		
H-2.G. Community Housing Forums The City shall collaborate 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 multifamily housing, affordable housing, and supportive housing.	H-2.6	FY 2015–16 and annually thereafter	City staff is an active participant in the local Community Task Force on Homelessness (composed of City staff, police department, county departments, local businesses, and community partners), which discusses homeless issues, including challenges, successes, and the emergent needs of the homeless, and how to address those needsIn 2018, January of 2020, and in November of 2020 the Taskforce and City hosted a Community Homeless Forum that was attended by over 100 residents and	Retain program <u>.</u> Modify to utilize the public information campaign to educate and engage the community on affordable housing and homelessness issues, including community meetings and events.		

Program No	ame and Description	Policies			
		Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
				interested citizensAll three forums were recorded and can be found at YouTube here: https://www.youtube.com/watch?v=Fuu52 sy5lpg, here:	
				https://www.youtube.com/watch?v=wfy- DNOw_qE, and here: https://www.youtube.com/watch?v=Hc7J wH4Fkec	
				As an action item toward 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. In 2018, presentations were given to the City Council, the Civic Affairs Committee, and the Contra Costa Mayor's	

5 TH HOU	SING ELEM <u>ENT</u>	PLANNING	CYCLE (2015–2023)	
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
			Housing Week by hosting a panel discussion event to educate the community about the impacts of high housing costs on the local economy, residents, schools, public health, and transportation, and St. Paul's Common's held its groundbreaking event during affordable housing week as well <u>.</u> 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 participates in the East Bay Organizations' 2018 Affordable Housing Week_In 2019, the City continued the outreach and education campaign by tabling at three local events to provide information and resources to the community, and by presenting at two local community groups.	
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.	H-2.1, H-2.3	Allocate Funding Annually	The one mortgage revenue bond that generated revenues was paid off early and is no longer generating revenues.	Program completed No further action necessary.
H-2.1. 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. Goal of 30 Credits over 8-year cycle	H-2.3, H-2.9	Ongoing Promotion of the MCC program via website and brochure	The City has links to the MCC program on its website.	Retain program <u>.</u>

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Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
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 ProgramGoal of 40 loans over the 8-year cycle	H-2.3	Ongoing	The City continues to administer the First Time Homebuyer Assistance programFor several years, the program had been underutilized due to the widening affordability gap in ownership housing. 2018 showed the beginning of a shift with two loans approvedSome of this may be attributed to a softening in the market, though more likely it is lenders getting more skilled at finding the right fit for the programThe City retains and updates a list of participating and interested lenders and trained several new lenders in 2018 and 2019 to participate in the programThe City provided five loans between 2019 and 2021The program is still in high demand, but the housing prices are too far out of reach for most moderate-income homebuyers, even with City subsidy.	Retain program <u>.</u> Modify to research the feasibility of increasing the funding limit for each loan.
H-2.K. HOA Helper Grant Program In partnership with the Contra Costa Association of Realtors, the City shall continue to offer eligible new first-time homebuyers grants to cover a portion of their homeowners association dues. Goal of 20 grants over the 8-year cycle	H-2.3, H-2.9	Ongoing	In 2015, the HOA Helper grant was fully expended and the Contra Costa Association of Realtors is not able to renew for another year. The City will continue to seek opportunities to partner with the Contra Costa Association of Realtors for future programs.	Remove program <u>.</u> Program lacks funding.
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. Goal of assisting 300 extremely low- and very low-income households.	H-2.3, H2.9	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 fair market rents 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	Retain program <u>.</u> Modify make an effort to enlist other jurisdictions to work together in providing a study that shows the underestimation of market rate rents in

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
			to do a market rent study, the results of which helped to increase the HUD's fair market rents determinationHowever, the waitlist for housing choice vouchers continues to be long, and recipients still have challenges finding units affordable enough to use the programThe fair market rents published by HUD in 2018 were also substantially below actual market values and another region-wide rent study may be conducted.	the County to increase voucher amounts.	
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. Goal of 50 low- and very low- income units.	H-2.1, H-2.3, H- 4.1	Ongoing	The City continues to implement the Density Bonus Ordinance by allowing density bonuses and concessions/incentives consistent with State lawIn 2018 the City approved one density bonus project, a multifamily rental project at 1910 North Main Street1910 North Main Street is providing 11% affordable to very low- income and received a 35% density bonus and several concessions/waiversIn 2021, the City approved a density bonus project: a 100% affordable rental project at 699 Ygnacio Valley Road. In 2018, the City hired Metropolitan Planning Group to prepare an update to the City's Zoning Ordinance in order to address changes in State law related to density bonus and also explore a local density bonus program in addition to the State mandateThe City/consultant completed the community outreach (with	Retain program <u>.</u> Modify to increase education and promotion for City staff to increase planning approval efficiencies.	

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Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
			session with Planning Commission in 2018. A study session was held in July of 2019. The City Council provided feedback on local policy considerations including increased bonuses for higher affordability, incentives for smaller unit sizes, and pre-approved concessions and incentives. The Density Bonus Ordinance update was expected to be completed in 2020 but was delayed after the COVID related shelter in place.	
			Also in 2018, City staff gave a presentation on density bonus to the Developers Forum, a monthly informational forum for local developers (commercial and residential) that is hosted by the City.	
			In 2019, the City continued to educate itself on new changes to density bonus law and is currently processing several density bonus applications. In 2020, even more changes to density bonus law occurred, and staff is quickly getting up to speed. More developers are opting to engage in density bonus as a mechanism for increasing	
			density and accessing incentives/concessions and waiversThe City created a Density Bonus Application as a supplemental form to the Planning Application.	
H-2.N. Legislative Advocacy for Affordable Housing The City shall continue to actively advocate for additional financial resources for affordable housing	H-2.1, H-2.3	Ongoing	The City continues to actively advocate for additional financial resources for affordable housing as legislation that supports	Retain program.

5 [™] HOI	5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
as legislation that supports affordable housing advances through the state or federal legislature.			affordable housing advances through the Legislature or Congress. In 2017, the City sent a letter in support of several of the State housing bills and provided support and feedback on several bills in 2018 and 2019. They City Council remained engaged with housing legislation in 2020 through the pandemic. One area of focus was funding for emergency rental assistance and homeless prevention made available through the State as part of the Coronavirus relief package. The City also established a staff level legislative committee that is composed of Housing and Planning staff and is tasked with tracking and researching new legislation and ensuring local compliance with all new State laws.			
			In 2019, staff did substantial prep work to be able to effectively comply with new State laws, particularly the Housing Crisis Act, changes in Density Bonus Law, and the updated to the ADU legislation.			
			Additionally, in 2019 the City applied for the SB2 Planning Grant, and for the Local Early Action Planning, Permanent Local Housing Allocation, and the Local Housing Trust Fund Matching Grant 2020Projects under all three grants are moving forwardIn 2021, the City was awarded REAP funds for			

5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
			professional services for the Housing Element Update.		
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 CountyThe 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.	H-2.9	Ongoing	The City continues to participate in the Contra Costa County CDBG and HOME Consortiums and maintains a close working relationship with County Housing staffThe 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 2016The 42-unit affordable Habitat project is now fully entitled, has obtained site development, and is working toward building permit.	Retain program <u>.</u> Modify to include a feasibility discussion for an inter- jurisdictional affordable housing program.	
 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: Requiring replacement housing for all units affordable to lower income renters that are removed or converted to non-residential use; Increasing the relocation assistance to 	H-2.1, H-2.3, H- 2.7, H-2.10	Strategies to be developed FY 2014–2015	During the planning process for the West Downtown Specific Plan, a range of potential anti-displacement strategies were considered, including with several recommended for future pilot programs. The Specific Plan was adopted on September 4, 2018, and provisions for increased displacement assistance for tenants in the Plan Area were included in a subsequent amendment to the Walnut Creek Building Regulations that were adopted in 2019. The legislation that was passed in 2019	Program completed. No further action requiredCreate a new program that generally addresses displacement in the City.	
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			increased the anti-displacement strategies by implementing broader replacement requirements, which staff is currently in compliance with.		

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)				
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
Act, or comparable levels of assistance, which would allow displaced residents to continue to live in Walnut Creek;				
 Encouraging or requiring developers to dedicate land in the West Downtown Specific Plan area for affordable housing development; and 				
 Increasing the City's housing impact fee, commercial linkage fee, and inclusionary requirement. 				
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.	H-2.1	Ongoing	The City of Walnut Creek is acting as both Successor Agency and Housing Successor Agency for the former Redevelopment Development AgencyThe City continues to carry out the responsibilities and obligations for the former redevelopment agency.	Remove program <u>.</u> This is a routine function.
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 benefitsThe City shall consult with members of the nonprofit and private sectors in conducting the study.	H-2.7	FY 2014–15	In early 2021, the City adopted a Community Benefits Plan for the West and North Downtown Specific Plan areas which grants additional height, density, and floor area in exchange for developer-provided community benefits, and staff is aware of at least one developer who intends to submit a community benefits application soon for a project that will also take advantage of the city and State affordable housing density bonus regulations.	Program completed <u>.</u> No further action required.
H-2.S. Analyze Boomerang Funds The City shall conduct an analysis of funds received as part of a onetime distribution of liquidated Low- Moderate-income Housing Trust Funds of the former Redevelopment Agency (aka "Boomerang funds")	H-2.7	FY 2014–15	Because the City's Redevelopment Areas were winding down at the time of the dissolution, any potential boomerang funds would have been minimal.	Program completed <u>.</u> No further action required.

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
and consider options for allocating a portion of the Boomerang Funds for the development of affordable housing.					
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.	Н-2.9	Ongoing	The City participates in the local Community Task Force on Homelessness (composed of city staff, police department, county departments, local businesses, and community partners), which discusses homeless issues, including challenges, successes, 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. The City Manager's from Concord, Martinez, Pleasant Hill, and Walnut Creek have also formed a working team to address common issues, such as homelessness. The City of Walnut Creek and the City of Concord collaborated on the contracting of a designated homeless outreach team, the CORE. The CORE team worked full time and is split between the two jurisdictions. In FY 2021–22 and FY 2022– 23, the City had its own dedicated CORE team. The City of Walnut Creek is also a member of the Contra Costa Consortium, which includes the entitlement jurisdictions of	Retain program <u>.</u> Modify to add CORE program in formation on the City's website.	

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Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
			Walnut Creek, Concord, Pittsburg, Antioch, and the Urban CountyThe Consortium works together to identify regional priorities for CDBG funding and has a streamlined cohesive process for joint funding applications, reporting, and monitoring. The Consortium meets quarterly to discuss issues related to the implementation of CDBG, HOME, and regional issues such as homelessness, affordable housing, tenant/landlord services, etc.			
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).	H-2.3	FY 2016–17	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 deadlineAnd later, staff streamlined a funding request for St. Paul's Commons in order to meet the 9% tax credit application deadlineThe City also worked to expedite permitting for the development of Riviera Family Apartments and St. Paul's Commons, as well as the Las Juntas ProjectBoth Riviera Family Apartments and St. Paul's Commons are completed and fully occupied.	Retain program <u>.</u> Modify to specifically prioritize special needs populations.		
			As part of the City's "Blueprint for Success" process, the City is actively piloting strategies for priority review and permitting			

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
			for affordable housing developments. Through the SB2 Planning Grant, the City is approved to hire a consultant to create a formal policy for expedited review and permitting of affordable housing. This is expected to be complete no later than December 2023.		
			In 2020, the City received an SB35 development application for a 97-unit mixed-use affordable projectThe City worked closely with the developer to streamline the project pursuant SB35 and to meet aggressive timelines for State funding sourcesIn 2021, the project received its entitlement through SB35.		
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	H-2.1	FY 2015–16	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.	Program completed <u>.</u> No further action required <u>.</u>	
parks, libraries, grocery stores, schools).			The 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.		
			Compatibility against LIHTC criteria is one component of the adequate sites inventoryOther key considerations will		

5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)				
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
			influence whether development takes place at all or whether development that moves forward is affordable. The following were some concerns raised by the reviewer:	
			 All but four of the sites identified are smaller parcels with different owners. 	
			 There are currently existing uses on the identified sites. 	
			 Lack of affordable housing protections for opportunity sites. 	
GOAL H-3: SPECIAL NEEDS HOUSING				
H-3.A. Funding to Assist the Homeless and Special Needs Housing The City shall continue to provide CDBG and Community Service Grants 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 nonprofits 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.	Н-3.1, Н-3.3	Allocate Funding Annually	On July 5, 2017, the City Council approved a new "Homeless Services Fund" to supplement CDBG and Community Service GrantsThe Homeless Services Fund receives \$200,000 annually from the City's General Fund, and in 2017 and 2018 it was used to fund a temporary, overnight Winter Shelter program for the homeless at the local Armory as well as a second CORE homeless outreach team shared with the City of ConcordThe emergency shelter ran from in December 2017 to March 2018 and again from December 2018 to March 2019The City also provided CDBG and Community Service Grants 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	Retain program <u>.</u> Modify to include direct funding information to local organizations providing services, as well as application for grants and a requirement for reasonable accommodations

5 [™] HC	5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
			Emergency Shelter, and Contra Costa County's CORE homeless outreach program.			
			In 2019, the City provided seed funding to pilot a new Safe Parking Program that is operated by Trinity Center at a local church parking lotThe Homeless Services Fund also provided one-time funding for tenant improvements at the new Trinity Center (homeless service center).			
			As mentioned above, both St. Paul's Commons and Riviera Family Apartments received HOME and HOPWA funds <u>.</u> Another affordable project that was recently entitled, Habitat for Humanity at 1250 Las Juntas (42 units) also received a HOME funding award in 2020 <u>.</u> (Riviera Family Apartments was completed in 2018, and St. Paul's was completed in 2019) <u>.</u>			
			Through CDBG Coronavirus funds (round 1 and 2) the City provided additional support to homeless services providers to address cost increases related to COVID protocols and ensure that homeless residents had access to PPE and hotel rooms when congregate shelters significantly reduced capacity.			
H-3.B. Public Outreach to Increase Awareness of Homeless Issues The City shall work with nonprofits and service	H-2.6	Publish First Article in FY 2014–2015	In 2017, the City Council did education and outreach on housing affordability and the affordable housing crisis as one of their four	Retain program <u>.</u> Modify to include community group		

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Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
providers that serve the homeless to conduct a public outreach campaign to increase awareness of homeless issues in Walnut CreekThe 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.			prioritiesStaff developed a public information and outreach campaign, including online materials, in-person presentations to community groups, and surveys on public attitudesThe City's Nutshell newsletter featured an in-depth story on the housing crisis and homelessness in the Winter 2017 issueIn 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 wellThe City and Trinity Center did outreach and held community meetings in addition to the regular public meetingsAs part of the management agreement for the shelter, the City convened an Ad-Hoc Advisory Committee, composed of shelter staff and neighboring residents to create a forum for discussion issues and solutions related to the shelter operations.	presentations and social media advertising.
			The City regularly provides updates and information on affordable housing through the quarterly newsletterDuring the pandemic, the City was proactive in getting information out to the community on new tenant protections and State and county eviction moratoriumsAdditionally, information is regularly updated on the City's website with resources for renters and homeowners in need of affordable housing or struggling to make their housing	

5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
			payments after losing income related to COVID.		
H-3.C. Coordinate to Update the Consolidated Plan The City shall coordinate with the County and other entitlement cities to develop the 5-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.	Н-2.9, Н-3.3	2020 and 2025	The City worked with the Contra Costa Consortium to complete the 2020–2025 Consolidated PlanStarting in 2018, the Contra Costa Consortium began the public outreach for the 2020–2025 Consolidated PlanThe process continued through 2019, and the plan was approved in May 2020 and is currently being implemented.	Program completed. No further action necessaryFuture updates will occur as required for continued program eligibility.	
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.	H-3.6	Allocate Funding Annually	The City continues to fund ECHO Housing to provide tenant landlord and fair housing services to Walnut Creek residentsThe 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 seniorsWith the CDBG Coronavirus funds, additional funds were given to ECHO Housing to provide direct legal representation.	Retain program <u>.</u> Modify to include funding of fair housing organizations that serve seniors	
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. Goal of 40 units of permanent supportive housing.	H-3.1, H-3.3	Ongoing	In 2018, the City approved an additional \$500,000 for Resources for Community Development for St. Paul's Commons, a 45- unit affordable housing project currently under construction on St. Paul's property in Walnut CreekCombined with the funding awards from 2015, 2016 and 2017, St. Paul's Commons has received a total of \$5.5 million from the CityThe project received certificates of occupancy for two units in December of 2019, with the remaining units receiving certificates of occupancy in early	Program completed <u>.</u> No further action necessary.	

5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
			2020The grand opening event was held in the summer of 2020.		
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 disabilitiesThe City shall support applications for county, state, and federal funding in support of housing construction and rehabilitation for persons with disabilities, including developmental disabilities.	H-3.5	Initiate in FY 2014–15, 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 disabilitiesThe project also provides on-site services to support the independence of people with disabilitiesArboleda's grand opening was in May of 2015 and is fully leased upAdditionally, St. Paul's Commons has 14 units set aside for residents with special needs.	Retain program <u>.</u> Modify to include support for developers to apply for State, federal, and local funding.	
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.	H-3.5	FY 2015–16	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 resources and referrals online for persons with disabilities.	Retain program <u>.</u> Modify to include a discussion to implement a case management/referral program	
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.	H-3.1	FY 2016–17	The City is working to incentivize larger units with more bedrooms through its Density Bonus Ordinance.	Retain program <u>.</u> Modify to amend the Density Bonus Ordinance to incentivize larger units.	
GOAL H-4: REMOVING GOVERNMENTAL CONSTRA					
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 inventoryFor 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	H-4.4, H-1.4	Ongoing	Riviera Family Apartments, a 58-unit affordable project consisting of two separate multifamily 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	Continue Program. With adoption of new zoning regulations and posting of information on the City's website this program is complete.	

5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
affordable to lower-income householdsThe City will also post the lot consolidation procedure on the City website and discuss the procedure with developers during the preliminary review team processLot merger requests in the same zoning district will be processed ministerially incentives offered for lot consolidation could include allowing higher FAR ratios in MUR and Mixed- Use Commercial zones for larger parcels once consolidated, and flexibility in development standards.			ground in late 2016 and completed construction in 2018. The City's lot merger procedures and application are available on the website. In 2016, the City adopted new zoning regulations for Mixed- Use Commercial and Mixed- Use Residential General Plan land use classifications, including higher FAR ratios for larger parcels which will encouraging lot consolidationHowever, in 2021, the City amended these regulations to allow the same FAR and density, regardless of the size of the lot, so as not to discourage the redevelopment of smaller lots under individual ownershipHowever, in most cases, market forces related to the reduced per-unit costs for larger projects resulting from economies of scale will still	Continued implementation of the regulations occurs through permit processing, which is a routine function <u>.</u>	
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. GOAL H-5: HOUSING PRESERVATION	H-4.1, H-1.4	Ongoing	encourage the consolidation of small lots. No transit priority projects have been submitted.	Retain program.	
H-5.A. Residential Rehabilitation Loan and Emergency Grant Program The City shall continue the residential Rehabilitation	H-5.1	Ongoing	The City is continuing to administer the Home Rehabilitation Loan and Emergency Grant ProgramThe City has updated the	Retain program <u>.</u> Modify to add provision of	

5 [™] HOU	5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
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. Goal of 50 low- and moderate- income households over 8-year cycle.			Home Rehabilitation Loan Program that partners with Habitat for Humanity to administer new rehabilitation loans beginning December 2017 instead of partnering with Contra Costa CountyIn 2018 three emergency grants were processed and several loans/grants were underwayIn 2019, four grants were completedIn 2020, one grant and one loan were in progressIn 2021, one grant was complete with multiple loans/grants underway.	information via the City's website.		
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 residentsGoal of 40 households over 8-year cycle.	H-5.1	Ongoing	The City continues to fund ECHO Housing, a nonprofit housing counseling agency that provides assistance to Walnut Creek residentsThe City also funds Senior Legal Services, a nonprofit that provides legal services to low-income seniors.	Retain program.		
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.	H-5.1, H-5.4	FY 2015–16	No action in 2021	Program removed <u>.</u> No revisions were made.		
H-5.D. Code Enforcement The City shall continue to investigate complaints and take action about Building and Housing Code Violations in single- and multifamily rental housing to encourage the rehabilitation of substandard residential properties by homeowners and landlords and improve overall housing quality and conditions in the City.	H-5.1	Ongoing	The City continues to investigate complaints and take action on Building and Housing Code Violations in single and multifamily rental housing.	Retain program.		

5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation	
GOAL H-6: FAIR HOUSING		•			
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.	Н-6.1, Н-6.2	Allocate Funding Annually	The City continues to fund ECHO Housing, a nonprofit housing counseling agency to provide fair housing services to Walnut Creek residentsECHO Housing conducts trainings and public awareness events throughout the CountyThe City has flyers available at City Hall, and information on the City's website regarding fair housing servicesA Housing Counselor is available once a week to meet with residents, particularly seniors, at the Walnut Creek Senior CenterECHO conducts annual fair housing audits in Walnut Creek.	Retain program.	
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. As part of the annual Housing Element review, the City will review and report on implementation of the Contra Costa Consortium's Analysis of Impediments to Fair Housing Choice.	H-6.1	Implement consistent with HUD requiremen ts	The City continues to implement the recommendations outlined in the Analysis of Impediments to Fair Housing ChoiceIn collaboration with the Contra Costa Consortium, a new Analysis of Impediments to Fair Housing Choice was conducted and submitted to HUD in August 2019.	Retain program.	
GOAL H-7: ENERGY CONSERVATION, SUSTAINABLE	DEVELOPMENT,	AND ENVIRO	NMENTAL MITIGATION		
H-7.A. Residential Energy Conservation Program The City shall implement the Climate Action Plan to reduce energy consumption in residential buildings.	H-7.1	Ongoing	The City has a staff person (0.5 full time employees) devoted to implementing the Climate Action PlanThe City promoted the California Youth Energy Services program in 2018, which resulted in 64 apartment units and four homes receiving no-cost energy and water efficiency assessments; having energy and water saving equipment like LEDs and low-flow showerheads installedUsing repurposed	Retain program.	

5 [™] HC	5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
			EECBG federal funds, the City funded an energy efficiency program called Walnut Creek Saves through May 2018This was a community program designed to save residents' energy and water while lowering utility billsFrom February 2017-May 2018, the program served 246 residents, saving an estimated 85,149 kWh101 residents were served in 2018.			
			In 2019, the City promoted the regional Bay Area Regional Energy Network (BayREN) Home + energy efficiency program for residents, hosting a workshop on November 12, 2019, with more than 70 people attending. With grant funding from the Bay Area Air Quality Management District, the City (in collaboration with Contra Costa County, the Cities of Antioch and San Pablo, and local nonprofit Sustainable Contra Costa) also launched an online platform for residents called the Cleaner Contra Costa Challenge, which promotes energy efficiency measures and other greenhouse gas reducing actions.			
			In 2020, the City continued promoting the regional BayREN and other utility energy efficiency programs for residents, including online virtual workshopsThe City promoted Rising Sun Center for Opportunity's energy and water efficiency kitsThe City also continued promoting the Cleaner Contra			

	5 [™] HOUSING ELEMENT PLANNING CYCLE (2015–2023)					
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation		
			Costa Challenge, which includes energy efficiency actionsThroughout 2020, the City worked on an update to its Climate Action Plan, which is expected to be adopted <u>by mid-2023in 2021</u> .			
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 BayRENGoal of providing loans to four households.	H-7.1	Ongoing	The City shares information on Energy Upgrade California and BayREN programs on its website (www.walnut-creek.org/eco), its e-newsletter, social media, workshops, and the Nutshell newsletter_In 2017, the City hosted a contractor training for the programIn 2019, the City hosted a homeowner workshop for the BayREN Home+ residential programIn 2020, the City promoted online workshops hosted by BayREN's residential energy efficiency program.	Retain program.		
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.	H-7.1	Ongoing	The City shares information on Energy Upgrade California and the BayREN programs on its website (www.walnut- creek.org/eco), its e-newsletter, social media, workshops, and the Nutshell newsletter.	Retain program <u>.</u> Modify to include promotion and education via social media, the City's website, etc.		
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, PG&E, and the Contra Costa Water District to educate residents and business owners about resources and opportunities for increased energy efficienciesThe City will further develop the City's sustainability website to help inform and educate the community about energy efficient behavioral changes, maintenance	H-7.1	Ongoing	The City shares information Energy Upgrade California and BayREN programs, behavioral change, financing/rebates, and more through its website (www.walnut- creek.org/eco), its E.C.O. e-newsletter, social media, workshops, tabling at community events such as Earth Day, and in the City's newsletter - the NutshellIn 2019, the City updated its sustainability website to make it easier to navigate and find program information. In addition to	Retain program <u>.</u> Modify to include the publishing of this information on the menu of incentives for developers.		

 Table 5-2. 5th Cycle Program Accomplishments

5™ HOL	JSING ELEMENT	PLANNING	G CYCLE (2015–2023)	
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation
practices, and more, and develop public service announcements through Walnut Creek Television, promoting energy efficiency practices in action.			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. With grant funding from the Bay Area Air Quality Management District, the City (in collaboration with Contra Costa County, the Cities of Antioch and San Pablo, and local nonprofit Sustainable Contra Costa) also launched an online platform for residents called the Cleaner Contra Costa Challenge, which promotes energy efficiency behaviors and programs, water saving programs, and other greenhouse gas reducing measures. In 2019, the City created a public service announcement for Earth Day and promoted the Cleaner Contra Costa Challenge through social media and Walnut Creek Television. In 2020, the City continued sharing information through City channels and continued to promote the Cleaner Contra Costa Challenge through online workshops and online media.	
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.	H-7.1, H-7.2	Adopt Tier 1 by 2014 and Tier 2 by 2017	Tier 1 of CALGreen was adopted during 2019 Building Codes adoption process with more restrictive amendments on EV charger requirements. The City also adopted additional green-building standards as local amendments to the	Program complete <u>.</u> Building Code implementation is a routine function and additional sustainability

Chapter 5. Housing Accomplishments (2015–2023)

 Table 5-2. 5th Cycle Program Accomplishments

5 [™] HOU	5 TH HOUSING ELEMENT PLANNING CYCLE (2015–2023)									
Program Name and Description	Policies Implemented	Timeline	Progress and Continued Appropriateness	Recommendation						
			CALGreen codes in 2022Collectively, the amendments require fully operational EV chargers to be installed for new multifamily buildings, hotels, and commercial buildings, and allowing options for affordable housing projects to opt out and just follow the State baseline code requirements.	measures are addressed through the City's Sustainability Action Plan.						
Goal H-8: Administration And Implementation	-									
H-8.A. Annual Progress Report		Annually	The latest annual report went to the City	Retain program.						
The City shall review and report annually on the		before April	Council and was accepted by Council at a							
implementation of Housing Element programs and		1	public meeting on March 15, 2022.							
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 HCD and the Office of Planning and Research.										

Chapter 5. Housing Accomplishments (2015–2023)

		Quantified	Objectives		Progress					
Program Types	Extremely Low	Very Low	Low	Moderate	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
New Construction	50	125	125	200	9	9	30	74	1,798	2,001
Rehabilitation	0	0	50	15	3	7	72	42	0	124
Preservation (At-Risk Housing)	0	0	0	0	0	0	0	0	0	0
Rental Assistance (Section 8)	0	350	0	0	23	47	0	0	0	70
Homeowner Assistance	0	0	15	40	0	2	6	13	0	21
Total	50	475	190	255	18	31	108	129	1,798	2,216

Table 5-3. Progress in Achieving Quantified Objectives 2015–2023

2023–2031 Housing Element

Chapter 5. Housing Accomplishments (2015–2023)

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6 HOUSING RESOURCES AND OPPORTUNITIES

This chapter provides an overview of the financial resources available to support implementation of the City of Walnut Creek's (City or Walnut Creek) housing policies and programs. More specifically, the various types of federal, State, and local financial programs that are potentially available to assist the City in fulfilling its housing need, particularly the affordable housing need (as determined by the Regional Housing Needs Allocation [RHNA]), are presented below. The grants, loans, financing tools and programs represent publicly funded tools to support the development, rehabilitation, and preservation of housing.

6.1 Identification of Adequate Sites for Future Housing Needs

State law requires that jurisdictions provide an adequate number of sites to allow for and facilitate the production of their regional share of housing. To determine whether a jurisdiction has sufficient land to accommodate its share of regional housing needs for all income groups, that jurisdiction must identify "adequate sites." Under State law (California Government Code, Section 65583(c)(1)), adequate sites are those with appropriate zoning and development standards with services and facilities already in place needed to facilitate and encourage the development of a variety of housing for all income levels.

6.1.1 Regional Housing Targets

Table 6-1. 6th Cycle Regional Housing Needs Allocation (2023–2031), shows the 6th Cycle RHNA for the City, as determined by the Association of Bay Area Governments, for the 8-year period (2023–2031).

	501/
Income Category	Dwelling Units
Extremely Low/Very Low-income (0–50% AMI)	1,657
Low-income (51–80% AMI)	954
Moderate-income (80–120% AMI)	890
Above Moderate-income (Above 120% AMI)	2,304
Total	5,805

Table 6-1. 6TH Cycle Regional Housing Needs Allocation (2023–2031)

Housing element law does not require the City to ensure that the number of dwelling units identified in the RHNA is built within the Planning Period. However, the law requires that the City provide an inventory of land suitably zoned and with available infrastructure and utilities to meet that need. California Government Code, Section 65583.2(c)(3)(B), specifies that a minimum density of 30 units

per acre is necessary to meet the City's low- and very low-income housing needs. Additionally, California Government Code, Section 65583.2(c)(4)(A) requires housing elements due after January 1, 2022 (for metropolitan and suburban jurisdictions) to allocate 25% of their RHNA numbers for moderate- and above moderate-income housing to sites with zoning that allows at least four units of housing, with moderate-income sites being capped at a density of 100 units per acre (effective as of January 1, 2021).

6.2 Financial Resources

The majority of public financial resources for housing are focused on the production of affordable housing. While the need for affordable housing is significant across California, neither the State nor federal governments allocate sufficient funding subsidies for the number of affordable units required by RHNA. Furthermore, public subsidies are rarely sufficient to fully fund an individual affordable housing project.

A variety of funding sources in the form of grants or loans through the federal government exist to support housing. They range from annual allocations of formula-entitled grants to vouchers and competitive funding programs. The programs and resources in this chapter represent available funding sources used by the City to date as applicable. It is important to note that the City has pursued multiple grants and other State and federal funding over the last 8 years. More specifically, the City is pursuing or has completed the action listed below using available funding sources. A description of the funding sources is provided later in this chapter.

- Riviera Family Apartments, a 58-unit affordable project that completed construction in 2018, successfully competed for Affordable Housing and Sustainable Communities funding, HOME Investment Partnerships Program funds, and Housing Opportunities for Persons with AIDS funds. The City's initial commitment for acquisition of the two sites was critical in the project's competitiveness for all three sources.
- St. Paul's Commons (45 units of affordable housing) under construction in 2018 (but completed in late 2019) and is also funded with HOME and Housing Opportunities for Persons with AIDS funds, as well as Affordable Housing Program and Community Development Block Grant (CDBG).
- Community Development Department staff receive email notification of upcoming State and federal grant opportunities.
- In 2019, the City applied for the Senate Bill 2 Planning Grant to fund pre-designed Accessory Dwelling Units (ADU) that the public can access to reduce cost and time in permitting, and the development of a local policy to expedite affordable housing.

- The City will also use Senate Bill 2 funds for the development of policies to expedite affordable housing in early 2023.
- The City applied for and was awarded both the Local Early Action Planning and Permanent Local Housing Allocation (PLHA) grants in 2020. The Local Early Action Planning funds will support two projects: Objective Design Standards (currently underway) and a parking study. PLHA funding will support ongoing homeless prevention and emergency housing.
- In 2020, the City submitted a grant application to the State Local Housing Trust Fund Matching Grant program and was awarded \$2 million to support the development of 97 affordable units on Ygnacio Valley Road.
- In 2021, the City Council approved a resolution supporting the Affordable Housing and Sustainable Communities application for 699 Ygnacio Valley Road.

6.2.1 Federal Funding Sources

Current federal funding sources available for affordable housing (including special needs populations) and homelessness solutions are presented in this chapter.

6.2.1.1 U.S. Department of Housing and Urban Development Entitlement Funding

In 2020, a consortium of jurisdictions (Walnut Creek, Antioch, Concord, Pittsburg, and Contra Costa County) prepared the 2020–2025 Consortium Consolidated Plan (Consolidated Plan) as required to receive CDBG, Emergency Solutions Grant, and HOME grant funds from the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan provides HUD with a comprehensive assessment of the City's housing and community development needs and outlines the City's priorities, objectives, and strategies for the investment of CDBG, Emergency Solutions Grant, and HOME funds to address these needs over the next 5 years, beginning July 1, 2020, and ending June 30, 2025.

According to the Contra Costa FY 2021/22 Action Plan of the Consolidated Plan, HOME funds are typically provided as low-interest deferred residual receipt loans (multifamily housing), deferred shared appreciation loans (single-family housing), and small grants (specific project related program delivery).

The City receives CDBG funds from HUD on a formula basis each year and, in turn, awards grants and loans to nonprofit or public organizations for programs and projects in furtherance of the Consolidated Plan. These programs provide for a range of eligible activities to address the needs of the City's residents, as discussed below.

For the Consolidated Plan period (2020–2025), the City anticipates that approximately \$24.1 million will be available for local affordable housing programs, community services, and economic development, including \$1.8 million of federal resources. The City will have an estimated \$16 million in the Local Housing Trust Fund, composed of housing in-lieu fees and commercial linkage fees along with an anticipated matching grant through the State of California. A total of \$3.3 million in General Fund is anticipated to fund program administration and three local grant programs (Community Services Grant, Homeless Services, and School Crisis Counselor grant programs). Additional resources will be available through the Housing Successor Agency, and additional State grants, such as the PLHA.

Annual CDBG funding amount received by the City ranges from \$240,000 to \$340,000. The City supplements the public service portion of the CDBG program with \$100,000 from the General Fund, and an additional \$70,000 for homeless service activities. The City utilizes these funds to support a variety of housing projects and programs including maintaining and preserving affordable housing, services for homeless, and fair housing.

Housing Opportunities for People with AIDS

Housing Opportunities for Persons with AIDS provides housing assistance and related supportive services for low-income people living with HIV/AIDS and their families. Housing Opportunities for Persons with AIDS funds may be used for a range of housing, social services, program planning, and development costs, including but not limited to the acquisition, rehabilitation, or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. To date, the City has not received funding from this source, as it is not eligible to receive funding.

Section 108 Loan Guarantee Program

The Section 108 Loan Guarantee Program is the loan guarantee provision of the CDBG program. This provision provides communities with a source of financing for various housing and economic development activities. Rules and requirements of the CDBG program apply, and therefore, projects and activities must principally benefit low- to moderate-income people, aid in the elimination or prevention of blight, and/or meet urgent needs of the community.

To date, this loan has not been necessary to provide funding for the City's community development objectives, but this could change in future years.

Section 8 Housing Choice Voucher Program

The federal Section 8 Housing Choice Voucher Program provides rental subsidies to extremely low- and very low-income households, including families, seniors, and people with disabilities. The Housing Authority of the County of Contra Costa oversees and administers the Section 8

Housing Choice Voucher Program for participating jurisdictions, including the City. As of June 30, 2022, the Housing Authority of the County of Contra Costa distributed 340 vouchers to City households. The Housing Authority of the County of Contra Costa monitors all units to ensure they are in acceptable condition and meet the Section 8 Housing Choice Voucher Program Housing Quality Standards.

In the past, utilization of Housing Choice Vouchers in Walnut Creek became increasingly difficult due to the vast discrepancy of market rate housing costs and HUD's fair market rents 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 fair market rents 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. The Fair Market Rents published by HUD in 2018 were also substantially below actual market values and another region-wide rent study may be conducted.

6.2.2 State Funding Sources

The funding currently and historically available through the California Housing and Community Development and the California Tax Credit Allocation Committee (TCAC) is presented in this chapter. While it is unknown what State funding will be available after next year, it is expected that the State will provide funding for projects for unhoused and lower-income households given the housing crisis.

In January 2022, the State's FY 2022–2023 budget proposal included the following:

- <u>Homelessness Package</u> \$2 billion in one-time General Fund over 2 years intended to address near-term homelessness needs. Specifically, the budget proposes \$1.5 billion to the Department of Health Care Services' Behavioral Health Continuum Infrastructure Program for housing support for people with behavioral health needs and \$500 million for the Encampment Resolution Grants Program in 2022-23 administered by the California Interagency Council on Homelessness to provide targeted grants to local governments to rehouse individuals living in encampments.
- <u>Housing Development</u> Package (expands existing programs) \$1 billion in one-time General Fund over 2 years to expand housing development with \$500 million for infill housing development, \$300 million for the Affordable Housing and Sustainable Communities Program, \$100 million to build housing on excess State sites, and \$100 million to repurpose existing commercial buildings for housing.
- <u>Affordable Housing Package (expands existing State programs)</u> \$1 billion in one-time General Fund over 2 years for affordable housing development with \$500 million for tax credits to builders of rental housing affordable to low-income households, \$200 million for

mixed-income housing, \$200 million to preserve affordable housing units, and \$100 million to preserve affordable mobile homes.

- The portion of funding the City may receive from these sources is unknown because of the highly competitive process to receive an award, but the City will track and pursue all available funding sources for affordable housing during the 2023–2031 6th Cycle Planning Period.
- The programs below are existing and historical State funding sources that are anticipated to continue during the next 8-year period.

6.2.2.1 Low-Income Housing Tax Credits (Federally Funded/Mostly State Administered)

TCAC administers the federally funded LIHTC program to encourage private investment in affordable rental housing for households meeting certain income requirements. Credits are available for new construction projects or existing properties undergoing rehabilitation. Two types of federal tax credits administered by the State are available and are generally referred to as 9% and 4% credits, respectively. Each number refers to the approximate percentage that is multiplied against a project's requested "qualified basis" to determine the amount of annual federal credits TCAC will award the project.

According to the TCAC 2020 Annual Report, \$748 million in 9% tax credits were awarded to affordable housing projects.__Because 9% credits provide for a larger source of funding, this source is competitive, and awards are made twice per year.__Additionally, TCAC awarded \$504 million in 4% tax credits in 2020.

It is important to note that with the increased focus on homelessness, and increased funding to address the rising annual point-in-time counts of people experiencing homelessness each year, permanent supportive housing projects have increased substantially throughout the State. These projects typically serve the deepest level of affordability for extremely low-income households earning at or below 30% of Area Median Income (AMI). As a result of the increase in tax credit applications for permanent supportive housing, all tax credits (9% and 4%) have become increasingly competitive. The trend observed over the last year indicates that an award of 9% tax credits is not feasible for projects that do not include some component of permanent supportive housing. Thus, projects focused on low-income units or a mix of very low- and low-income units are now applying for 4% tax credits, which represent significantly less funding. Overall, the demand for this significant funding source critical to the development of lower-income housing greatly outweighs the supply of funding, which makes the development of affordable housing more challenging.

6.2.2.2 Affordable Housing and Sustainable Communities Program

The Affordable Housing and Sustainable Communities Program funds land use, housing, transportation, and land preservation projects that support infill, compact development, and reduce Greenhouse Gas emissions in disadvantaged communities. Funds are available in the form of loans and/or grants in two project areas: Transit-Oriented Development and Integrated Connectivity. There is an annual competitive funding cycle.

6.2.2.3 CalHome Program

CalHome provides grants to local public agencies and nonprofit corporations to assist very lowand low-income people or families to become first-time homebuyers or provides assistance to current homeowners. Eligible activities include deferred-payment loans for down payment assistance for first-time homebuyers, home rehabilitation (for existing homeowners), homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership. All funds to individual homeowners are in the form of loans. Funds can also be used to assist in the development of multiple-unit ownership projects.

6.2.2.4 Building Equity and Growth in Neighborhoods Program

The Building Equity and Growth in Neighborhoods program provides grants to cities and counties for deferred-payment, second mortgage 30-year loans to qualified buyers of new homes in projects where the affordability had been enhanced by local regulatory incentives or barrier reductions.

6.2.2.5 California Emergency Solutions and Housing Program

The California Emergency Solutions and Housing Program provides grant funds to assist people experiencing or at risk of homelessness. Eligible activities include housing relocation and stabilization services (including rental assistance), operating subsidies for permanent housing, flexible housing subsidy funds, operating support for emergency housing interventions, and systems support for homelessness services and housing delivery systems.

6.2.2.6 Golden State Acquisition Fund

The Golden State Acquisition Fund was seeded with \$23 million from the California Housing and Community Development Department's Affordable Housing Innovation Fund. Combined with matching funds, the Golden State Acquisition Fund makes up to 5-year loans to developers for acquisition or preservation of affordable housing. Loans are a maximum of \$13,950,000, and funds are made available over the counter.

6.2.2.7 Homekey Program

The Homekey Program provides grants to local entities (including cities, counties, and other local public entities, such as housing authorities and federally recognized tribes) to acquire and rehabilitate a variety of housing types, such as hotels, motels, vacant apartment buildings, and residential care facilities, to serve people experiencing homelessness or who are also at risk of serious illness from COVID-19. The State announced an additional round of funding for fiscal year 2021–2022 of 1.45 billion.

6.2.2.8 Housing for a Healthy California Program

The Housing for a Healthy California Program provides funding on a competitive basis to deliver supportive housing opportunities to developers using the federal National Housing Trust Fund allocations for operating reserve grants and capital loans. The Housing for a Healthy California Program creates supportive housing for individuals who are recipients of or eligible for healthcare provided through the California Department of Health Care Services' Medi-Cal Program.

6.2.2.9 Housing Navigators Program

Housing Navigators Program allocates \$5 million in funding to counties for the support of housing navigators to help young adults aged 18–21 years secure and maintain housing, with priority given to young adults in the foster care system.

6.2.2.10 Infill Infrastructure Grant Program

The Infill Infrastructure Grant Program provides grant funding for infrastructure improvements for new infill housing in residential and/or mixed-use projects. Funds are made available through a competitive application process.

6.2.2.11 Local Housing Trust Fund Program

Affordable Housing Innovation's Local Housing Trust Fund Program lends money for construction of rental housing projects with units restricted for at least 55 years to households earning less than 60% of AMI. State funds match local housing trust funds as down payment assistance to first-time homebuyers. The City's efforts in applying for these funds are described in Section 6.2.4.1.

6.2.2.12 Multifamily Housing Program

The Multifamily Housing Program provides low-interest, long-term deferred-payment permanent loans for new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower-income households.

6.2.2.13 National Housing Trust Fund

The National Housing Trust Fund is a permanent federal program with dedicated source(s) of funding not subject to the annual appropriations. The funds can be used to increase and preserve the supply of affordable housing, with an emphasis on rental housing for extremely low-income households earning at or below 30% of AMI. In 2021, California is receiving approximately \$10.1 million for the program. Funds will be made available through a competitive process and will be announced through a NOFA.

6.2.2.14 No Place Like Home Program

The No Place Like Home Program released \$486 million Round 4 Competitive Allocation and \$19 million Noncompetitive Allocation as of October 2021 in bond proceeds to invest in the development of permanent supportive housing for people who are in need of mental health services and are experiencing homelessness or chronic homelessness or are at risk of chronic homelessness. It has been reported that all of this funding has been designated to date.

6.2.2.15 Pet Assistance and Support Program

Pet Assistance and Support Program provides funds to homeless shelters for shelter, food, and basic veterinary services for pets owned by individuals experiencing homelessness.

6.2.2.16 Permanent Local Housing Allocation

The PLHA from Senate Bill 2 provides a permanent source of funding to all local governments in California to help cities and counties accomplish the following:

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

The City applied for this grant and is expecting to receive \$830,694 in annually over the 5-year period (2020–2024). The revenue will vary year-to-year, as revenue is dependent on real estate transaction activity that may fluctuate.

Walnut Creek is an entitlement jurisdiction for the PLHA program, which means that funding is provided through formula grants based on the formula prescribed under federal law for the CDBG program over a 5-year funding period. The City is using PLHA funds to assist people

experiencing or at risk of homelessness. This includes funding a Winter Evening Program between the months of November to April and funding a dedicated CORE team (homeless outreach services).

6.2.2.17 Predevelopment Loan Program

The Predevelopment Loan Program makes short-term loans for activities and expenses necessary for the continued preservation, construction, rehabilitation, or conversion of assisted housing primarily for low-income households. Availability of funding is announced through a periodic NOFA from the State. Eligible applicants include local government agencies, nonprofit corporations, cooperative housing corporations, and limited partnerships or limited liability companies where all the general partners are nonprofit mutual or public benefit corporations.

6.2.2.18 Section 811 Project Rental Assistance Program

Section 811 Project Rental Assistance offers long-term project-based rental assistance funding from HUD through a collaborative partnership with the California Housing Finance Agency (CalHFA), Department of Health Care Services, California Housing and Community Development, CA Department of Developmental Sciences, and TCAC. Opportunities to apply for this project-based assistance are through a NOFA published by CalHFA.

6.2.2.19 Supportive Housing Multifamily Housing Program

The Supportive Housing Multifamily Housing Program provides low-interest loans to developers of permanent affordable rental housing with supportive housing units.

6.2.2.20 Transit-Oriented Development Housing Program

The Transit-Oriented Development program provides low-interest loans and grants for rental housing that includes affordable units located within one-quarter mile of a transit station. Eligible applicants include cities, counties, transit agencies, developers, and redevelopment agencies. Applications are accepted in response to a periodic NOFA.

6.2.2.21 Transitional Housing Program

The Transitional Housing Program allocates \$8 million in funding to counties for housing stability to help young adults aged 18 to 25 years secure and maintain housing, with priority given to young adults formerly in the foster care or probation systems.

6.2.2.22 Veterans Housing and Homelessness Prevention Program

The Veterans Housing and Homelessness Prevention Program provides long-term loans for development or preservation of rental housing affordable to very low and low-income veterans and their families. For-profit and nonprofit developers and public agencies are eligible for these

loans, which are announced annually through a NOFA released by May of each year and is administered by the California Housing and Community Development.

6.2.3 Regional Programs

6.2.3.1 Advancing California Finance Authority

Advancing California Finance Authority provides secure, low cost and convenient financing for public agencies and their partners in the Bay Area, including access low cost, tax-exempt bond financing for affordable, multifamily housing; retirement facilities; new hospitals and medical clinics; transit systems; schools; non-profit cultural institutions; water and wastewater systems; and other essential member-owned infrastructure projects serving the community.

6.2.3.2 Metropolitan Transportation Commission Grants

The Metropolitan Transportation Commission provides two grant funding opportunity related to housing. First, the Priority Development Area Planning Program grant funds Specific Plans that result in intensified land uses around public transit hubs and bus and rail corridors in the Bay Area. Successful applications will propose plans that increase housing supply, including affordable housing, and jobs, boost transit ridership and reduce vehicle miles traveled, increase walking, bicycling, carpooling and carsharing by effectively managing parking and driving while promoting multimodal connections and retain and expand community assets, and locate key services and retail within the planning area.

In addition, the Housing Incentive Pool provides transportation grants to promote the production and preservation of affordable housing.

6.2.4 Quasi-Government Agencies

6.2.4.1 Federal Home Loan Bank – Affordable Housing Program

The purpose of the Affordable Housing Program is to subsidize the interest rates on advances or loans made by the Federal Home Loan Bank System to a member bank and to provide direct subsidies to these banks. The banks then pass these subsidized interest rates and direct subsidies on to housing developers to assist them with financing for the development of affordable rental housing. The subsidies must be used to finance the purchase, construction, and/or rehabilitation of rental housing, of which at least 20% of the units will be occupied by and affordable for very low-income households for at least 15 years.

6.2.4.2 Fannie Mae/Freddie Mac – National Housing Trust Fund

The National Housing Trust Fund was established as part of the Housing and Economic Recovery Act of 2008 to provide grants to states for the addition and preservation of affordable rental housing serving extremely low and very low-income households. This funding source can also be used to assist in the provision of affordable homeownership opportunities for lower-income families and individuals. The Housing and Economic Recovery Act of 2008 requires Fannie Mae and Freddie Mac to transfer a percentage of their new business to finance the Trust Fund.

6.2.5 Local Entities/Programs/Funding Sources

6.2.5.1 Local Housing Trust Fund/Commercial Linkage Fee Revenues

The City maintains a Local Housing Trust Fund for the preservation and production of affordable housing. The Local Housing Trust Fund is funded primarily through commercial linkage fees and housing in-lieu fees. Commercial linkage fees are impact fees charged to developers of new commercial properties to fund the development of affordable housing. The City charges a commercial linkage fee of \$5 per square foot. Housing in-lieu fees allow developers to pay a fee in lieu of building inclusionary housing units. According to the City's Consolidated Plan, the City projects an estimated \$16 million in the Local Housing Trust Fund during the Consolidated Plan period (2020–2025).

6.2.5.2 Inclusionary Housing Fees

The City also adopted an Inclusionary Housing Ordinance that requires new ownership units developed in the City to include affordable units at one of following income levels:

- 10% of the dwelling units as moderate-income ownership units;
- 7% of the dwelling units as low-income ownership units; or
- 6% of the dwelling units as very low-income ownership units.

For new rental units, the City requires that affordable units in either of the following income categories be included:

- 10% of the dwelling units as moderate-income rental units;
- 6% of the dwelling units as very low-income rental units.

The City allows developers to pay an in-lieu fee rather than build the affordable units as part of a project. Beginning on January 1, 2018, the housing in-lieu fee was adjusted to \$18 per square foot and is adjusted annually based on the construction price index. According to the Consolidated Plan, the City projects these revenues at approximately \$1.9 million between 2020 through 2024.

6.2.5.3 General Fund

According to the City's website on Community Grant programs, the City supplements the public service portion of the CDBG grant with Community Service Grants paid with City general funds for services to seniors, persons with disabilities, abused and neglected children, battered women, persons with HIV/AIDS, homeless persons, and other persons in crisis. These funds are expended to address additional public service needs, identified during the public hearing process, which exceeds the 15% funding cap for public service activities for the CDBG program.

The City Council also approved a \$200,000 annual Homeless Services Grant to fund services that address homelessness in Walnut Creek. Due to availability of State assistance funding related to the COVID-19 pandemic, only approximately \$70,000 of that approved grant was utilized. Going forward, the Homeless Services Grant will have \$200,000 available each fiscal year.

6.2.5.4 Housing Successor Entity Funds

The former Walnut Creek Redevelopment Agency was dissolved as a result of State law in 2012 and the former low and moderate-income set aside assets, loan repayments and any properties were retained by the Housing Successor to the former Redevelopment Agency. The Consolidated Plan states that expected revenues between 2020 through 2024 total approximately \$500,000.

6.3 **Opportunities for Energy Conservation**

Construction of energy efficient buildings can add to the production costs of ownership and rental housing. Over time, however, housing with energy conservation features should reduce occupancy costs as the consumption of fuel and electricity is decreased. This can result in monthly housing costs that are equal to or less than what they otherwise would have been had no energy conservation devices been incorporated in the new residential buildings.

6.3.1 State Regulations

Title 24 of the California Administrative Code establishes energy conservation standards that must be applied to all new residential buildings. The regulations specify energy saving design for walls, ceilings, and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards, and the use of non-depleting energy sources, such as solar energy or wind power. Compliance with the energy standards is achieved by satisfying applicable mandatory measures and an energy budget.

Residential developers must comply with these standards in California Energy Code (Title 24, Part 6) while localities are responsible for enforcing the energy conservation regulations.

The 2019 California Energy Code, published by the California Building Standards Commission, is adopted and referred to, and by this reference expressly incorporated and made a part of Title 9, Chapter 17 of the City of Walnut Creek Municipal Code.

6.3.2 State and Federal Programs

The California Department of Community Services and Development in partnership with the network of local community services agencies that assist lower-income households, administers the Low-Income Home Energy Assistance Program, which provides financial assistance to lower-income households to offset the costs of heating and/or cooling their residences.

6.3.3 Private Sector Programs

The following private sector energy conservation programs are available to housing developers and City residents:

- Pacific Gas and Electric Company offers rebates to residents who participate in the following programs:
 - California Alternative Rates for Energy: Program helps reduce energy bills for eligible customers.
 - **Energy Savings Assistance Program:** Program helps income-qualified households conserve energy and reduce their electricity costs.
 - **Family Electric Rate Assistance:** Program helps reduce electric bills for qualified households.
 - **Single-Family Home Energy Efficiency Rebate Program:** Rebates and savings for single-family homeowners.
 - Multifamily Energy Efficiency Rebate Program: The Residential Multifamily Energy Efficiency Rebate Program offers property owners and managers incentives on a broad list of energy efficiency improvements in lighting, HVAC, insulation, and window categories.
 - Solar Choice program utilizing 100% renewable energy.
 - Rebates for Property Managers and Owners.
- Go Solar, California provides rebates to residents who participate in the following programs:
 - o Solar Installers: Database of Solar Installers, Contractors, and Retailers in California.
 - **CSI-Thermal Program/Solar Water Heating:** Rebates are available to homeowners, landlords and business owners who install solar water heating systems.

- Single-family Affordable Solar Housing: Program provides fully subsidized 1 kW systems to very low-income households, and highly subsidized systems to other lowincome households.
- Multifamily Affordable Solar Housing: Program for affordable housing customers.
- **New Solar Homes Partnership:** Program provides financial incentives and other support to home builders, encouraging the construction of new, energy efficient solar homes that save homeowners money on their electric bills and protect the environment.

6.4 Local Measures and Programs

The 5th Cycle Housing Element references numerous local programs to remove governmental constraints to the maintenance, improvement, and development of housing. Further information on the status of program implementation is provided in the 2021 Annual Element Progress Report for Housing Element Implementation.

- Mixed-Use Zoning: Specifically, the City's zoning includes regulations for Mixed-Use Commercial, Mixed-Use Residential, and Mixed-Use Downtown general plan land use classifications to allow for a mix of uses (including housing for lower-income households) located near employment, retail, services, and transit. In 2021, the City amended these regulations to allow the same Floor Area Ratio and density, regardless of the size of the lot, so as not to discourage the redevelopment of smaller lots under individual ownership. Mixed-use residential development that is both pedestrian- and transit-oriented conserves energy by reducing the number of vehicular trips and encourages the efficient use of land and construction materials.
- **ADU Ordinance**: The City continues to implement the Second Family Unit (now ADU) Ordinance and is currently undertaking the creation of a pre-approved ADU program whereby the City will generate a publicly available selection of construction-ready building plans for ADUs to be used in the City, at no cost to citizens.
- Inclusionary Housing Ordinance: The City updated its Inclusionary Housing Ordinance in 2017 to reflect new State law, restoration of inclusionary rental units (after AB1505 passed), an increase to the housing in-lieu fee with annual adjustments based on construction price index, 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.
- **Density Bonus Ordinance**: The City continues to implement the Density Bonus Ordinance by allowing density bonuses and concessions/incentives consistent with State

law.__An update to the Density Bonus Ordinance was expected to be completed in 2020 but was delayed after the COVID-19 related shelter in place.__The City created a Density Bonus Application as a supplemental form to the Planning Application.__In 2021 the City approved a density bonus project, a 100% affordable rental project at 699 Ygnacio Valley Road.__The City is working to incentivize smaller units with more bedrooms through its Density Bonus Ordinance.

- Community Benefits Program: In early 2021, the City adopted a Community Benefits
 Program for the West and North Downtown Specific Plan areas which grants additional
 height, density, and floor area in exchange for developer-provided community benefits.
 The City has thus far approved one community benefits application for a project that will
 also take advantage of the City and State affordable housing density bonus regulations
 and has been contact by multiple developers regarding additional potential projects.
- **Mortgage Credit Certificate Program**: The City continues 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.
- First Time Homebuyer Assistance Program: The City continues to administer the First Time Homebuyer Assistance program. The program is still in high demand, but the housing prices are out of reach for most moderate-income homebuyers, even with City subsidy.
- Home Rehabilitation Loan and Emergency Grant Program: The City continues to administer the Home Rehabilitation Loan and Emergency Grant program in partnership with Habitat for Humanity.
- **Community Task Force on Homelessness**: City staff is an active participant in the local Community Task Force on Homelessness which discusses homeless issues, including challenges, successes, and the emergent needs of the homeless, and how to address those needs. Since 2018, the Taskforce and City hosted four Community Homeless Forums and that created a public information campaign to educate and engage the community on housing affordability and affordable housing.
- 2020–2025 Consolidated Plan: The City worked with the Contra Costa Consortium, which includes the entitlement jurisdictions of Walnut Creek, Concord, Pittsburg, Antioch, and the Urban County, to complete the 2020–2025 Consolidated Plan._Starting in 2018, the Contra Costa Consortium began the public outreach for the 2020–2025 Consolidated Plan._The process continued through 2019, and the plan was approved in May 2020 and is currently being implemented.

• **Other**: 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. Through the Senate Bill 2 Planning Grant, the City is approved to hire a consultant to create a formal policy for expedited review and permitting of affordable housing. This is expected to be complete no later than December 2023.

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Chapter 6. Housing Resources and Opportunities

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7 ADEQUATE SITES INVENTORY ANALYSIS AND METHODOLOGY

California Government Code, Section 65583(a)(3), requires the Housing Element to identify sites suitable for <u>the</u> development of all housing types, with <u>the</u> capacity to satisfy the City's housing needs for the current 2023–2031 6th Cycle Housing Element period. The Sites Inventory is an assessment of the City's (City or Walnut Creek) capacity for new housing development, which must demonstrate that the Regional Housing Needs Assessment (RHNA) target of 5,805 housing units, including 2,611 lower-income (extremely low-, very low-, and low-income) affordable units, can reasonably be achieved under the City's current land use plans and zoning regulations, or with planned amendments thereto.

The Sites Inventory prepared for the 2023–2031 planning period demonstrates a capacity for at least 6,449-632 housing units, including 3,422–105 housing units on sites adequate for lower-income housing. Pursuant to California Government Code, Section 65583.1, this capacity includes a credit of 1,881,682 units (including 19283 lower-income units) toward the RHNA consisting of 1,506-705 units from entitled or proposed projects (15445 lower-income units) and 176 units from accessory dwelling unit (ADU) potential (38 lower-income units).

The Sites Inventory was prepared for the purposes of satisfying State (State or California) requirements (as detailed later in this chapter) and is a planning estimate based on a number of factors including market demand, recent development patterns, property owner interest, and other factors. However, the Sites Inventory does not approve any project or guarantee what will be built on the site. Actual housing development is implemented by the development community and will be largely dependent on market factors that are outside of the City's control. Housing developers, market trends, and availability of funding are among the constraints that will dictate if and when housing units will be constructed.

With regard to Regarding the development of affordable housing, which requires public subsidies in order to be financially feasible, pursuant to *California Government Code, Section 65583(b)(2), State law recognizes that housing needs may (and do) exceed available resources*. Acknowledgment of funding limitations is extremely important—cities and counties are required to prepare Housing Elements every 8 years to identify needs and actions to provide for housing at all income levels and for all populations despite a severe shortage in local, State, and federal funding that makes many of the actions needed and planned financially infeasible. It is important

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to recognize that State law requires cities to plan for housing, but almost all housing is developed by the private sector.

The capacity documented in this Chapter is achieved through the various methods in accordance with State law, including the following:

- Developable sites pursuant to California Government Code, Section 65583.2(a), were identified. These included sites with zoning that currently allow residential uses. Vacant land was prioritized in the identification of sites but is insufficient to accommodate the City's RHNA as the majority of land in the City is largely developed.
- Non-vacant sites that have a high likelihood of being redeveloped for residential uses during the 6th Cycle Housing Element planning period were identified.
- Sites to accommodate low and very low-income housing were identified and a residential development capacity analysis for all sites pursuant to California Government Code, Section 65583.2(c), was performed.
- Alternative means of meeting the RHNA, as allowed by State law, were considered to meet the RHNA, including entitled or pending units and potential for ADUs.

A complete analysis of the Sites Inventory follows._The Sites Inventory is included as Appendix C and satisfies State requirements to identify units by parcel._This identification is for the purposes of the Housing Element._Parcels may be modified, further subdivided, or otherwise amended in the future.

7.1 Summary of Sites Capacity

Table 7-1 Table 7-1, Summary of Sites Capacity, on the following page includes a summary of the detailed inventory of vacant and underutilized parcels in the City's Sites Inventory, Appendix C. Each identified site is adjacent to developed land and/or is the subject of a proposed housing development. Based on the review of the documentation outlined later in this chapter, each site has sufficient utility supply available and is accessible to support housing development.

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				Realistic		Units	
Current Zoning	Site Count	Total Acres	Max. Density (du/ac)	Capacity (Net Units)	Lower	Moderate	Above Moderate
Vacant	24	27.87		451	22	32	397
Mixed-Use - Planned Development	1	0.45	40	52	-	-	52
Multifamily High	3	1.08	29.04 - 58.08	42	-	12	30
Multifamily Medium	5	3.92	14.52 - 21.78	69	22	20	27
Planned Development	4	15.81	4.40 - 58.10	271	-	-	27
Single-family Low	7	4.72	2.20 - 4.40	9	-	-	0
Single-family Medium	4	2.34	5.4	8	-	-	8
Non-Vacant	103	142.98		6,005	3,045	890	2,07
Central Retail District	4	3.09	Det. by CUP	151	60	-	9
Duplex Residential	1	1.18	14.5	12	-	-	1
Mixed-Use - Commercial	27	47.02	49.78 - 58.08	2,379	1,645	420	31
Mixed-Use - Downtown	12	12.31	58.1	536	374	78	8
Mixed-Use - Planned Development	3	2.94	40	109	83	26	-
Mixed-Use - Residential	11	8.30	102.49	899	491	-	40
Multifamily High	19	20.44	29.04 - 58.08	633	210	357	6
Multifamily Medium	11	4.05	17.42	54	-	9	4
Pedestrian-Retail	2	1.48	49.78	137	-	-	13
Planned Development	8	35.15	43.56 - 58.10	1,058	182	-	87
Single-family Low	4	6.62	2.20 - 4.40	35	-	-	3.
Single-family Medium	1	0.39	5.4	2	-	-	
ADU potential				176	38	110	2
TOTAL	127	170.85		6,632	3,105	1,032	2,49

Table 7-1. Summary of Sites Capacity (Editor's Note: Table was replaced to reflect the removal and addition of sites.)

7.2 Capacity Determination

Table 7-2, Capacity Determination, summarizes the City's determination that there is sufficient capacity to accommodate the City's RHNA by income and categorizes credits and sites by zoning, representing land suitable and available for residential development, as defined in California Government Code, Sections 65583.1 and 65583.2(a). A description of the methodology used to determine the capacity of sites is presented later in this Chapter.

It is important to note that all lower-income sites in the Sites Inventory have zoning that allows for residential use at densities that exceed State legal requirements for lower-income sites (i.e., 30 units per acre) or have an approved plan to develop lower-income housing (i.e., Site 7). The City has a demonstrated record of multiple high-density, residential developments in each type of zone.

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Table 7-2. Capacity Determination	(Editor's Note:	Table was	replaced to	reflect the removal
<u>and addition of sites.) (</u>				

		Units	by Income	Level	
	Very Low	Low	Moderate	Above Moderate	Total
RHNA	1,657	954	890	2,304	5,805
Alternative Me	thods to Me	et the RHNA	(Credits)		
Entitled or Proposed Projects	97	57	20	1,531	1,705
Accessory Dwelling Unit Potential	7	31	114	24	176
Subtotal	104	88	134	1,555	1,881
Net RHNA (after credits are applied)	1,553	866	756	749	3,924
Step #1 Determinati	on of Adequ	uate Sites (E	xisting Zonin	g)	
Central Retail District	27	22	I	8	57
Duplex Residential	-	-	-	12	12
Mixed-Use - Commercial	1,036	505	420	185	2,146
Mixed-Use - Downtown	261	113	78	57	509
Mixed-Use - Planned Development	53	30	26	-	109
Mixed-Use - Residential	296	184	-	284	764
Multifamily High	131	79	369	85	664
Multifamily Medium	-	-	9	62	71
Planned Development	55	121	-	219	395
Single-family Low	-	-	-	14	14
Single-family Medium	-	-	-	10	10
Step #1 Subtotal (no zone change)	1,859	1,054	902	936	4,751
Total (Credits & Step #1)	1,963	1,142	1,036	2,491	6,632
Net Surplus/(Shortfall)	306	188	146	187	827
No Net Loss Buffer Surplus/(Shortfall), as a percent of RHNA1	18%	20%	16%	8%	14%

¹ HCD recommends a 15-30% buffer for lower-income (very low and low) sites to protect the City from the No Net Loss provision. The City included a buffer for the moderate-income level for the same reason. The City calculated its buffer as a percentage of the gross RHNA.

7.3 Identification of Developable Sites

7.3.1 Legal Requirements and State Housing Policies

State law requires that the Housing Element of the General Plan include an inventory of land suitable and available for residential development to meet the locality's share of the regional housing need by income level and demonstrate sufficient zoned housing capacity to meet each Housing Element Cycle's RHNA target. The City determines its housing capacity through a review of planned development and of vacant and non-vacant developable land throughout the City that may reasonably develop within the Housing Element planning period. This approach (as recommended by HCD) is utilized because many factors will affect housing development,

Chapter 7. Adequate Sites Inventory Analysis and Methodology

including feasibility, trends, and developer and property owner choices within the City. Additionally, mandating housing development on private property or property owned by other government agencies is not within the City's authority or powers.

Per California Government Code, Section 65583.2(a), the City identified the following types of sites as land suitable for residential development:

- Vacant sites zoned for residential use.
- Vacant sites zoned for mixed usemixed-use, including residential.
- Residential and mixed-use zoned sites that are capable of being developed at a higher residential density than <u>the</u> current density (nonvacant sites, including underutilized sites).

California <u>Department of</u> Housing and Community Development (HCD) provides legal guidance on the selection of sites for Housing Elements in the Housing Element Site Inventory Guidebook (2020).

In addition to the legal requirements for appropriate sites shown above, **California's Housing Future: Challenges and Opportunities Final Statewide Housing Assessment 2025 (2025 Assessment), prepared by the State emphasizes throughout the document that the location of housing (including affordable housing) near transit and job centers as an important policy and implementation strategy.** Excerpts that highlight this point are provided below along with page number references.

- "Land use policies and planning can help encourage greater supply and affordability as well as influence the type and location of housing._ Thoughtful land use policies and planning can translate into the ability for families to access neighborhoods of opportunity, with high-performing schools, greater availability of jobs that afford entry to the middle-class_middle class, and convenient access to transit and services._ Easy access to jobs and amenities reduces a household's daily commute and other travel demands._ Encouraging new homes in already developed areas and areas of opportunity not only alleviates the housing crisis, but also supports the State's climate change and equity goals" (page 3).
- Housing for persons with disabilities "could greatly benefit from access to transit options" (page 12).
- The Center for Neighborhood Technology developed Housing and Transportation Affordability Index shows "lower overall cost burdens aligning with more transit accessibletransit-accessible areas" (page 33).

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- "State housing and planning law <u>encourages encourage</u> housing development that also helps the State meet its sustainability goals (developing inward and more compactly, close to jobs, transit, and services), and encourages the development of housing that is affordable to Californians at a range of income levels" (page 36).
- "In urban and suburban areas, compact infill development at increased density is critical for addressing housing needs and using valuable, location-efficient land near transit and job centers" (page 43).

7.3.2 Data Sources

To prepare the Sites Inventory, the City utilized multiple data sources, including the City's interactive Geographic Information System (GIS) portal (which incorporates data from the City's General Plan, zoning, and land use designations), Contra Costa County (County or Contra Costa) assessment roll, and the Association of Bay Area Government's Housing Element Site Selection (HESS) tool. The process of evaluating potential sites involved applying specified criteria to identify sites where planned/zoned residential capacity can be realistically achieved.

7.3.3 Housing Units Approved/Entitled/Under Construction

As of July 1, 2022August 16, 2023, the City has identified 1,506-705 pending or entitled housing units that will be constructed during the 6th cycle planning period. The City will credit these units toward its RHNA requirement pursuant to California Government Code, Section 65583.1. Some of these developments have started construction while others have been approved or are proposed and under review. The City expects that all can be built within the 6th Cycle planning period based on their current status and the timing of approval and construction for recently built developments. Table 7-3, Entitled and Pending Development Applications, summarizes the pending and entitled units, including the status and the estimated completion for each project. A description of each zoning designation shown in this table can be found in Chapter 5, Housing Constraints.

As shown in Table 7-3, the pending or entitled developments include $\underline{947}$ very low-income units, $\underline{128}$, $\underline{57}$ low-income units, and $2\underline{04}$ moderate-income units, based on the developers' applications. These developments include projects on Sites 2, 75, and $\underline{1189}$ with a density bonus and Sites 6, 7, and 117 as a proposed 100% affordable housing development.

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 Table 7-3. Entitled and Pending Development Applications (Editor's Note: Table was replaced to reflect the removal and addition of sites.)

			Estimated	Area		Permitted	Density			Units			
Site No.	Address	Status	Completion	(ac)	Zoning	Density	Realism*	Very Low	Low	Mod.	Above Mod.	Total	I:LV
1	2800 Mitchell Dr	Approved	2025	9.49	P-D	n/a	100%	-	-	-	254	254	1.87
2	1910, 1940-1950 N Main St	Construction	2023	0.97	MU-R	102.49	100%	11	-	-	124	135	2.96
3	1556 Mt Diablo Blvd	Proposed	2026	0.80	P-R	49.78	100%	-	-	-	42	42	0.03
4	1665 Carmel Dr	Construction	2023	0.27	M-1	43.56	100%	-	-	-	8	8	1.06
5	1380 North California	Construction	2023	0.68	P-R	49.78	100%	-	-	-	95	95	1.41
6	699 Ygnacio Valley Rd	Approved	2025	0.91	MU-C	49.78	100%	68	24	-	1	93	0.00
7	1250 Las Juntas Way	Construction	2023	2.09	M-3	14.52	100%	-	22	20	-	42	0.00
8	1394 Walden Rd	Approved	2024	0.46	M-2.5	17.42	100%	-	-	-	6	6	0.11
9	1501 N California Blvd	Approved	2026	0.42	MU-D	58.10	100%	-	-	-	27	27	0.49
10	200 Ygnacio Valley Rd	Construction	2023	3.56	P-D	58.10	100%	-	-	-	358	358	1.48
11	200 Ygnacio Valley Rd	Approved	2027	3.85	P-D	58.10	100%	-	-	-	288	288	0.00
12	1487, 1493, 1500 Carmel Dr	Approved	2025	0.16	P-D	43.56	100%	-	-	-	11	11	0.43
13	1229 Lincoln Ave	Construction	2023	0.18	M-1	43.56	100%	-	-	-	3	3	0.00
14	1835 Weaver Lane	Construction	2023	1.96	P-D	4.40	100%	-	-	-	7	7	0.00
15	1524 Oakland Blvd	Approved	2025	0.29	P-D	29.04	100%	-	-	-	4	4	0.00
16	2680 Walnut Blvd	Approved	2025	1.67	R-10	4.40	100%	-	-	-	12	12	0.39
17	50 Garron Ct	Proposed	2027	2.24	R-20	2.20	100%	-	-	-	3	3	0.12
18	2211 N Main St	Approved	2026	0.45	MU-PD	40.00	100%	-	-	-	52	52	0.00
19	1072 Ygnacio Valley Rd	Proposed	2026	0.34	M-2	21.78	100%	-	-	-	4	4	0.00
75	N Broadway	Proposed	2026	1.63	MU-C	49.78	95%	12	-	-	128	140	0.00
109	2641-2643 Larkey Ln	Approved	2026	4.06	P-D	4.40	100%	-	-	-	6	6	0.00
112	730 Minert Rd	Proposed	2025	1.32	R-10	4.40	100%	-	-	-	15	15	0.61
117	2100 Tice Valley Blvd	Proposed	2024	3.84	P-D	n/a	100%	6	-	-	-	6	7.24
118	1271 S California Blvd	Proposed	2026	1.32	C-R	49.78	100%	-	11	-	83	94	0.02
TOTAL								97	57	20	1,531	1,705	

* For pending and entitled developments, "Density Realism" is based on the proposed development._For other sites, "Density Realism" is an assumption based on realized density of recent and proposed developments.

7.3.3.27.3.3.1 Affordable Housing Units Approved/Entitled/Under Construction/Completed

As mentioned previously, five approved, entitled, and in-process developments include 166 moderate or lower-income units. The expected rents, unit sizes, affordability levels, and affordability mechanisms for these 166 units are indicated in Table 7-4Table 7-4, Rent and Income Level Summary for Entitled and Pending Affordable Developments.

In addition, four developments with 151 affordable units were built in the 5th Cycle planning period.__These developments demonstrate the City's track record in approving high-density, affordable housing development.__Table 7-5Table 7-5, Income Level Summary for Completed Developments, lists the affordability levels for these four <u>completed</u> developments.

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Table 7-4. Rent and Income Level Summary for Entitled and Pending Affordable Developments (Editor's Note: Table was replaced to reflect the removal and addition of sites.)

e11				Units by Income Level				
Site Number	Development Name	Address	Status	Affordability Mechanism	Very Low	Low	Mod.	Above Mod.
2	Anton Noma Apartments	1910, 1940-1950 N Main St	Under Construction	Density Bonus	11	0	0	124
6	699 Ygnacio Valley Road Apartments	699 Ygnacio Valley Rd	Approved	Density Bonus and City funding	68	24	0	1
7	Esperanza Place	1250 Las Juntas Way	Under Construction	Density Bonus and City funding	0	22	20	0
75	1910 N Broadway	1910 N Broadway	Proposed	Density Bonus	12	0	0	128
117	Grace Presbyterian Church	2100 Tice Valley Blvd	Proposed	Expedited processing, AB 2162 zoning waiver, possible City funding	6	0	0	0
118	1271 S California Blvd	1271 S California Blvd	Proposed	Density Bonus	0	11	0	83

Table 7-5. Income Level Summary for Completed Developments

		Year	Units by Income Level				
Development Name	Address	Completed	Very Low	Low	Mod.	Above Mod.	
Arboleda	1550 Third Ave	2015	47	-	1	-	
Riviera Apartments	1515 Riviera Ave	2019	16	14	-	-	
Riviera Family Apartments	1738 Riviera Ave	2019	13	14	1	-	
St. Paul's Commons	1860 Trinity Ave	2020	44	-	1	-	

7.3.3.3<u>7.3.3.2</u> Approval of Housing Units Approved/Entitled/Under Construction

It is very unusual for a residential or mixed-use development to not move forward after receiving planning entitlements. During the 5th cycle planning period, the overwhelming majority of projects involving residential development were completed or are currently under construction. In the very few cases where projects did not move forward, the City was informed by the developer of the decision not to build was based on changing market conditions (such as interest rate increases or increases in materials/labor costs).). These are all factors unrelated to the City's regulations, housing programs, or development review process, and as such are factors outside of the control of the City.

Walnut Creek is a substantially developed city with little, if any, vacant land available for development. <u>Therefore</u>, new residential developments that <u>occur</u> on infill sites tend to be smaller in size than large greenfield developments and are constructed in a single phase. The one exception in the last twenty years or more is the 596-unit Walnut Creek Transit Village located at the Walnut Creek BART station, which is being constructed in three phases. The first phase is already completed, the second phase will be completed in 2023, <u>with</u> the third phase <u>projected</u> to be completed by 2027.

7.3.4 Accessory Dwelling Units

Pursuant to California Government Code, Section 65583.1, the City will credit a total of <u>176</u>196 units during the 6th Cycle period toward its RHNA requirement through the potential development of accessory dwelling units. The <u>C</u>ity saw a notable increase in the production of ADUs following the enactment in 2017 of new State laws passed in an effort to spur the development of such units. Between 2015 and 2017, the City reported a total of 19 ADUs permitted. However, between 2018 and 2021, the City reported an average of 20 ADUs permitted *each year*. The ADUs were reported in Table B of the Annual Progress Reports (APRs). Table 7-6, ADU Permits Issued, 2015–2021, details the numbers of ADUs that the City permitted during the 5th Cycle.

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Year	Very Low	Low	Moderate	Above Moderate	Total
2015	0	0	2	0	2
2016	0	0	11	0	11
2017	0	0	6	0	6
2018	0	77	16	1	24
2019	0	0	8	5	13
2020	0	3	11	3	17
2021	3	4	17	2	26
Total	3	14	71	11	97
Average, 2018-2021	1	3	13	3	20

Table 7-6. ADU Permits Issued, 2015–2021

The HCD Sites Inventory Guidebook directs that the trend in ADU construction since January 2018 can be used to estimate new production. Furthermore, resources and incentives that will encourage the development of ADUs can support a projection of further growth to the trend since 2018.

The City first applied the trend in ADU permits since 2018 to estimate ADUs expected during the 6th Cycle. _In addition, the City is developing a Permit-Ready ADU ("PRADU") program and anticipates the plans to be completed and available for use by the public in spring 2023. _This new program, described in Program H-1.<u>A</u>. Encourage and Incentivize ADUs in the Housing Plan, will encourage additional ADUs built in the City, and City staff will publicize the program through the City website, social media, the City newsletter, and other channels. _In addition, Program H-4.F. Update the City's Zoning Ordinance and Policies Related to Accessory Dwelling Units to Comply with Current Laws<u>Accessory Dwelling Unit Ordinance</u> will ensure the City's ADU ordinance complies with state law.

A 10% increase to in ADU production is included as a conservative estimate of the PRADU program's impact. The City allocated projected ADUs to income categories in accordance with the ADU permits issued between 2018 and 2021, which themselves were allocated to income categories based on information available with each permit issuance. Table 7-7Table 7-7, Potential ADU Production by Income Level, provides a summary of the <u>176196</u> ADUs by income level.

Table 7 <u>-</u> 7. Potential	ADU	Production	bv	Income Level
		1 10000000	Ny	

Income Level	Very Low	Low	Moderate	Above Moderate	Total	
Projected Total Units	<u>7</u>	<u>31</u> 37	<u>114108</u>	<u>24</u>	<u>176</u> 196	

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7.3.5 Determination of Suitability Methodology

To identify sites that are prime for redevelopment, a comprehensive methodology is employed, considering various characteristics that indicate the potential for revitalization and transformation. Each characteristic was selected based on regional and local patterns, as well as patterns that are widely known to demonstrate development synergy. Table 7-8, Suitability Factors (Regional Trends), summarizes the regional development trends, as they relate to area, building age, improvement to land value ratio, FAR, and previous use. This regional analysis speaks to the residential developability of non-vacant sites by considering their conditions prior to redevelopment.

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Table 7-8. Suitability Factors (Regional Trends)

	City	Address	Prev. Use	Zoning	Area (ac)	Prev. I:LV	Prev. Yr. Built	Prev. FAR	Prop. Dev.	Current Yr. Built	Bldg Age	Status
1	Berkeley	2035 Blake St	Warehouse; Auto Repair	C-SA	0.31	0.10	1928	0.70	Market Rate Multifamily	N/A	N/A	Built
2	Berkeley	1951-75 Shattuck Ave	Retail; Religious Assembly	C-DMU Outer Core	0.40	0.67	N/A	1.1	Market Rate Multifamily	N/A	N/A	Approved
3	Berkeley	1717 University Ave	Commercial; Residential	C-U	0.19	0.01	1946	0.44	Mixed Income Multifamily	N/A	N/A	Approved
4	Berkeley	1974 University Ave	Auto Uses	C-DMU Buffer	0.53	1.43	N/A	0.10	Mixed Income Multifamily	N/A	N/A	Built
5	Berkeley	1987 Shattuck Ave (Acheson)	Retail; Restaurant; Office; Residential	C-DMU Outer Core	0.32	3.42	1925	1.53	Mixed Income Multifamily	N/A	N/A	Built
		2125 University Ave (Acheson)		C-DMU Outer Core	0.81	2.71	1919					Built
6	Berkeley	1080 Jones St	Commercial; Parking Lot	C-W/ R-1A	1.71	0.81	N/A	0.48	Mixed Income Multifamily	N/A	N/A	Built
	Berkeley Averages/Trends:		Commercial		0.61	1.31		0.72			N/A	
7	Pinole	600 Roble Ave; 1109 & 1230 San Pablo Ave	Commercial	Very High Density Resid.	2.01	120.00	1948, 1984	N/A	Affordable Senior Multifamily	N/A	N/A	Construction
8	Pinole	2151 Appian Way	Medical	RMU and CMU	7.38	38.40	1967	N/A	Market Rate Multifamily	N/A	N/A	In Review
9	Pinole	2801 Pinole Valley Road	Office	Office MU	1.74	0.80	1984	N/A	Market Rate Mixed Use	2009	25	In Review
10	Pinole	612 Tennent	Residential	RMU	0.12	0.57	1908	N/A	Multitamily Residential (Density	2007	N/A	N/A
11	Pinole	2279 Park	Residential	RMU	0.12	1.40	1945	N/A	Market Rate Multifamily	2007	N/A	N/A
12	Pinole	1500 Fitzgerald Dr	Vacant Retail	СМИ	5.93	5.60	1981	N/A	Market Rate Multifamily	2015	34	Approved
	Pinole Averages/Trends:		Commercial		2.88	27.80		N/A			29.50	

	City	Address	Prev. Use	Zoning	Area (ac)	Prev. I:LV	Prev. Yr. Built	Prev. FAR	Prop. Dev.	Current Yr. Built	Bldg Age	Status
13	San Ramon	2481 Deerwood Drive	Office	Admin. Office	4.40	0.24	1986	0.26	Market Rate Multifamily	2007	21	In Review
14	San Ramon	3401 Crow Canyon Road & 12943 Alcosta Blvd	Office; Parking	Office MU	9.50	27.68	1979	0.66	Market Rate Multifamily	2007	28	In Review
15	San Ramon	2233 San Ramon Valley Blvd	Industrial Supply Yard	SP	2.97	N/A	N/A	N/A	MF Workforce Housing	2007	N/A	In Review
16	San Ramon	2400-2440 Camino Ramon	Office	NCRSP, MDR	31.00	N/A	1983	0.4	Mixed Income Multifamily	2019	36	Approved
17	San Ramon	500 Deerwood Road	Outdoor Commercial	SRVSP	2.46	N/A	1960	0.1	Mixed Income Multifamily	2007	47	Approved
18	San Ramon	BR 2600: SE-1	Office Parking	ССМИ	134.98	N/A	1983	N/A	Master Planned Multifamily	2007	24	Approved
19	San Ramon	2701 Hooper Drive	Commercial; Recreation	SRVSP, RO	3.57	0.65	1975	0.16	Mixed Income Multifamily	2007	32	Approved
20	San Ramon	9000 Alcosta Boulevard	Vacant Commercial	MF VHD	1.39	N/A	N/A	N/A	Mixed Income Multifamily	2012	N/A	Approved
	San Ramon .	Averages/Trends:	Commercial		29.40	0.65		0.21			34.75	
21	Walnut Creek	2800 Mitchell Dr	Vacant	P-D	9.49	1.87	N/A	N/A		N/A	N/A	Approved
22	Walnut Creek	1910, 1940-1950 N Main St	Resid. Apartments	MU-R	0.97	2.96	1971	3.69	Mixed Income Multifamily	2022	51	Construction
23	Walnut Creek	1556 Mt Diablo Blvd	Retail Sales	P-R	0.80	0.03	1953	0.28	Market Rate Multifamily	2022	69	Proposed
24	Walnut Creek	1665 Carmel Dr	Resid. Apartments	M-1	0.27	1.06	2021	1.00	Market Rate Multifamily	2022	1	Construction
25	Walnut Creek	1380 North California	30 North California Resid. Apartments		0.68	1.41	1970	3.63	Market Rate Multifamily	2022	52	Construction
26	Walnut Creek	eek 699 Ygnacio Valley Rd Automotive Uses		MU-C	0.91	N/A	1965	0.03	Mixed Income Multifamily	2022	57	Approved

Table 7-8. Suitability Factors (Regional Trends) (Continued)

	City	Address	Prev. Use	Zoning	Area (ac)	Prev. I:LV	Prev. Yr. Built	Prev. FAR	Prop. Dev.	Current Yr. Built	Bldg Age	Status
27	Walnut Creek	1250 Las Juntas Way	Vacant	M-3	2.09	N/A	N/A	N/A	Mixed Income Multifamily	N/A	N/A	Construction
28	Walnut Creek	1394 Walden Rd	Valden Rd Resid. Single Family		0.46	0.11	1932	0.06	Market Rate Multifamily	2022	90	Approved
29	Walnut Creek	1501 N California Blvd			0.42	0.49	1960	0.46	Market Rate Multifamily	2022	62	Approved
30	Walnut Creek	200 Ygnacio Valley Rd	Resid. Apartments	P-D	3.56	1.48	2020	2.76	Market Rate Multifamily	N/A	N/A	Construction
31	Walnut Creek	200 Ygnacio Valley Rd	Government	P-D	3.85	N/A	N/A	N/A	Market Rate Multifamily	N/A	N/A	Construction
32	Walnut Creek	1487, 1493, 1500 Carmel Dr	Resid. Multiple Family	P-D	0.16	0.43	1952	0.25	Market Rate Multifamily	2022	70	Approved
33	Walnut Creek	1229 Lincoln Ave	Vacant	M-1	0.18	N/A	N/A	N/A	Market Rate Multifamily	N/A	N/A	Construction
34	Walnut Creek	1835 Weaver Lane	Vacant	P-D	1.96	N/A	N/A	0.06	Market Rate Multifamily	N/A	N/A	Construction
35	Walnut Creek	1524 Oakland Blvd	Vacant	P-D	0.29	N/A	N/A	N/A	Market Rate Multifamily	N/A	N/A	Approved
36	Walnut Creek	2680 Walnut Blvd	Resid. Single Family	R-10	1.67	0.39	1952	0.06	Market Rate Multifamily	2022	70	Approved
37	Walnut Creek	50 Garron Ct	Resid. Single Family	R-20	2.24	0.12	1962	0.02	Market Rate Multifamily	2022	60	Proposed
38	Walnut Creek	2211 N Main St	Vacant	MU-PD	0.45	N/A	N/A	N/A	Market Rate Multifamily	N/A	N/A	Approved
39	Walnut Creek	1072 Ygnacio Valley Rd	Vacant	M-2	0.34	N/A	N/A	0.07	Market Rate Multifamily	N/A	N/A	Proposed
40	Walnut Creek	N Broadway	Parking Lot	MU-C	1.63	0.00	N/A	0.09	Mixed Income Multifamily	N/A	N/A	Proposed

Table 7-8. Suitability Factors (Regional Trends) (Continued)

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Table 7-8. Suitability Factors (Regional Trends) (Continued)

	City	Address	Prev. Use	Zoning	Area (ac)	Prev. I:LV	Prev. Yr. Built	Prev. FAR	Prop. Dev.	Current Yr. Built	Bldg Age	Status
41	Walnut Creek	2641-2643 Larkey Ln	Vacant	P-D	4.06	N/A	N/A	0.01	Market Rate Multifamily	N/A	N/A	Approved
42	Walnut Creek	nut Creek 730 Minert Rd		R-10	1.32	0.61	1960	0.02	Market Rate Multifamily	2022	62	Proposed
43	Walnut Creek	2100 Tice Valley Blvd	Church	P-D	3.84	7.24	N/A	N/A	Low Income Multifamily	N/A	N/A	Proposed
44	Walnut Creek	1271 S California Blvd	Retail Sales	C-R	1.32	0.02	1965	0.09	Mixed Income Multifamily	2022	57	Proposed
45	Walnut Creek	/alnut Creek 3000 Citrus Cir		P-D	3.52	0.85	1978	0.35	Market Rate Multifamily	2022	44	N/A
	Walnut Cree	k Averages/Trends:	Res./Vacant		1.86	1.19		0.72			57.31	
	Regional Ave	rages/Trends:	Commercial		8.69	7.74		0.55			40.52	

Following the analysis of regional trends, the City utilized its findings to determine the appropriate measure for each suitability factor and applied it to the suitability methodology. This methodology involves analyzing a set of criteria, and *sites that exhibit three or more of these characteristics are selected as prime candidates for redevelopment*. The following characteristics are considered:

- 1. Area (Factor a): The size of the site is an important factor in assessing its potential for redevelopment. As recommended by the 2020 HCD Sites Inventory Guidebook, sites should be larger than 0.5 acres but smaller than 10 acres. However, exceptions can be made if two or more adjacent sites can be grouped together. This approach allows for the consideration of larger redevelopment opportunities while maintaining a manageable scale. Furthermore, as shown in Table 7-8, Suitability Factors (Regional Trends), the average lot size for non-vacant sites converted into residential developments is 8.69 acres, which falls within the 0.5-10-acre range.
- 2. Building Age (Factor b): The age of the building is a significant consideration in determining its suitability for redevelopment. According to a 2019 article published by Wolf Commercial Real Estate (WCRE)¹, a full-service commercial real estate firm, the lifespan of commercial buildings has decreased as a result of the current digital revolution. Technological advancements have led to rapid changes in businesses' spatial needs, making flexibility a key factor for long-term survival in all industries, including real estate (this is especially true in the current post-pandemic era). As a result, buildings that are only 20 to 30 years old, such as suburban office buildings, retail centers, and industrial parks, are now considered obsolete and face the possibility of demolition. Therefore, redeveloping commercial buildings over 30 years is crucial for long-term viability in the market. Furthermore, as shown in Table 7-8, the average building age for non-vacant sites converted to residential in the region is 40.52. For the purpose of this analysis, a threshold of 40 years is applied to remain conservative but consistent with the region. Buildings exceeding this age are more likely to require substantial renovations or replacement, making them attractive candidates for redevelopment.
- 3. Proximity to Transit (Factor c): Sites located within a ¼-mile radius of a BART station are assigned an additional factor. This factor recognizes the value of proximity to transit

¹ https://wolfcre.com/commercial-building-life-expectancy-isnt/

infrastructure in promoting successful redevelopment. Access to public transportation enhances the desirability of a site, attracting potential investors, residents, and businesses.

- 4. Proximity to New High-Density Development (Factor d): The proximity of a site to similar and recent redevelopment projects is considered. This factor recognizes the synergy and positive impact of clustering redevelopment activities. Being near other successful redevelopment projects enhances the potential for shared resources, infrastructure, and community support.
- 5. Improvement to Land Value Ratio (Factor e): The improvement-to-land value ratio (I:LV) is a crucial indicator of a site's economic potential. In June 2022, the Orange County Council of Governments (OCCOG), in partnership with the Urban Land Institute (ULI) hosted a Technical Assistance Panel (TAP) on "Conversion from Commercial to Housing."² The TAP provided local governments with the opportunity to receive expert, multidisciplinary advice from subject matter experts, including developers, planning consultants, and attorneys. The TAP included a discussion on the characteristics developers seek when identifying suitable sites for housing development. One of those characteristics includes an I:LV of 1.0 and below. Furthermore, as shown in Table 7-8, the average I:LV for non-vacant sites converted to residential in the region is 8.69. However, the City has an average I:LV ratio of 1.19, which is more conservative. For the purpose of this analysis, an improvement-to-land value ratio threshold of 1.0 is applied.
- 6. FAR (Factor f): The Floor Area Ratio (FAR) is a measure of the intensity of land use and development on a site. As shown in Table 7-8, the average calculated FAR for a recently proposed development is 0.55 for the region and 0.75 for the City. For the purpose of this analysis, an FAR threshold of 0.5 is applied.
- 7. Existing Use Similar to Recent Redevelopment Projects (Factor g): As shown in Error! Reference source not found., there is a trend of commercial buildings converting to residential, providing an insight into market demand and preferences. As such, the

² https://ulidigitalmarketing.blob.core.windows.net/ulidcnc/sites/58/2023/02/ULI-OCCOG-TAP-Conversion-Commercial-to-Housing.pdf

analysis uses the similarity between the current use of a building and the ongoing redevelopment projects in the region as a factor.

8. Sites for Sale or For Lease (Factor h): Properties with vacant commercial space for lease and/or properties for sale present reduced impediments to residential redevelopment. From a developer's perspective, it translates into a reduced cost to buy out remaining leases or an absence of cost for this purpose, as well as a shortened development time, providing cost saving and increasing financial feasibility. Sites with vacancies or offered for sale (with existing zoning in place for residential development) are very likely to redevelop as housing units given the local residential development trends in the City, as cited in this chapter

Property listing (updated as of July 23, 2023), on LoopNet, the leading online marketplace for commercial property listings for sale and for lease, were utilized to identify vacancies and/or for sale listing for sites in the site selection process. Of the 128 sites identified in this chapter, eleven sites representing 612 units (with a distribution that includes 316 very low, 177 low, 55 moderate and 64 above moderate- income units) have a vacancy rate of at least 15% and/or are currently offered for sale. Information on each of these sites is provided below:

- Site 3 (1532 and 1556 Mt. Diablo Blvd) Two structures offered for lease with one retail building that is 56% vacant and one automotive use that is 100% vacant.
- o Site 58 (1155 Alpine Rd) One office building offered for sale that is 100% vacant.
- o Site 61 (1160 Alpine Ave) Office building offered for lease that is 100% vacant.
- o Site 66 (1550 Newell Ave) Retail building with 18% of tenant space for lease.
- Site 67 (1531-1599 Botelho Dr, 1320-1330 S. California Blvd) Retail properties with 16% of tenant space for lease.
- Site 69 (1355, 1375 and 1387 S. California Blvd) Retail buildings offered for sale that are 100% vacant (all structures on the site are vacant).
- o Site 73 (1890 N Main St) Automotive use property offered for sale.
- Site 79 (1443-1515 Oakland Blvd) Office property with 33% of tenant space offered for lease.
- Site 81 (1371 Oakland Blvd) Office property with 65% of tenant space offered for lease.
- o Site 113 (730 Minert Rd) Vacant land zoned for residential development.

 Site 114 (1679 Carmel Dr) - Property with two residential units but zoned for highdensity residential. Loopnet only lists commercial real estate properties including multi-family. The fact that this property is listed on Loopnet rather than Zillow indicates that it is being marketed to investors/developers for a high-density multifamily redevelopment project.

In addition to the factors above, the following characteristic was considered:

1. Vacant/Proposed/Parking Lot: This characteristic holds significant weight and takes precedence over other factors. If a site is vacant, utilized as a parking lot, or has a proposed project in the pipeline, it is given strong consideration for redevelopment. These conditions indicate existing or planned changes in land use, making the site favorable for revitalization.

Table 7-9. Suitability Factors Analysis (All Sites)

		α		b	с	d	е	f	a	h	
		u		b		Near	e	•	g		
Site No.	APN	Area (ac)	Vacant, Parking Lot, or Proposed?	Bldg. Age	1/4 Miles from BART?	New High- Density Dev.?	I:LV	FAR	Current Use	For Lease / For Sale?	Factors Met
1	143-040-103	9.49	Proposed	n/a	No	No	1.87	0.00	VACANT	No	Proposed
2	178-411-017	0.97	Proposed	51	Yes	No	2.96	3.69	RESID. APARTMENTS	No	Proposed
3	178-230-028 178-230-029	0.80	Proposed	69	No	No	0.03	0.28	RETAIL SALES	56% For Lease	Proposed
4	178-290-008	0.27	Proposed	1	No	No	1.06	1.00	RESID. APARTMENTS	No	Proposed
5	178-160-028	0.68	Proposed	52	No	No	1.41	3.63	RESID. APARTMENTS	No	Proposed
6	178-402-003	0.91	Proposed	57	No	No	0.00	0.03	AUTOMOTIVE USES	No	Proposed
7	148-180-055 148-180-056 148-180-057 148-180-058 148-180-059 148-180-060	2.09	Proposed	n/a	Yes	No	0.00	0.00	VACANT	No	Proposed
8	172-130-015 172-130-016	0.46	Proposed	90	No	No	0.11	0.06	resid. Single family	No	Proposed
9	178-140-001 178-140-006	0.42	Proposed	62	No	No	0.49	0.46	OFFICE	No	Proposed
10	174-180-008	3.56	Proposed	2	Yes	No	1.48	2.76	RESID. APARTMENTS	No	Proposed
11	174-180-009	3.85	Proposed	n/a	Yes	No	0.00	0.00	GOVERNMENT	No	Proposed
12	178-261-033	0.16	Proposed	70	No	No	0.43	0.25	RESID. MULTIPLE FAMILY	No	Proposed
13	178-261-002	0.18	Proposed	n/a	No	No	0.00	0.00	VACANT	No	Proposed
14	145-042-012	1.96	Proposed	n/a	No	No	0.00	0.06	VACANT	No	Proposed
15	178-010-036	0.29	Proposed	n/a	No	No	0.00	0.00	VACANT	No	Proposed
16	179-030-001 179-030-002	1.67	Proposed	70	No	No	0.39	0.06	RESID. SINGLE FAMILY	No	Proposed
17	182-010-022 182-010-031	2.24	Proposed	60	No	No	0.12	0.02	resid. Single family	No	Proposed
18	174-150-044	0.45	Proposed	n/a	No	No	0.00	0.00	VACANT	No	Proposed
19	173-172-021	0.34	Proposed	n/a	No	No	0.00	0.07	VACANT	No	Proposed
20	178-010-006	0.48	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
21	178-290-001 178-290-002 178-290-003 178-290-004 178-290-005 178-290-006	0.93	Vacant	85	No	Yes	0.45	0.24	OFFICE	No	Vacant
22	170-280-005	0.42	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
23	180-210-034	0.59	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
24	177-231-032	0.51	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
25	183-270-006	0.55	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
26	184-402-004	0.50	Vacant	n/a	No	No	0.00	0.12	VACANT	No	Vacant
27	171-100-040	0.38	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
28	174-021-009	0.57	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
29	139-025-021	0.43	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
30	179-100-011	0.32	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
31	180-020-008 180-020-009	0.74	Vacant	n/a	No	No	0.00	0.08	VACANT	No	Vacant
32	173-030-033	0.56	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
33	174-210-043	0.20	Vacant	n/a	Yes	No	0.00	0.00	VACANT	No	Vacant

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Table 7-9. Suitability Factors Analysis (All Sites) (Continued)

		a		b	С	d	е	f	g	h	
Site No.	APN	Area (ac)	Vacant, Parking Lot, or Proposed?	Bldg. Age	1/4 Miles from BART?	Near New High- Density Dev.?	I:LV	FAR	Current Use	For Lease / For Sale?	Factors Met
34	184-370-034	0.56	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
35	172-130-014	0.28	n/a	69	No	Yes	1.34	0.09	RESID. SINGLE FAMILY	No	b, d, f,
36	172-130-053	0.39	n/a	40	No	Yes	1.42	0.24	RESID. SINGLE FAMILY	No	b, d, f,
37	172-130-054	0.53	n/a	111	No	Yes	1.80	0.11	RESID. SINGLE FAMILY	No	a, b, d, f,
38	172-130-017	0.52	n/a	73	No	Yes	2.92	0.10	RESID. SINGLE FAMILY	No	a, b, d, f,
39	172-130-018	0.27	n/a	72	No	Yes	0.42	0.10	resid. Single family	No	b, d, e, f,
40	172-130-019	0.26	n/a	72	No	Yes	0.67	0.17	resid. Single family	No	b, d, e, f,
41	172-130-020	0.26	n/a	73	No	Yes	0.25	0.17	RESID. SINGLE FAMILY	No	b, d, e, f,
42	172-130-021	0.26	n/a	72	No	Yes	0.59	0.15	RESID. SINGLE FAMILY	No	b, d, e, f,
43	172-130-049	0.36	n/a	73	No	Yes	2.04	0.11	RESID. SINGLE FAMILY	No	b, d, f,
44	172-130-069	0.47	n/a	47	No	Yes	1.01	0.12	RESID. SINGLE FAMILY	No	b, d, f,
45	174-140-014 174-140-015 174-140-016	0.54	n/a	n/a	No	Yes	0.34	0.21	RESID. MULTIPLE FAMILY	No	a, d, e, f,
46	174-140-018	0.30	n/a	61	No	Yes	2.15	0.29	RESID. APARTMENTS	No	b, d, f,
47	174-150-009 174-150-010 174-150-013 174-150-014 174-150-041 174-150-046 174-150-047 174-150-052 174-150-073	2.10	Parking Lot	67	No	Yes	0.94	0.34	RETAIL SALES	No	Parking Lot
48	178-020-006 178-020-009 178-020-011 178-020-002 178-020-008 178-030-006	3.41	n/a	81	No	No	0.96	0.31	RETAIL SALES	No	a, b, e, f, g,
49	178-030-003 178-030-004	1.60	n/a	78	No	No	0.38	0.23	RETAIL SALES	No	a, b, e, f, g,
50	178-040-018 178-040-019 178-040-020 178-040-021 178-040-022 178-040-023 178-040-024 178-040-025 178-040-025 178-040-027 178-040-028 178-040-029 178-040-029 178-040-031 178-040-031 178-040-031 178-040-031 178-040-032 178-040-033 178-040-034 178-040-035 178-040-036 178-040-036 178-040-036 178-040-036 178-040-036 178-040-036 178-040-036 178-040-036 178-040-036 178-040-036	4.45	Vacant	110	No	No	0.24	0.28	RESID. SINGLE FAMILY	No	Vacant

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Table 7-9. Suitability Factors Analysis (All Sites) (Continued)

		a		b	с	d	е	f	g	h	
Site No.	APN	Area (ac)	Vacant, Parking Lot, or Proposed?	Bldg. Age	1/4 Miles from BART?	Near New High- Density Dev.?	l:LV	FAR	Current Use	For Lease / For Sale?	Factors Met
51	178-080-030	0.45	n/a	74	Yes	No	0.00	0.05	CHURCH	No	b, c, e, f,
52	178-080-075	5.20	n/a	52	Yes	No	7.12	0.33	CHURCH	No	a, b, c, f,
53	178-040-060 178-040-079	1.68	n/a	31	No	Yes	1.53	0.27	RETAIL SALES	No	a, d, f, g,
54	178-411-011 178-411-013	1.45	Parking Lot	55	Yes	No	0.18	0.09	PARKING LOT	No	Parking Lot
55	178-411-020	0.34	n/a	44	Yes	Yes	2.58	0.01	AUTOMOTIVE USES	No	b, c, d, f,
56	183-050-021	5.03	n/a	52	No	No	3.75	0.48	OFFICE	No	a, b, f, g,
57	183-260-027	5.25	Parking Lot	n/a	No	No	0.00	0.00	PARKING LOT	No	Parking Lot
58	184-041-047 184-041-002 184-041-003 184-041-004 184-041-005 184-041-006 184-041-007	1.08	n/a	81	No	Yes	0.60	0.32	OFFICE	For Sale; Fully Vacant	a, b, d, e, f, g, h
59	184-041-016	1.93	n/a	81	No	No	4.22	0.09	CHURCH	No	a, b, f,
60	184-041-019 184-041-020	0.41	n/a	68	No	Yes	1.43	0.41	RETAIL SALES	No	b, d, f, g,
61	184-050-010 184-050-011 184-050-012 184-050-013 184-050-014 184-050-015 184-050-062 184-050-068 184-050-069	2.44	Parking Lot	61	No	No	0.77	0.35	RETAIL SALES	No	Parking Lot
62	184-050-058 184-050-059 184-050-060 184-050-065	2.15	n/a	62	No	No	0.48	0.27	OFFICE	No	a, b, e, f, g,
63	184-050-066	3.60	n/a	53	No	No	0.23	0.19	RETAIL SALES	No	a, b, e, f, g,
64	184-050-063 184-050-070 184-050-002 184-050-003 184-050-004	1.64	n/a	55	No	No	1.30	0.52	OFFICE	No	a, b, g,
65	184-070-011	3.01	n/a	62	No	Yes	0.29	0.25	RETAIL SALES	No	a, b, d, e, f, g,
66	184-070-016 184-070-017	1.80	n/a	n/a	No	Yes	0.36	0.27	RETAIL SALES	18% For Lease	a, d, e, f, g, h
67	184-070-023	2.56	n/a	64	No	Yes	0.54	0.36	SHOPPING CENTERS	16% For Lease	a, b, d, e, f, g, h
68	184-070-024	2.15	n/a	61	No	Yes	1.83	0.27	RETAIL SALES	No	a, b, d, f, g,
69	184-080-018 184-080-019 184-080-020 184-080-023 184-080-032 184-080-034 184-080-035 184-080-036	4.00	n/a	118	No	Yes	1.17	0.30	RETAIL SALES	For Sale; Fully Vacant	a, b, d, f, g, h

		a		b	с	d Near	е	f	g	h	
Site No.	APN	Area (ac)	Vacant, Parking Lot, or Proposed?	Bidg. Age	1/4 Miles from BART?	New High- Density Dev.?	I:LV	FAR	Current Use	For Lease / For Sale?	Factors Met
70	178-210-007 178-210-008 178-210-010 178-210-012	2.79	n/a	78	Yes	Yes	1.93	0.38	RETAIL SALES	No	a, b, c, d, f, g,
71	178-320-006 178-320-007 178-320-012 178-320-020	1.61	Parking Lot	28	No	Yes	1.23	0.19	BANK	No	Parking Lot
72	178-330-001 178-330-004 178-330-007	1.99	n/a	60	Yes	No	0.88	0.23	AUTOMOTIVE USES	For Sale; No Vacancies	a, b, c, e, f, h
73	178-340-002 178-340-017	0.47	Vacant	96	No	No	0.05	0.05	resid. Single family	No	Vacant
74	178-411-007 178-411-008 178-411-009	0.48	n/a	60	No	Yes	1.48	0.41	OFFICE	No	b, d, f, g,
75	178-412-010 178-412-011 178-412-012	1.63	Proposed	n/a	No	Yes	0.00	0.09	PARKING LOT	No	Proposed
76	178-550-013 178-550-001 178-550-002 178-550-003 178-550-004 178-550-005 178-550-006 178-550-007 178-550-008 178-550-009 178-550-010 178-550-011 178-550-012	0.37	n/a	49	Yes	Yes	1.64	0.33	COMMERCIAL	No	b, c, d, f,
77	174-220-002 174-220-033 174-220-034 174-220-039 174-220-041 174-220-043 174-220-045	1.97	n/a	33	Yes	Yes	1.01	0.47	OFFICE	No	a, c, d, f, g,
78	177-260-023	0.76	n/a	39	No	No	1.20	0.52	OFFICE	33% For Lease	a, g, h
79	177-280-014	0.69	n/a	39	No	No	0.69	0.58	OFFICE	No	a, e, g,
80	177-280-018 177-280-017	0.95	n/a	39	No	No	1.16	0.71	OFFICE	65% For Lease	a, g, h
81	178-010-015	0.14	n/a	71	No	Yes	0.35	0.26	RESID. MULTIPLE FAMILY	No	b, d, e, f,
82	178-010-016	0.23	n/a	71	No	Yes	0.27	0.15	RESID. SINGLE FAMILY	No	b, d, e, f,
83	178-010-028	0.17	n/a	71	No	Yes	0.29	0.22	RESID. MULTIPLE FAMILY	No	b, d, e, f,
84	178-010-020	0.09	n/a	76	No	Yes	0.11	0.22	RESID. SINGLE FAMILY	No	b, d, e, f,
85	178-040-001	0.28	n/a	70	No	Yes	0.58	0.27		No	b, d, e, f, g,
86 87	178-071-002 178-072-006	0.16	n/a n/a	71 84	Yes No	Yes Yes	0.50	0.15	RESID. SINGLE FAMILY RESID. APARTMENTS	No No	b, c, d, e, f, b, d, e, f,
88	178-072-008	1.10	Parking Lot	04 n/a	No	No	0.80	0.26	CHURCH	NO	Parking Lot
89	178-080-007	0.20	n/a	n/a	Yes	Yes	0.13	0.00	RESID. MULTIPLE FAMILY	No	c, d, e, f,
90	178-080-038 178-080-022 178-080-023	0.41	n/a	81	Yes	Yes	0.11	0.12	RESID. SINGLE FAMILY	No	b, c, d, e, f,

Table 7-9. Suitability Factors Analysis (All Sites) (Continued)

		a		b	с	d Near	е	f	g	h	
Site No.	APN	Area (ac)	Vacant, Parking Lot, or Proposed?	Bidg. Age	1/4 Miles from BART?	New High- Density Dev.?	I:LV	FAR	Current Use	For Lease / For Sale?	Factors Met
-	178-080-024										
	178-080-025	0.37	n/a	73	Yes	Yes	0.35	0.17	RESID. SINGLE FAMILY	No	b, c, d, e, f,
	178-080-026	0.00	,	70			1.01	0.17			
	178-080-027	0.23	n/a	70	Yes	Yes	1.91	0.17	RESID. MULTIPLE FAMILY	No	b, c, d, f,
93	178-080-072 178-080-073	1.27	n/a	53	Yes	Yes	0.64	0.68	OFFICE	No	a, b, c, d, e, g,
94	178-130-017 178-130-022	0.38	n/a	66	No	Yes	0.05	0.15	OFFICE	No	b, d, e, f, g,
95	178-140-004 178-140-007	0.21	Vacant	96	No	Yes	1.00	0.16	RESID. SINGLE FAMILY	No	Vacant
	173-110-018	1.33	n/a	45	No	No	1.03	0.35	OFFICE	No	a, b, f, g,
97 F	173-110-023 173-110-024	3.39	Vacant	37	No	No	1.51	0.41	RETAIL SALES	No	Vacant
	174-172-012	0.56	n/a	65	Yes		0.51	0.39	AUTOMOTIVE USES	No	a, b, c, e, f,
	178-340-020	0.59	n/a	34	No	Yes	1.53	0.36	RETAIL SALES	No	a, d, f, g,
	178-351-008	0.24	n/a	45	No	Yes	2.60	0.65	OFFICE	No	b, d, g,
	178-351-016	0.72	n/a	50	No	Yes	2.50	1.16	OFFICE	No	a, b, d, g,
	178-351-018	0.60	n/a	34	No	Yes	1.36	0.36	RETAIL SALES	No	a, d, f, g,
	178-352-020	0.62	n/a	67	No	No	0.83	0.56	RETAIL SALES	No	a, b, e, g,
	178-352-022	0.50	n/a	66	No	Yes	0.77	0.46	OFFICE	No	a, b, d, e, f, g,
105	178-402-004 178-412-005	0.77	Parking Lot	51	No	Yes	0.88	0.17	MEDICAL/DENTAL/LABS	No	Parking Lot
106	178-412-004 178-412-003	1.54	n/a	42	No	Yes	1.95	0.54	OFFICE	No	a, b, d, g,
	178-412-013	0.55	n/a	31	No	Yes	0.27	0.07	AUTOMOTIVE USES	No	a, d, e, f,
	178-412-015	0.43	n/a	65	No	Yes	1.14	0.32	RETAIL SALES	No	b, d, f, g,
	171-150-001 171-150-007	4.06	Proposed	n/a	No	No	0.00	0.01	VACANT	No	Proposed
110 1	173-042-019	1.76	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
	147-271-003 147-271-010	1.39	Vacant	n/a	No	No	0.00	0.00	GOVERNMENT	No	Vacant
	145-151-020 145-151-021	1.32	Proposed	62	No	No	0.61	0.02	resid. Single family	For Sale; Vacant	Proposed
113 1	178-290-009	0.17	n/a	81	No	Yes	0.39	0.24	RESID. MULTIPLE FAMILY	For Sale	b, d, e, f, h
	178-290-018 178-290-019	0.34	n/a	74	No	Yes	0.41	0.24	RESID. MULTIPLE FAMILY	No	b, d, e, f,
115 1	171-032-036	0.39	Parking Lot	n/a	No	No	0.12	0.00	CHURCH	No	Parking Lot
116 1	171-091-030	0.89	Vacant	n/a	No	No	0.00	0.00	VACANT	No	Vacant
117 1	186-030-054	3.84	Proposed	n/a	No	No	7.24	0.00	CHURCH	No	Proposed
	184-092-034	1.32	Proposed	57	No	No	0.02	0.09	RETAIL SALES	No	Proposed
	174-050-013 174-050-014	1.18	n/a	n/a	No	Yes	0.44	0.07	RESID. MULTIPLE FAMILY	No	a, d, e, f,
- 120 E	184-050-005 184-050-027	1.82	n/a	74	No	Yes	1.86	0.42	RESID. MULTIPLE FAMILY	No	a, b, d, f,
121 1	144-082-004 144-082-006 144-082-011	14.34	n/a	53	No	No	5.79	0.02	RECREATIONAL	No	a, b, f,
	140-230-004	2.95	n/a	43	No	Yes	4.65	0.07	CHURCH	No	a, b, d, f,
	183-030-005	0.51	n/a	65	No	Yes	0.32	0.16	RETAIL SALES	No	a, b, d, e, f, g,
	183-030-029	0.92	n/a	68	No	Yes	0.25	0.20	RETAIL SALES	No	a, b, d, e, f, g,
	184-042-014	0.58	n/a	66	No	No	1.50	0.29	COMMERCIAL	No	a, b, f, g,
	179-060-036	1.42	n/a	74	No	Yes	1.65	0.35	RESID. APARTMENTS	No	a, b, d, f,
	183-030-001 183-030-002	0.34	n/a	51	No	No	0.60	0.13	RESTAURANT	No	b, e, f, g,

1 While the Diablo Hills Golf Course is a 14.34 acre golf course, it is assumed that housing would be developed on a portion of the land, while maintaining the golf course in business.

By applying this comprehensive methodology and considering multiple characteristics, sites that demonstrate three or more of these factors are identified as prime for redevelopment. This approach ensures a thorough evaluation of each site's potential and facilitates the selection of sites with the highest likelihood of successful revitalization.

Furthermore, as part of the evaluation process, the City developed "Site Profiles" for sites that either:

- Did not meet the threshold of three or more characteristics, or
- Received a public comment.

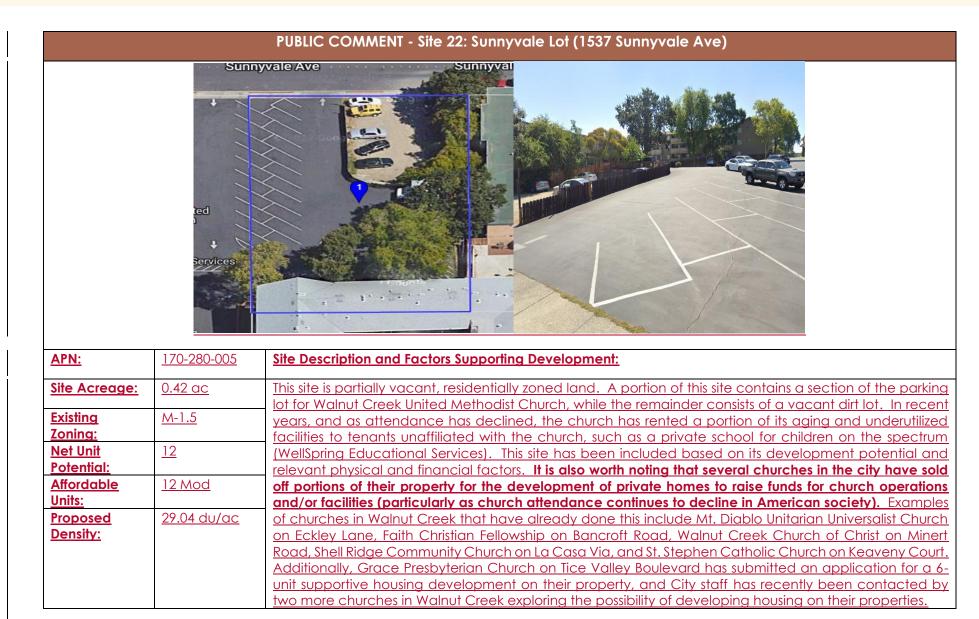
The site profiles below only include any sites that received a public comment, as all sites have at least three characteristics that show potential for redevelopment. These Site Profiles address the public's concerns on their developability by providing detailed documentation and offering insights into the City's decision-making process for including these sites in the Sites Inventory. They provide an in-depth analysis of the unique attributes of each site, highlighting their potential strengths and opportunities for improvement. By creating these Site Profiles, the City aims to maintain transparency and accountability, ensuring that the rationale behind the inclusion or exclusion of specific sites is clearly articulated and justified. This comprehensive approach not only facilitates the selection of sites with the highest potential for successful revitalization but also allows for a comprehensive understanding of the City's decision-making process in site selection.

7.3.5.1 Site Profiles

The following site profiles provide details supporting the inclusion of any sites that received public comment. Each profile includes information such as zoning, density allowances, land-to-improvement value ratios, current uses, owner interest, vacancies, etc.

A Community Benefits Agreement is an option available to developers who may seek additional density and FAR in exchange for providing community benefits such as public infrastructure improvements or publicly accessible private open space. These improvements are focused on supporting additional residential development in the City, including through the implementation of the West and North Downtown Specific Plans, and amenities such as bicycle and pedestrian infrastructure that will reduce the need for an automobile, and consequently the cost of living in Walnut Creek. While available to developers in the two specific plan areas, the Housing Element does not assume the use of Community Benefit Agreements when calculating the capacity of housing sites. Sites 73 and 100 of the below site profiles have access to a community benefits agreement.

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		PUBLIC COMMENT - Site 68: California Blvd (1372 S. California Blvd)
		Nevel Are
APN:	<u>184-070-024</u>	Site Description and Factors Supporting Development:
<u>Site Acreage:</u>	<u>2.15 ac</u>	This is an underutilized retail property occupied by a grocery store and pet food store within a simple one- story building that was constructed in 1961, and that has only seen a new interior demising wall and minor
Existing Zoning:	MU-C	cosmetic upgrades in the time since. The property was rezoned in 2016 from a commercial designation that did not allow residential uses (hence the reason why it had not yet been redeveloped). Trader Joe's
<u>Net Unit</u> <u>Potential:</u>	<u>59</u>	is the primary tenant, and they have a history of opening stores in new mixed-use developments throughout the country, with a local example at 1885 University Avenue in Berkeley. A public commenter
Affordable Units:	<u>37 VL, 22 Low</u>	stated that they spoke with a representative for the property owner who told them that "the length and
Proposed Density:	<u>58.08 du/ac</u>	complexity of getting housing entitled in Walnut Creek made it extremely unlikely the parcel would be redeveloped in the next ten years"; however, the City's entitlement process for even a large mixed-use project would normally only take six to 12 months, and the capacity analysis found a significant delta
<u>IV:L</u>	<u>1.83</u>	between the improvement value and the land value of the property. Additionally, the secondary tenant space (currently Pet Food Express, which occupies approximately 40 percent of the building) has already had two tenants in the approximately 15 years since the previous whole-building tenant (an Albertsons supermarket) vacated the building, an indication of the building's relatively weak position in the local retail market. Furthermore, the existing building's FAR of 0.27 is approximately one-sixth the maximum 1.5

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FAR permitted by the Zoning Ordinance, and the existing building's approximately 20-foot height is less
than half of the 50-foot height limit.

PUBLIC COMMENT - Site 73: Broadway Dealership (1800 Broadway)



APN:	<u>178-340-002,</u> <u>178-340-017</u>	Site Description and Factors Supporting Development:
Site Acreage:	<u>0.46 ac</u>	This site consists of two parcels assembled by one owner, totaling 0.46 acres. The larger of the two parcels
Existing Zoning:	<u>MU-R</u>	is vacant, while the smaller one is occupied by a single-family dwelling built in 1926 that is now used as an office for a construction firm. The existing FAR for the site is 0.05, which is approximately one-twentieth of
<u>Net Unit</u> <u>Potential:</u>	<u>47</u>	the minimum 1.0 FAR required for new development, one-thirtieth the maximum permitted 1.5 FAR, and

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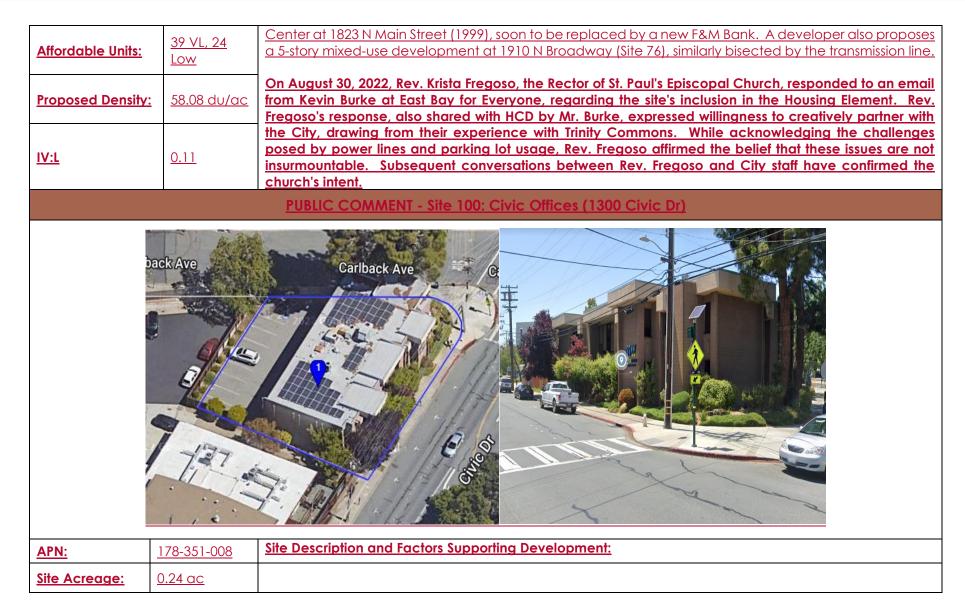
Affordable Units:	<u>n/a</u>	one-fiftieth the maximum 2.5 FAR possible with a Community Benefit Agreement. Lastly, the site is located
Proposed Density:	<u>102.49 du/ac</u>	two blocks from a large city park, is a 5-minute walk from the downtown Pedestrian Retail District and is just over a 10-minute walk to the BART station.
<u>IV:L</u>	<u>0.69</u>	

PUBLIC COMMENT - Site 88: St. Paul's Episcopal Church Parking Lot (1901 Trinity)



APN:	178-072-009	Site Description and Factors Supporting Development:
Site Acreage:	<u>1.10 ac</u>	This site includes a parking lot for St. Paul's Episcopal Church at 1924 Trinity Avenue, across the street. The site is divided by a PG&E overhead electrical transmission line within a 100-foot right-of-way. While excluded from the capacity analysis, this section may be used for surface parking or open space. Over
Existing Zoning:	<u>M-0.75</u>	the past 50 years, development on properties intersected by the transmission line has consistently proven feasible, despite its presence. Examples include a 4-story affordable housing and homeless services facility at 1888 Trinity Avenue called "St. Paul's Commons" and the "Trinity Center," a 3-story townhouse
Net Unit Potential:	<u>63</u>	development at 1800 Cole Avenue (1972), a 3-story office building at 1777 N California Blvd (1978), a 4- story office building with underground parking at 1981 N Broadway (1987), and the former Target Garden

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Existing Zoning:	MU-C	This site consists of a small two-story office building built in 1977 with a surface parking lot. The property was rezoned in 2019 from a commercial designation that did not allow residential uses (hence the reason
<u>Net Unit</u> <u>Potential:</u>	<u>11</u>	why it has not yet been redeveloped), and more than tripled the maximum permitted FAR, thereby further incentivizing redevelopment. The site's existing FAR of 0.67 is two-thirds of the minimum 1.0 FAR
Affordable Units:	<u>0</u>	required for new development, only slightly more than one-third of the maximum permitted 1.8 FAR, and less than one-quarter the maximum 2.8 FAR possible with a Community Benefit Agreement. Furthermore,
Proposed Density:	<u>49.78 du/ac</u>	the existing building's height of approximately 20 feet is less than half the 45-foot maximum allowed by the zoning. Additionally, the site is located directly across the street from a large city park, is less than a
<u>IV:L</u>	<u>2.60</u>	5-minute walk from the downtown Pedestrian Retail District and is just over a 10-minute walk to the BART station. Lastly, the owners have indicated to City staff that they are exploring development options for this property.

7.3.57.3.6 Sites Located In Specific Plan Areas

HCD's Site Inventory Guidebook requires further analysis for sites located in specific plans or master plan areas. Of the City's 1240 sites, 6968 are located in are in a specific plan area. More specifically,

- <u>67-66</u> sites are located in either the West Downtown or North Downtown Specific Plan areas, and
- Two sites are located in the Locust Street/ Mt. Diablo Boulevard Specific Plan area.

The City adopted the West Downtown and the North Downtown Specific Plans to provide a clear vision for the trend of redeveloping commercial properties into higher densityhigher-density residential and mixed-use developments. Due to the location of the Bay Area Rapid Transit (BART) station downtown and the commercial shopping areas and services located in this area, this trend had already been occurring for several years prior to the adoption of these specific plans. The City adopted the Locust Street / Mt. Diablo Boulevard Specific Plan "to guide new development in a way that builds upon, enhances and expands the existing pedestrian-oriented retail district, while preserving the diverse and eclectic character of the Traditional Downtown."

Pursuant to page 18 of HCD's Site Inventory Guidebook, the Housing Element must contain specific sites by parcel number (provided in Table 7<u>-</u>10Table 7-8, Specific Plan Area Sites, and in Appendix C) and demonstrate that the sites are available and suitable for development within the planning period, including the following:

- Identify the date of approval of the plans and expiration date the West Downtown Specific Plan was adopted on September 4, 2018, the North Downtown specific Specific Plan was adopted on October 15, 2019, and the Locust Street/ Mt. Diablo Boulevard Specific Plan was adopted on July 20, 2010. None of these plans have an expiration date.
- Identify approved or pending projects within these plans that are anticipated in the planning period, including anticipated affordability based on the actual or projected sale prices, rent levels, or other mechanisms establishing affordability in the planning period of the units within the project_- since 2014, at least 18 high densityhigh-density residential development projects have been constructed or proposed (with densities greater than 30 dwelling units per acre) in the West Downtown and North Downtown Specific Plan areas. These developments generally replaced lower densitylower-density residential or commercial uses. The downtown offers proximity to the City's BART station and walkable access to goods, services, and recreational opportunities. Six of these developments included commercial space on the ground floor (on average, 7,600 square feet). Five of

the 19 developments included either mixed-income (lower-income and above moderateincome) or exclusively affordable (lower-income) housing.

- Of the 676 sites located in the West Downtown or North Downtown Specific Plan areas, eight-10 are pending, approved, or permitted. More information about all 676 sites in the West Downtown and North Downtown Specific Plan areas is provided in Table 7-10Table 7-8, Specific Plan Area Sites. Additional details about the eight pending, approved, or permitted developments, including affordability levels, is available in Table 7-3Tables 7-3, Entitled and Pending Development Applications and Table 7-47-4, Rent and Income Level Summary for Entitled and Pending Developments.
- Although the Locust Street / Mt. Diablo Boulevard Specific Plan is focused on retail use, one high-density, mixed-use development is under construction, and another is proposed. These two developments are included in the Sites Inventory by virtue of being proposed or under construction. Both developments are anticipated to be built (i.e., construction completed) during the 6th Cycle planning period. More information about these two sites/developments is provided in Tables 7-3, Entitled and Pending Development Applications, and 7-8, Specific Plan Area Sites.
- In addition, six high-density, mixed-use developments have been proposed or built since 2014 near the downtown area, but not in a Specific Plan area.
- The information for all sites within these Specific Plan areas is provided in Table 7-10Table 7-8, Specific Plan Area Sites, on the following pages. Sites that are not pending or approved are indicated with the status "Capacity."
- Describe necessary approvals or steps for entitlements for new development (e.g., design review, site plan review, etc.) – general information is contained in Chapter 5, Housing Constraints and site-specific information is provided in Table 7<u>-</u>10Table 7-8, Specific Plan <u>Area Sites.</u>
- Describe any development agreements, and conditions or requirements such as phasing or timing requirements that impact development in the planning period this requirement does not apply, as there are no existing development agreements.

Table 7-10. Specific Plan Area Sites

Site No.	APN	Address	Area (ac)	Total Units	Specific Plan Area	Specific Plan Adoption Date	Specific Plan Expiration Date	Status	Necessary Steps for Entitlements	Development Agreements
2	178-411-017	1910, 1940-1950 N Main St	0.97	135	North Downtown	10/15/2019	N/A	Construction	See Chapter 5	N/A
3	178-230-028	1556 Mt Diablo Blvd	0.80	42	Locust/ Mt. Diablo	7/20/2010	N/A	Proposed	See Chapter 5	N/A
5	178-160-028	1380 North California	0.68	95	Locust/ Mt. Diablo	7/20/2010	N/A	Construction	See Chapter 5	N/A
6	178-402-003	699 Ygnacio Valley Rd	0.91	93	North Downtown	10/15/2019	N/A	Approved	See Chapter 5	N/A
9	178-140-001	1501 N California Blvd	0.42	27	West Downtown	9/4/2018	N/A	Approved	See Chapter 5	N/A
10	174-180-008	200 Ygnacio Valley Rd	3.56	358	West Downtown	9/4/2018	N/A	Construction	See Chapter 5	N/A
11	174-180-009	200 Ygnacio Valley Rd	3.85	288	West Downtown	9/4/2018	N/A	Approved	See Chapter 5	N/A
15	178-010-036	1524 Oakland Blvd	0.29	4	West Downtown	9/4/2018	N/A	Approved	See Chapter 5	N/A
18	174-150-044	2211 N Main St	0.45	52	North Downtown	10/15/2019	N/A	Approved	See Chapter 5	N/A
20	178-010-006	Oakland Blvd	0.48	27	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
45	174-140-014	1620 Riviera Avenue	0.54	19	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
46	174-140-018	1700 Riviera Avenue	0.30	7	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
47	174-150-009	2221 N Main Street	2.10	83	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
48	178-020-006	2082-2084 Mt. Diablo Blvd	3.41	188	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
49	178-030-003	2042 Mt. Diablo Blvd	1.60	88	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
50	178-040-018	1832 Sharp Ave	4.45	223	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
51	178-080-030	1859 Lacassie Ave	0.45	26	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
52	178-080-075	1801 Lacassie Ave	5.20	26	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
53	178-040-060	1920-1930 Mt. Diablo Blvd.	1.68	92	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
54	178-411-011	Arroyo Way	1.45	148	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
55	178-411-020	1980 N. Main St	0.34	34	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
58	184-041-047	2005 Mt. Diablo Blvd	1.08	58	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
59	184-041-016	Mt Diablo Blvd	1.93	42	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
60	184-041-019	2027 Mt. Diablo Blvd	0.41	22	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
61	184-050-010	1919 Mt. Diablo Blvd	2.44	134	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
62	184-050-058	1815 Mt. Diablo Blvd	2.15	118	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
63	184-050-066	1123 S. California Blvd	3.60	198	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
64	184-050-063	1870 Olympic Blvd	1.64	77	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
70	178-210-007	1766 Locust St	2.79	131	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
71	178-320-006	1735 N Broadway	1.61	147	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
72	178-330-001	Arroyo Way	1.99	253	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
73	178-340-002	1375 Arroyo Way	0.47	48	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
74	178-411-007	577-581 Ygnacio Valley Rd	0.48	22	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
75	178-412-010	N Broadway	1.63	140	North Downtown	10/15/2019	N/A	Proposed	See Chapter 5	N/A
76	178-550-013	1430 Arroyo Way	0.37	36	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A

Site No.	APN	Address	Area (ac)	Total Units	Specific Plan Area	Specific Plan Adoption Date	Specific Plan Expiration Date	Status	Necessary Steps for Entitlements	Development Agreements
77	174-220-002	1756 Lacassie Ave	1.97	108	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
78	177-260-023	1443-1515 Oakland Blvd	0.76	42	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
79	177-280-014	1415 Oakland Blvd	0.69	38	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
80	177-280-018	1407 Oakland Blvd	0.95	52	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
81	178-010-015	1420 Oakland Blvd	0.14	2	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
82	178-010-016	1428 Oakland Blvd	0.23	4	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
83	178-010-028	1973-1977 Dora Ave	0.17	3	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
84	178-010-020	1502 Oakland Blvd	0.09	1	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
85	178-040-001	1806 Bonanza St	0.28	14	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
86	178-071-002	1944 Trinity Ave	0.16	8	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
87	178-072-006	1963 Trinity Ave	0.27	8	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
88	178-072-009	Trinity Ave	1.10	63	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
89	178-080-007	1755 Cole Ave	0.20	8	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
90	178-080-038	10 Lacassie Ct	0.41	21	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
91	178-080-024	31 Lacassie Ct	0.37	18	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
92	178-080-027	1753 Lacassie Ave	0.23	12	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
93	178-080-072	1777 N California Blvd	1.27	69	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
94	178-130-017	1711 Almond Ave	0.38	18	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
95	178-140-004	1721 Stow Ave	0.21	10	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
96	173-110-018	1222-1250 Pine St	1.33	62	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
97	173-110-023	1201-1299 Parkside Dr	3.39	157	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
98	174-172-012	2101 N Main St	0.56	26	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
99	178-340-020	1800-1830 N Broadway	0.59	60	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
100	178-351-008	1300 Civic Dr	0.24	11	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
101	178-351-016	1700 N Broadway	0.72	34	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
102	178-351-018	1756-1790 N Broadway	0.60	61	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
103	178-352-020	1251 Arroyo Way	0.62	29	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
104	178-352-022	1267 Arroyo Way	0.50	51	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
105	178-402-004	1150 Civic Dr	0.77	36	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
106	178-412-004	675 Ygnacio Valley Rd	1.54	72	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
107	178-412-013	605 Ygnacio Valley Rd	0.55	26	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
108	178-412-015	N Broadway	0.43	41	North Downtown	10/15/2019	N/A	Capacity	See Chapter 5	N/A
120	184-050-005	1204 Alpine Rd	1.82	39	West Downtown	9/4/2018	N/A	Capacity	See Chapter 5	N/A
TOTAL				4,685						

Table 7-10. Specific Plan Area Sites Table 7 8. Specific Plan Area Sites (Continued)

* For pending and entitled developments, "Density Realism" is based on the proposed development. For other sites, "Density Realism" is an assumption based on realized density of recent and proposed developments.

7.3.67.3.7 Infrastructure Availability - Site Access to Water, Sewer, and Dry Utilities

7.3.6.17.3.7.1 Water and Sewer

An analysis of water and sewer capacity was conducted by a licensed utility engineer with Harris and Associates by reviewing the Urban Water Management Plans for the East Bay Municipal Utility District (EBMUD) and the Contra Costa Water District (CCWD), as described below. In summary, there is sufficient water and sewer supply to meet the City's RHNA for the planning period.

Water service in Walnut Creek is provided by EBMUD and CCWD.

EBMUD supplies water to approximately 1.3 million people in a service area that includes 20 cities and communities in Contra Costa and Alameda counties. Surface water comprises almost 100% of the EBMUD water supply. About 90% of the EBMUD water supply originates from the Mokelumne River on the west slope of the Sierra Nevada and is stored at the Pardee Reservoir about 40 miles northeast of Stockton. The remaining 10% of EBMUD water is comprised of local watersheds and reservoirs in the East Bay hills.

CCWD provides treated and untreated water to approximately 500,000 people in Contra Costa County. The district's service area encompasses most of central and northeastern Contra Costa County, a total area of more than 140,000 acres (including the Los Vaqueros watershed area of approximately 19,000 acres). The District diverts water from the Delta at four intake facilities. The intakes are located at Rock Slough, Old River, Middle River at Victoria Canal, and Mallard Slough. The backbone of the District's water conveyance system is the 48-mile Contra Costa Canal, which starts at Rock Slough and ends at the Martinez Reservoir.

CCWD's and EBMUD 2020 Urban Water Management Plans (UWMP) outline water demand and supply through 2045 for CCWD and 2050 for EBMUD._Both district's UWMPs State they have adequate water supply to meet demands in average and for single dry year droughts. Droughts that extend beyond 1 year (multi-year droughts) compromise both district's ability to meet demands with current sources._Both districts are planning additional sources of supply from groundwater, water reuse, and water wheeling through other districts._Both districts are working aggressively to implement water conservation and efficiency programs and have contingency plans in the event of an extended drought to reduce demand._Currently neither district is refusing additional customer on the system.

Specific Water Master Plans for both districts could not be found._However, given the size and the technical capabilities of the districts it is assumed both have a full understanding of the delivery capabilities of the water distribution systems and are making capital improvement plans

to address pressure or delivery issues. All proposed sites are within developed portions of the water systems and should be readily available adjacent or in close proximity to each site.

The Central Contra Costa Sanitary District (CCCSD) provides wastewater collection and treatment services for the City.-The collection system within the City includes gravity sewer lines and pump stations, and the wastewater treatment plant is located near Martinez.

Treated effluent is discharged to Suisun Bay operating under a National Pollutant Discharge Elimination System (NPDES) permit granted by the San Francisco Bay Regional Water Quality Control Board._The plant has a treatment capacity of 53.8 million gallons per day (mgd) average dry weather flow and 240 mgd wet weather flow._In 2017, the wastewater treatment plant processed about 34 mgd average dry weather flow._In 2017 Comprehensive Wastewater Master Plan (CWMP) made population projections and corresponding projections of wastewater flow and loads were developed and later compared to the treatment plants flow and load capacity._The CWMP assumed flows would rebound to a post drought 34 mgd and would steadily increase at an average rate of less than 1% per year for the next 20 years._No projects were included in the Capital Investment Program (CIP) to address or facilitate population growth. Additionally, the CWMP also recommended no improvements to pipelines within the service area to accommodate planned growth.

As with the water system, all proposed sites are within developed portions of the wastewater system and should be readily available adjacent or in close proximity to each site. Furthermore, the City will apply for infill infrastructure grants, as described in Program H-2.A- Pursue State and Federal Funding for Affordable Housing in the Housing Plan.

Government Code, Section 65589.7 (a) requires that any "housing element adopted by the legislative body and any amendments made to that element [be] immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential, within the territory of the legislative body." Pursuant to this requirement, the City will immediately deliver the Housing Element to EBMUD and CCWD. The City will include a cover memo describing the Housing Element, including the City's housing needs and regional housing need.

7.3.6.2<u>7.3.7.2</u> Dry Utilities

All sites in the inventory lie within the City limits of Walnut Creek and are provided electrical service by Pacific Gas and Electric (PG&E). Additional dry utilities include telecommunications providers, cable providers, and solid waste disposal (Central Contra Costa Solid Waste Authority).

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7.3.77.3.8 Maps of Sites

The City compiled, organized, and mapped the entire Sites Inventory data into a series of maps, shown as Figure 7-2. Sites Inventory MapsFigure 7-1, Sites Inventory Maps.

7.3.87.3.9 Suitability of Sites for Moderate-Income Housing

AB 725 (2020) requires housing elements due after January 1, 2022 (metropolitan and suburban jurisdictions) to allocate 25% of their RHNA numbers for moderate- and above moderate-income housing to sites with zoning that allows at least four units of housing, with moderate-income sites being capped at a density of 100 units per acre. The Sites Inventory was prepared in adherence to these requirements.

All of the City's moderate-income units are allocated to 34 sites, all of which allow at least four units of housing per parcel and none of which allow a density of 100 units per acre. The City's above moderate-income units are allocated to 66 sites. Of these 66 sites, 45 allow at least four units of housing per parcel, representing 97% of the above moderate-income units in the Sites Inventory. Table 7-11Table 7-9, Suitability of Above Moderate and Moderate-Income Sites, shows sites that only contain moderate and above moderate-income units.

The City's moderate-income units are designated on sites with the following zoning:

- M-0.75, Multiple Family Residential District, allows up to 58.1 units per acre
- M-1.5, Multiple Family Residential District, allows up to 29.0 units per acre
- M-2.5, Multiple Family Residential District, allows up to 17.4 units per acre
- M-3, Multiple Family Residential District, allows up to 14.5 units per acre
- MU-C, Commercial Mixed-Use District, allows up to 49.8 units per acre in the North Downtown Specific Plan area and up to 58.1 units per acre in the West Downtown Specific Plan area, and requires ground-floor commercial use
- MU-D, Downtown Mixed-Use District, allows up to 58.1 units per acre
- M-U, Mixed Use Planned Development District, corresponds to the Golden Triangle area of the North Downtown Specific Plan, located immediately north of the BART station. Maximum residential density is determined by the Planning Commission when making a recommendation to the City Council on the Planned Development Permit. The Sites Inventory uses 40.0 units per acre as a proxy base density, because the General Plan describes the Multifamily Downtown (MFD) General Plan designation as high-density "residential neighborhoods consisting of apartments and condominiums... generally in close proximity to BART" and the MFD designation has a minimum density of 40.0 units

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per acre. (Three developments built since 2019 in the MU-PD zone have realized densities ranging between 65 and 92 units per acre.)

None of the zoning designations for sites with moderate-income units permits a base density of 100 units per acre.

The City will credit the following moderate-income units toward the RHNA:

- Entitled and Pending Projects: 21 units (see Table 7-3Table 7-3, Entitled and Pending Development Applications, for more details).
- Potential ADUs: <u>110</u>108 units (per Table 7-7, Potential ADU Production by Income Level, the average of 12.5 moderate-income ADUs permitted annually is multiplied by eight for the number of years in the 6th Cycle planning period and increased by 10% due to the PRADU program).

	Net Units of Capacity							_						
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
1	2800 Mitchell Dr	143-040-103	9.49	P-D	0.00	100%	-	-	-	254	254	1-story office/industrial	1.87	Proposed development on part of site.
3	1556 Mt Diablo Blvd	178-230-028	0.80	P-R	49.78	100%	-	-	-	42	42	1-story retail and parking	0.03	Proposed development.
4	1665 Carmel Dr	178-290-008	0.27	M-1	43.56	100%	-	-	-	8	8	Residential under construction	1.06	Proposed development.
5	1380 North California	178-160-028	0.68	P-R	49.78	100%	-	-	-	95	95	Residential under construction	1.41	Proposed development.
8	1394 Walden Rd	172-130-015	0.46	M-2.5	17.42	100%	-	-	-	6	6	Single family home	0.11	Proposed 7-unit development.
9	1501 N California Blvd	178-140-001	0.42	MU-D	58.10	100%	-	-	-	27	27	1-story retail	0.49	Proposed development.
10	200 Ygnacio Valley Rd	174-180-008	3.56	P-D	58.10	100%	-	-	-	358	358	Residential under construction	1.48	Proposed development.
11	200 Ygnacio Valley Rd	174-180-009	3.85	P-D	58.10	100%	-	-	-	288	288	Vacant	0.00	Proposed development.
12	1487, 1493, 1500 Carmel Dr	178-261-033	0.16	P-D	43.56	100%	-	-	-	11	11	Three duplexes	0.43	Proposed 17-unit development.
13	1229 Lincoln Ave	178-261-002	0.18	M-1	43.56	100%	-	-	-	3	3	Vacant	0.00	Proposed development.
14	1835 Weaver Lane	145-042-012	1.96	P-D	4.40	100%	-	-	-	7	7	Burned down single family home	0.00	Proposed 7-unit development.
15	1524 Oakland Blvd	178-010-036	0.29	P-D	29.04	100%	-	-	-	4	4	Vacant	0.00	Proposed development.
16	2680 Walnut Blvd	179-030-001	1.67	R-10	4.40	100%	-	-	-	12	12	Two single family homes	0.39	Proposed 14-unit development.
17	50 Garron Ct	182-010-022	2.24	R-20	2.20	100%	-	-	-	3	3	Single family home	0.12	Proposed 4-unit development.
18	2211 N Main St	174-150-044	0.45	MU-PD	40.00	100%	-	-	-	52	52	Parking lot	0.00	Proposed development.
19	1072 Ygnacio Valley Rd	173-172-021	0.34	M-2	21.78	100%	-	-	-	4	4		0.00	Proposed development.
20	Oakland Blvd	178-010-006	0.48	M-0.75	58.08	1	-	-	-	27	27	Vacant	0.00	Vacant, residentially zoned land.
21	1224 Lincoln Ave	178-290-001	0.93	M-1	43.56	1	-	-	-	34	34	1-story office, 7 residential units.	0.45	Site zoned for higher density than current use and nearby example of redevelopment (Site 4).
22	1537 Sunnyvale Ave	170-280-005	0.42	M-1.5	29.04	1	-	-	12	-	12	Vacant	0.00	Vacant, residentially zoned land.
23	1081 Scots Ln	180-210-034	0.59	R-15	2.90	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.
24	416 Oakvale Ct	177-231-032	0.51	R-15	2.90	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.
25	15 Holcomb Ct	183-270-006	0.55	M-2	21.78	1	-	-	-	11	11	Vacant	0.00	Vacant, residentially zoned land.
26	132 Lancaster Rd	184-402-004	0.50	R-8	5.40	1	-	-	-	2	2	Vacant	0.00	Vacant, residentially zoned land.
27	1690 2nd Ave	171-100-040	0.38	R-8	5.40	1	-	-	-	2	2	Vacant	0.00	Vacant, residentially zoned land.
28	186 Wootten Dr	174-021-009	0.57	R-8	5.40	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.
29	1032 Millbrook Ct	139-025-021	0.43	R-10	4.40	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.

								Net Ur	nits of Co	apacity		_		
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
30	Hacienda Dr	179-100-011	0.32	R-10	4.40	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.
31	1860 San Miguel Dr	180-020-008	0.74	M-3	14.52	1	-	-	-	10	10	Vacant	0.00	Vacant, residentially zoned land.
32	2123 Walnut Blvd	173-030-033	0.56	R-20	2.20	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.
33	2109 Overlook Dr	174-210-043	0.20	M-3	14.52	1	-	-	-	2	2	Vacant	0.00	Vacant, residentially zoned land.
34	1611 Orchard Ln	184-370-034	0.56	R-20	2.20	1	-	-	-	1	1	Vacant	0.00	Vacant, residentially zoned land.
35	1388 Walden Rd	172-130-014	0.28	M-2.5	17.42	1	-	-	-	3	3	Single family home	1.34	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
36	1380 Walden Rd	172-130-053	0.39	M-2.5	17.42	1	-	-	-	5	5	Single family home	1.42	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
37	1374 Walden Rd	172-130-054	0.53	M-2.5	17.42	1	-	-	-	8	8	Single family home	1.80	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
38	1408 Walden Rd	172-130-017	0.52	M-2.5	17.42	1	-	-	2	6	8	Single family home	2.92	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
39	81 Shady Ln	172-130-018	0.27	M-2.5	17.42	1	-	-	1	2	3	Single family home	0.42	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
40	71 Shady Ln	172-130-019	0.26	M-2.5	17.42	1	-	-	1	2	3	Single family home	0.67	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
41	61 Shady Ln	172-130-020	0.26	M-2.5	17.42	1	-	-	1	2	3	Single family home	0.25	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
42	51 Shady Ln	172-130-021	0.26	M-2.5	17.42	1	-	-	1	2	3	Single family home	0.59	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
43	1424 Walden Rd	172-130-049	0.36	M-2.5	17.42	1	-	-	1	4	5	Single family home	2.04	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).
44	1412 Walden Rd	172-130-069	0.47	M-2.5	17.42	1	-	-	2	5	7	Single family home	1.01	Site zoned for higher density than current use, and nearby example of similar redevelopment (Site 8).

Chapter 7. Adequate Site Inventory Analysis and Methodology

								Net Un	its of Ca	ipacity		-		
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
45	1620 Riviera Avenue	174-140-014	0.54	MU-PD	40.00	1	-	-	19	-	19	Two 1-story office / live- work units.	0.34	Site zoned for high density as part of ND, current use is nonresidential, and nearby examples of redevelopment (e.g., Riviera Family Apartments).
46	1700 Riviera Avenue	174-140-018	0.30	MU-PD	40.00	1	-	-	7	-	7	5-unit apartment building	2.15	Site zoned for higher density as part of ND than current use and nearby examples of redevelopment (e.g., Riviera Family Apartments).
53	1920-1930 Mt. Diablo Blvd.	178-040-060	1.68	MU-C	58.08	95%	-	1	92	-	92	1-story retail	1.53	Site zoned for high density as part of WD, current use is high-vacancy nonresidential, and nearby examples of redevelopment (e.g., Eighteen74 Bonanza).
55	1980 N. Main St	178-411-020	0.34	MU-R	102.49	1	-	-	-	34	34	Gas station	2.58	Site zoned for high density as part of ND, current use is nonresidential, and nearby examples of redevelopment (e.g., AVE Walnut Creek).
56	31-45 Quail Ct	183-050-021	5.03	P-D	43.56	1	-	-	-	219	219	3-story office/retail	3.75	Site zoned for high density, current use is nonresidential, and site is included in City's General Plan mixed-use designation.
57	1275 Newell Ave	183-260-027	5.25	M-1.5	29.04	1	-	-	152	-	152	Park n ride lot.	0.00	Vacant, residentially zoned land.
58	2005 Mt. Diablo Blvd	184-041-047	1.08	MU-C	58.08	0.95	-	-	58	-	58	1-story retail	0.60	Site zoned for high density as part of WD, current use is nonresidential, and nearby examples of redevelopment (e.g., downtown).
60	2027 Mt. Diablo Blvd	184-041-019	0.41	MU-C	58.08	0.95	-	-	22	-	22	1-2 story office/retail	1.43	Site zoned for high density as part of WD, current use is nonresidential, and nearby examples of redevelopment (e.g., downtown).

Chapter 7. Adequate Site Inventory Analysis and Methodology

								Net Un	its of Ca	ıpacity		_		
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
70	1766 Locust St	178-210-007	2.79	MU-C	49.78	0.95	-	-	131	-	131	Auto dealership and repair	1.93	Site zoned for high density as part of ND, current use is nonresidential, and nearby examples of redevelopment (e.g., 1716 Lofts).
74	577-581 Ygnacio Valley Rd	178-411-007	0.48	MU-C	49.78	0.95	-	-	22	-	22	1-2 story retail	1.48	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (555 YVR).
76	1430 Алгоуо Way	178-550-013	0.37	MU-R	102.49	0.95	-	-	-	36	36	1-story office/retail	1.64	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (AVE Walnut Creek).
81	1420 Oakland Blvd	178-010-015	0.14	M-1.5	29.04	1	-	-	2	-	2	Two single family homes	0.35	Site zoned for higher density than current use and nearby examples of redevelopment (downtown).
82	1428 Oakland Blvd	178-010-016	0.23	M-1.5	29.04	1	-	-	4	-	4	Two single family homes	0.27	Site zoned for higher density than current use and nearby examples of redevelopment (downtown).
83	1973-1977 Dora Ave	178-010-028	0.17	M-1.5	29.04	1	-	-	3	-	3	Single family home	0.29	Site zoned for higher density than current use and nearby examples of redevelopment (downtown).
84	1502 Oakland Blvd	178-010-020	0.09	M-1.5	29.04	1	-	-	1	-	1	Single family home	0.11	Site zoned for higher density than current use and nearby examples of redevelopment (downtown).
85	1806 Bonanza St	178-040-001	0.28	MU-D	58.10	0.95	-	-	6	8	14	1-story office	0.58	Site zoned for high density as part of the WD, current use is nonresidential, and nearby examples of redevelopment (e.g., Eighteen74 Bonanza and Lyric).
86	1944 Trinity Ave	178-071-002	0.16	M-0.75	58.08	1	-	-	8	-	8	Single family home	0.50	Site zoned for higher density than current use and nearby examples of redevelopment (e.g., St. Paul's Commons).

								Net Un	nits of Ca	pacity				
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	- Existing Use	I:LV	Reason for Selection**
87	1963 Trinity Ave	178-072-006	0.27	M-0.75	58.08	1	-	-	-	8	8	7-unit apartment building	0.60	Site zoned for higher density than current use and nearby examples of redevelopment (e.g., St. Paul's Commons).
89	1755 Cole Ave	178-080-007	0.20	M-0.75	58.08	1	-	-	8	-	8	Triplex	0.13	Site zoned for higher density than current use and nearby examples of redevelopment (e.g., Mercer).
90	10 Lacassie Ct	178-080-038	0.41	M-0.75	58.08	1	-	-	21	-	21	Three single family homes	0.11	Site zoned for high density as part of WD and nearby examples of redevelopment (e.g., Vaya and Mercer).
91	31 Lacassie Ct	178-080-024	0.37	M-0.75	58.08]	-	-	18	-	18	Three single family homes	0.35	Site zoned for high density as part of WD and nearby examples of redevelopment (e.g., Vaya and Mercer).
92	1753 Lacassie Ave	178-080-027	0.23	M-0.75	58.08	l		-	12	-	12	Single family home	1.91	Site zoned for high density as part of WD and nearby examples of redevelopment (e.g., Vaya and Mercer).
94	1711 Almond Ave	178-130-017	0.38	MU-D	58.10	0.95	-	-	18	-	18	Two single family homes	0.05	Site zoned for high density as part of WD and nearby examples of redevelopment (e.g., Eighteen74 Bonanza and Lyric).
95	1721 Stow Ave	178-140-004	0.21	MU-D	58.10	0.95	-	-	-	10	10	Single family home	1.00	Site zoned for high density as part of WD and nearby examples of redevelopment (e.g., Eighteen74 Bonanza and Lyric).
99	1800-1830 N Broadway	178-340-020	0.59	MU-R	102.49	1	-	-	-	60	60	2-story office	1.53	Site zoned for high density as part of ND and current use is underperforming nonresidential.
100	1300 Civic Dr	178-351-008	0.24	MU-C	49.78	0.95	-	-	-	11	11	1-story retail	2.60	Site zoned for high density as part of ND, current use is nonresidential, and nearby examples of redevelopment (e.g., The Arroyo Residences).

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								Net Un	its of Ca	ipacity		_		
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
101	1700 N Broadway	178-351-016	0.72	MU-C	49.78	0.95	-	-	34	-	34	2-story office	2.50	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., 1716 Lofts).
102	1756-1790 N Broadway	178-351-018	0.60	MU-R	102.49]	-	-	-	61	61	4-story office/retail	1.36	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., 1716 Lofts).
104	1267 Arroyo Way	178-352-022	0.50	MU-R	102.49	1	-	-	-	51	51	1-story retail	0.77	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., 1716 Lofts).
106	675 Ygnacio Valley Rd	178-412-004	1.54	MU-C	49.78	0.95	-		54	18	72	1-story restaurant.	1.95	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., The Arroyo Residences).
107	605 Ygnacio Valley Rd	178-412-013	0.55	MU-C	49.78	0.95	-	-	7	19	26	2-story office/retail	0.27	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., The Arroyo Residences & Brio Apartments).
108	N Broadway	178-412-015	0.43	MU-R	102.49	0.95	-	-	-	41	41	Gas station	1.14	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., The Arroyo Residences & Brio Apartments).
109	2641-2643 Larkey Ln	171-150-001	4.06	P-D	4.40	1	-	-	-	6	6	1-story medical office	0.00	Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., The Arroyo Residences & Brio Apartments).

								Net Un	its of Ca	ıpacity				
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
110	Southwest of Homestead Ave and Seven Hills Ranch Rd	173-042-019	1.76	R-20	2.20	1	-	-	-	3	3	Single family home	0.00	Proposed 7-unit development.
111	Bancroft Rd	147-271-003	1.39	R-10	4.40	1	-	-	-	5	5	Vacant	0.00	Vacant, residentially zoned land.
112	730 Minert Rd	145-151-020	1.32	R-10	4.40	1	-	-	-	15	15	Vacant	0.61	Vacant, residentially zoned land.
113	1679 Carmel Dr	178-290-009	0.17	M-1	43.56	1	-	-	-	6	6	Two single family homes	0.39	Proposed 17-unit development.
114	1654 Carmel Dr	178-290-018	0.34	M-1	43.56	1	-	-	-	10	10	Single family home	0.41	Site zoned for higher density than current use and nearby example of redevelopment (e.g., Site 4).
115	SE of Geary Rd & Coralie Dr	171-032-036	0.39	R-8	5.40	1	-	-	-	2	2	Two duplexes	0.12	Site zoned for higher density than current use and nearby example of redevelopment (e.g., Site 4).
116	Jolie Lane	171-091-030	0.89	R-8	5.40	1	-	-	-	3	3	Vacant	0.00	Vacant (based on aerial), residentially zoned land.
119	2318 San Juan Ave	174-050-013	1.18	D-3	14.50	1	-	-	-	12	12	Vacant	0.44	Vacant, residentially zoned land.
120	1204 Alpine Rd	184-050-005	1.82	MU-D	58.10	0.95		-	-	39	39	A duplex and a triplex	1.86	Site zoned for higher density than current use, and nearby examples of similar redevelopment (e.g., downtown).
	TOTAL						-	-	720	1,985	2,705			

Table 7-11. Suitability of Above Moderate and Moderate-Income Sites (Continued)

* For pending and entitled developments, "Density Realism" is based on the proposed development. For other sites, "Density Realism" is an assumption based on realized density of recent and proposed developments.

** ND indicates the North Downtown Specific Plan Area. WD indicates the West Downtown Specific Plan Area.

7.4 Sites to Accommodate Low and Very Low- Income RHNA

7.4.1 Sites Used in Previous Planning Periods' Housing Elements

7.4.1.1 Legal Requirements

Per Assembly Bill 1397 and as stated in the Sites Inventory Guidebook (Part B, page 11), sites that were used in the previous Planning Periods' Housing Elements are required to satisfy certain conditions to be designated for lower-income units in the current Planning Period's Sites Inventory. Any non-vacant sites included in the 5th Cycle Housing Element and any vacant sites included in both the 4th and 5th Cycle Housing Elements must meet the following criteria in order to be eligible to be counted toward the City's lower-income housing capacity, the following must apply:

- The sites must be designated in the site inventory (Appendix C); and
- Page 12 of the HCD Housing Element Sites Inventory Guidebook also requires that if sites have been used in previous housing elements, the Housing Element must include "a program in the housing element requiring rezoning within 3 years of the beginning of the planning period to allow residential use by right at specified densities (see Step 2) for housing developments in which at least 20% of the units are affordable to lower-income households. This program can be an overlay on these specific sites. Please be aware that the intent of this requirement is to further incentivize the development of housing on sites that have been available over one or more planning periods. The application of the requirement should not be used to further constrain the development of housing. As such, housing developments that do not contain the requisite 20% would still be allowed to be developed according to the underlying (base) zoning but would not be eligible for "by right" processing. However, the jurisdiction would have to make findings on the approval of that project pursuant to No Net Loss Law (Government Code section 65863) and proceed to identify an alternative site or sites pursuant to that law. Sites where zoning already permits residential "use by right" as set forth in Government Code section 65583.2 (i) at the beginning of the planning period would be considered to meet this requirement."

HCD defines "use by right" as meaning the jurisdiction shall not require:

- A conditional use permit.
- A planned unit development permit.
- Other discretionary, local-government review or approval that would constitute a "project" as defined in Section 21100 of the Public Resources Code (California Environmental Quality Act "CEQA")

7.4.1.2 Non-Vacant, Lower-Income Sites Used in a Previous Planning Period

There are 167 non-vacant sites designated for lower-income units in the City's 6th Cycle Sites Inventory that were identified in the 5th Cycle Housing Element Sites Inventory. There are nois one vacant sites designated for lower-income units in the City's 6th Cycle Sites Inventory that wasere identified in the 5th Cycle Housing Element Sites Inventory.

All 1<u>7</u>6 of these sites are zoned for mixed-use development, including maximum permitted residential density between 40.0 and 102.5 units per acre. <u>All 16 of theseIn addition, all 17</u> sites are subject to design review that does <u>not</u> constitute a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code (i.e., the California Environmental Quality Act), and do not require a conditional use permit, a planned unit development permit, or other discretionary review, regardless of the affordability level of the units. In other words, these sites currently allow by-right residential development and satisfy the requirements to be included in the Sites Inventory. Table 7-12Table 7-10, Lower-Income Sites Used in a Prior Planning Period, provides additional details for all of the 1<u>7</u>6 sites.

The site inventory table in Appendix C indicates the non-vacant sites that were previously included in the 5th Cycle Housing Element. Including a previously used site further requires that sites deemed adequate for lower-income housing should be more than 0.5 acre and less than 10 acres in size. The City's Sites Inventory does not contain any lower-income sites smaller than 0.5 acres or larger than 9.99 acres in size. The exception is Site 51, owned by the Presbyterian Church of Walnut Creek. This site is 0.45 acres in size and is designated for lower-income units due to the advantages offered by Assembly Bill 1851 for the development of affordable housing on church property.

The Housing Plan includes Program H-2.S. Continue to Allow By-Right Residential Development on Non-Vacant Sites Designated for Lower-income Households and Used in the Previous Sites InventoryPrevious Sites Inventory to continue to allow residential developments by right on nonvacant sites designated for lower-income households that were used in the 5th Cycle sites inventory and Program H-2.T., Clarify Mixed-Use Commercial Requirements to amend the Zoning Ordinance to clarify that the Commercial Mixed-Use ("MU-C") zone requirement for commercial uses to be the primary use on the ground floor can be satisfied with 50% of the floor area on the ground floor (excluding parking) consisting of commercial uses. The City's current regulations already allow residential development by right pursuant to Government Code Section 65583.2 (i), and the City has consistently interpreted the current language ("commercial uses must be the primary use on the ground floor") to mean "at least 50%." These programs are a clarification and continuation of the City's current policy for the MU-C zone and other residential zones.

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		Area		Permitted	Density		Units					Improvement:	
Site No.	Address	(ac)	Zoning	Density	Realism*	Status**	Very Low	Low	Mod.	Above Mod.	Total	Land Value Ratio	Notes***
2	1910, 1940-1950 N Main St	0.97	MU-R	102.49	100%	Construction	11	-	-	124	135	2.96	Allows by-right residential
47	2221 N Main Street	2.10	MU-PD	40.00	100%	Capacity	53	30	-	-	83	0.94	Allows by-right residential
48	2082-2084 Mt. Diablo Blvd	3.41	MU-C	58.08	95%	Capacity	119	69	-	-	188	0.96	Allows by-right residential
49	2042 Mt. Diablo Blvd	1.60	MU-C	58.08	95%	Capacity	55	33	-	-	88	0.38	Allows by-right residential
50	1832 Sharp Ave	4.45	M-0.75	58.08	100%	Capacity	60	35	128	-	223	0.24	Allows by-right residential
51	1859 Lacassie Ave	0.45	M-0.75	58.08	100%	Capacity	16	10	-	-	26	0.00	Allows by-right residential
52	1801 Lacassie Ave	5.20	M-0.75	58.08	100%	Capacity	16	10	-	-	26	7.12	Allows by-right residential
54	Arroyo Way	1.45	MU-R	102.49	100%	Capacity	93	55	-	-	148	0.18	Allows by-right residential
61	1919 Mt. Diablo Blvd	2.44	MU-C	58.08	95%	Capacity	85	49	-	-	134	0.77	Allows by-right residential
62	1815 Mt. Diablo Blvd	2.15	MU-C	58.08	95%	Capacity	74	44	-	-	118	0.48	Allows by-right residential
63	1123 S. California Blvd	3.60	MU-C	58.08	95%	Capacity	198	-	-	-	198	0.23	Allows by-right residential
64	1870 Olympic Blvd	1.64	MU-D	58.10	95%	Capacity	23	-	54	-	77	1.30	Allows by-right residential
65	1295 S. Main St	3.01	MU-C	58.08	95%	Capacity	52	31	-	-	83	0.29	Allows by-right residential
67	1531-1599 Botelho Dr, 1320- 1330 S. California Blvd	2.56	MU-C	58.08	95%	Capacity	53	31	-	-	84	0.54	Allows by-right residential
68	1372-1388 S. California Blvd	2.15	MU-C	58.08	95%	Capacity	37	22	-	-	59	1.83	Allows by-right residential
69	1355 S. California Blvd	4.00	MU-C	58.08	95%	Capacity	139	81	-	-	220	1.17	Allows by-right residential
125	2079 Mt Diablo Blvd	0.58	O-C	Det. by CUP, except in specific plan area where applicable*	95%	Capacity	7	25	-	-	32	1.50	
TOTAL							1,084	500	182	124	1,890		

Table 7-12. Lower-Income Sites Used in a Prior Planning Period

* For pending and entitled developments, "Density Realism" is based on the proposed development. For other sites, "Density Realism" is an assumption based on realized density of recent and proposed developments.

** Sites that are not pending or approved are indicated with the status "Capacity."

*** For these sites, residential "use by right" in accordance with Government Code section 65583.2 (i) is permitted as of January 31, 2023. Therefore, these sites can be included in the Sites Inventory.

7.4.2 Zoning Appropriate to Accommodate Low- and Very Low-Income RHNA

The HCD Sites Inventory Guidebook restricts the designation of sites for lower-income units to properties allowing at least 30 units per acre (for a "jurisdiction in a metropolitan county," the designation that applies to the City).

The Sites Inventory identifies 3,084 total potential lower-income housing units on 37 sites that are suitable for lower-income housing development, based on the criteria established by State law and HCD, with special considerations described below. These units are attributed to sites that:

- Have zoning with a minimum residential density of at least 30 dwelling units per acre.
 - The exception is Site 7, owned by Habitat for Humanity. While the site is zoned for 14.5 units per acre, the project is approved for 42 units (22 units per acre), including 22 low-income units and 20 moderate-income units. Although the density is less than 30 units per acre, Habitat for Humanity will qualify residents by income and restrict rents / purchase prices to those that are affordable at the indicated income levels.

Details on lower-income sites are available in the Sites Inventory table, in Appendix C.

7.4.3 Size of Sites

The HCD Sites Inventory Guidebook restricts the designation of sites for lower-income units to sites that are between 0.5 and 10 acres in size. The City's sites with lower-income units designated satisfy the following requirements:

- Have a minimum parcel size of 0.5 acre.
 - The exception is Site 51, owned by the Presbyterian Church of Walnut Creek. This site is 0.45 acres in size and is designated for lower-income units due to the advantages offered by Assembly Bill 1851 for the development of affordable housing on church property.
- Have a maximum parcel size of 9.99 acres.

All lower-income sites are within the size range provided by HCD. Details on lower-income sites are available in the Sites Inventory table, in Appendix C.

7.5 Housing Capacity Analysis/Past Housing Production

For the purposes of assessing future development likelihood, the City reviewed recent development. This review illuminates housing development interest and viability, particularly in the City's downtown area.

7.5.1 5th Cycle Housing Production and Density

During the 5th Cycle Housing Element Planning Period, the City issued building permits for approximately 2,000 residential units, summarized in Table 7-13Table 7-11, 2015–2021 Housing Units with Issued Permits by Affordability. Two hundred three (203) of the permitted units are rent-and income-restricted, with approximately 5% of all permitted units at the very low-income level, approximately 1.5% at the low-income level, and approximately 4% at the moderate-income level.

Permitted Units Issued By Affordability													
Income Levels	2015	2016	2017	2018	2019	2020	2021	Total Units					
Very Low	0	42	0	43	0	11	3	99					
Low	0	16	0	7	0	3	4	30					
Moderate	3	12	6	16	9	11	17	74					
Above Moderate	562	392	119	94	368	157	106	1,798					
Total Units	565	462	125	160	377	182	130	2,001					

Table 7-13. 2015–2021 Housing Units with Issued Permits by Affordability

Source: City of Walnut Creek – 2021 Housing Element Annual Progress Report.

There have been at least 26 high-density residential or mixed-use developments in the City in recent years, mainly in the downtown area. As shown in Table 7-14Table 7-12, Proposed and Recently Built Development Projects – Walnut Creek, developments built or proposed in mixed-use zones focusing on commercial use (i.e., the MU-C zone and similar or related zones) averaged 85 units per acre, or 152% of the permitted density. It is important to know that Table 7-14Table 7-12 includes all of the proposed and developed projects in the last fourteen years. Developments built or proposed in mixed-use zones focusing on residential use (i.e., the MU-R zone) averaged 112 units per acre, or 110% of the permitted density. Developments built or proposed in the MU-UPD zone, which can focus on residential or commercial use, averaged 90 units per acre, or 224% of permitted density, and were all residential-only developments. Finally, developments built or proposed in the City's various single-family and multifamily zones averaged 17 units per acre, or 130% of permitted density. The primary method to achieve densities higher than what is permitted is through the use of density bonuses.

The trend of high-density residential developments is likely to continue in the City. A comparison of developments under construction, approved, or under review shows that they are similar in size and density to their recently constructed counterparts. Furthermore, programs are identified as part of the 6th Cycle Housing Element Update to encourage high-density residential development.

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Both downtown specific plans will likely see similarly high densities in the future, as it is located in the center of the City where all of the businesses are located and features the BART Station. Table 7-14Table 7-12, Proposed and Recently Built Development Projects – Walnut Creek, provides a list of high-density residential projects in the City that are completed, under construction, or approved.

Zoning	Project Name	Address	Specific Plan / Neighb.	Developed/ Proposed Land Use	Lot Size (acres)	Realized FAR as a % of Permitted FAR	Permitted Density	Year Built or Approved/ Permitted	Completed	Under Construction	Approved/ Pending	Total	Realized Density (du/ac)	Realized Density as a % of Permitted Density
MU-C / M	U-D Developments		ļ											
MU-C	Agora	1536-1560 Newell Ave	South Downtown	49 condominiums, 38,079 s.f. retail	0.84	100%	49.8	2016	49			49	58	117%
O-C 2	Eighteen 74 (aka Bonanza Heritage Condominiums)	1874 and 1882 Bonanza St	West Downtown	15 condominiums (replacing 2 units)	0.40	78%	49.8	2017	15			15	38	75%
P-R ³	Lyric	1500-1530 N California Blvd	East of Downtown	141 residential units, ground floor retail	1.22	n/a	58.1	2017	141			141	116	199%
P-D ³	Vaya	1800 Lacassie Ave	West Downtown	178 apartments (replacing 20 units)	1.79	n/a	58.1	2018	178			178	99	171%
P-R ²	1380 North California	1380 North California	Locust Street/ Mt. Diablo Boulevard	95 condominiums, 15,000 s.f. commercial	0.67	n/a	49.8	2022 1		95		95	142	285%
P-D ³	Walnut Creek Transit Village Phase 2	200 Ygnacio Valley Rd	West Downtown	358 apartment, 15,000 s.f. retail	3.56	110%	58.1	2022 ¹		358		358	101	173%
P-D ³	Walnut Creek Transit Village Phase 3	200 Ygnacio Valley Rd	West Downtown	238 residential units, 12,000 s.f. retail	3.85	68%	58.1	2013			238	238	62	106%
MU-D MU-D	1501 N California Blvd	1501 N California Blvd	West Downtown	27 condominiums, 6,000 s.f. commercial	0.42	99%	58.1	2020			27	27	64	111%
MU-C	699 YVR	699 Ygnacio Valley Rd	North Downtown	96 affordable units, 2,622 s.f. commercial	0.87	99%	49.8	2021			96	96	110	222%
P-R 2 P-R	1532 Mt. Diablo Mixed Use	1556 Mt Diablo Blvd	Locust Street/ Mt. Diablo Boulevard	30 condominiums, 9,500 s.f. commercial	0.76	n/a	49.8	2021			30	30	39	79%
MU-C / N	AU-D Developments	Subtotal			14.38	107%	56.1		383	453	391	1,227	85	152%
MU-R Dev	relopments													
MU-R	555 YVR	555 Ygnacio Valley Rd	North Downtown	87 condominiums (with 6 live-work units)	0.73	81%	102.5	2009	87			87	119	116%
MU-R	AVE Walnut Creek	1960 N Main St	North Downtown	126 apartments	1.28	81%	102.5	2014	126			126	98	96%
MU-R	The Arroyo Residences	1250 Arroyo Way	North Downtown	107 apartments	1.00	98%	102.5	2014	107			107	107	104%
MU-R	1716 Lofts	1716 N Main St	North Downtown	48 residential units, 2,900 s.f. commercial	0.50	78%	102.5	2019 / 2020	48			48	96	94%
MU-R	1910 Noma Apartments	1910, 1940-1950 N Main St	North Downtown	135 units, 7,000 s.f. commercial	0.97	132%	102.5	2022 ¹		135		135	139	136%
MU-R De	velopments Subtota				4.48	94%	102.5		368	135	-	503	112	110%

Table 7-14. Proposed and Recently Built Development Projects - Walnut Creek

Zoning	Project Name	Address	Specific Plan / Neighb.	Developed/ Proposed Land Use	Lot Size (acres)	Realized FAR as a % of Permitted FAR	Permitted Density	Year Built or Approved/ Permitted	Completed	Under Construction	Approved/ Pending	Total	Realized Density (du/ac)	Realized Density as a % of Permitted Density
MU-PD De	velopments							-						
MU-PD	Riviera Apartments	1515 Riviera Ave	North Downtown	30 affordable units	0.36	100%	40.0	2019	30			30	83	208%
MU-PD	Riv Condominiums	1605 Riviera Ave	North Downtown	48 condominiums	0.52	100%	40.0	2019	48			48	92	231%
MU-PD	Riviera Family Apartments	1738 Riviera Ave	North Downtown	28 affordable units	0.43	106%	40.0	2019	28			28	65	163%
MU-PD	2211 N Main Residences	2211 N Main St	North Downtown	52 residential units	0.45	124%	40.0	2017			52	52	116	289%
MU-PD D	evelopments Subtoto	al			1.76	107%	40.0		106	-	52	158	90	224%
Subdivisio	n & Multifamily Reside	ntial Developments	T					1						
M-2	Arboleda	1550 Third Ave	North of Downtown	48 affordable units	0.89	n/a	21.8	2015	48			48	54	248%
M-1.5	Homestead Terrace Homes	1279 - 1281 Homestead Avenue	San Miguel	12 condominiums	0.61	n/a	29.0	2016	12			12	20	68%
M-0.75	Trinity Condominiums	1950 & 1962 Trinity Avenue	West Downtown	12 condominiums	0.30	55%	58.1	2018	12			12	40	69%
O-C ⁴	Analisa Townhomes	10-40 Analisa Ln	Walnut Knolls	12 townhomes (replacing 3 units)	0.97	148%	2.9	2019	12			12	12	427%
M-0.75	St. Paul's Commons	1860 Trinity Ave	West Downtown	45 affordable units	0.65	53%	58.1	2020	45			45	69	119%
R-8	BAHB Address Co.	1728 San Luis Rd	North of Downtown	6 units	1.63	n/a	5.4	2021 / 2022	6			6	4	68%
D-3	Duplexes	1790 & 1794 San Miguel Dr	Walnut Knolls	2 duplexes (i.e., 4 units)	0.44	n/a	14.5	2022	4			4	9	63%
P-D		128 Pioneer Ave												
P-D ⁵	Pioneer Village Townhomes	148 Pioneer Ave	North of Downtown	19 townhomes (replacing 3 units)	1.43	n/a	5.4	2022	19			19	13	246%
P-D		158 Pioneer Ave	Bonnonn	0 0111137										
M-1 6	Lincoln Avenue Triplex	1229 Lincoln Ave	East of Downtown	3 condominiums	0.11	n/a	43.6	2010		4		4	37	86%
M-3		1250 Las Juntas Way												
M-3		1250 Las Juntas Way	1											
M-3	Habitat for Humanity - Las	1250 Las Juntas Way	Contra Costa	42 residential units	2.09	n/a	14.52	2018		42		42	20	139%
M-3	Juntas	1250 Las Juntas Way	Centre 42 residential unit		2.07	9 n/a	17.02	2010		72		-72	20	10770
M-3		1250 Las Juntas Way												
M-3		1250 Las Juntas Way												

Table 7-14. Proposed and Recently Built Development Projects - Walnut Creek (Continued)

Zoning	Project Name	Address	Specific Plan / Neighb.	Developed/ Proposed Land Use	Lot Size (acres)	Realized FAR as a % of Permitted FAR	Permitted Density	Year Built or Approved/ Permitted	Completed	Under Construction	Approved/ Pending	Total	Realized Density (du/ac)	Realized Density as a % of Permitted Density
P-D 7	Secluded Woods Subdivision	1835 Weaver Lane		7 single-family homes (replacing 1 unit), preservation of 2 historic structures	1.90	n/a	4.4	2022		8		8	4	96%
P-D ⁸	Carmel Dr. Townhomes	1487, 1493, 1500 Carmel Dr		17 townhomes (replacing 6 units)	0.15	n/a	43.6	2019			17	17	113	260%
M-1	Parkview Condos	1665 Carmel Dr	East of Downtown	8 condominiums	0.19	n/a	43.6	2020			8	8	43	98%
P-D ⁹	Fifteen24 Residential	1524 Oakland Blvd	West Downtown	6 condominiums (replacing 2 units)	0.27	n/a	29.0	2020			6	6	22	77%
R-20 R-20	50 Garron Ct	50 Garron Ct	Rudgear Estates	4-lot subdivision (replacing 1 unit)	2.19	n/a	2.2 2.2	2022			4	4	2	83%
M-2	1072 YVR (Zandi) Lofts	1072 Ygnacio Valley Rd	San Miguel	5 units (replacing 1 unit)	0.34	n/a	21.8	Under review			5	5	15	68%
M-2.5	Walden	1394 Walden Rd	North of	7 townhomes (replacing 1	0.43	n/a	17.4	Under			7	7	16	93%
M-2.5	Townhomes	1394 Walden Rd	Downtown	units)	0.43	n/a	17.4	review				/	10	93%
D 10	2670-80 Walnut	2680 Walnut Blvd	East of	14-lot subdivision	1.50			Under			14	1.4	9	000077
R-10	Blvd. Subdivision	2670 Walnut Blvd	Downtown	(replacing 2 units)	1.53	n/a	4.4	review			14	14	9	208%
Subdivisio	on & Multifamily Res	idential Development's	Subtotal		15.93	40%	13.0		158	54	61	273	17	131%

Table 7-14. Proposed and Recently Built Development Projects - Walnut Creek (Continued)

1 Development projected to be built after 07/01/2022.

2 Located near the MU-C zone and proposed or built at a similar scale as developments in the MU-C zone or has an underlying Specific Plan MU-C designation. For the purposes of this analysis, evaluated as if it were zoned MU-C.

3 Located near the MU-D zone and proposed or built at a similar scale as developments in the MU-D zone or has an underlying Specific Plan MU-D designation. For the purposes of this analysis, evaluated as if it were zoned MU-D.

4 Adjacent to the R15 zone. For the purposes of this analysis, evaluated as if it were zoned R15.

5 Adjacent to the R-8 zone. For the purposes of this analysis, evaluated as if it were zoned R-8.

6 Walnut Creek (the creek) runs through part of the site. Lot size is adjusted in this table to calculate the net density.

7 Adjacent to the R-10 zone._For the purposes of this analysis, evaluated as if it were zoned R-10.

8 Adjacent to the M-1 zone. For the purposes of this analysis, evaluated as if it were zoned M-1.

9 Adjacent to the M-1.5 zone. For the purposes of this analysis, evaluated as if it were zoned M-1.5.

Source: City of Walnut Creek Site Inventory

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7.5.2 Housing Potential Assumptions – General

Sites with a proposed development are included if the developer:

- has either applied and/or received entitlement approval or has expressed interest in developing a Site; and
- is expected to receive a permit or certificate of occupancy after the beginning of the City's RHNA Projection Period (i.e., June 30, 2022).

In these cases, projected site densities are based on owner-proposed development densities. Recent development trends in the City were analyzed in order to determine a realistic density for sites.__Table 7-14Table 7-12, Proposed and Recently Built Development Projects - Walnut Creek, summarizes the analysis of recent high-density developments in the City.

For sites without a currently proposed development, projected densities were estimated using a combination of several factors that are dependent on a site's unique characteristics, including:

- The site's ownership and projected development scenario;
- Whether the site is constrained by environmental conditions; and
- The size of the site.

In addition to these factors, the City applied a Realistic Capacity Factor to all sites without a currently proposed development.

The methodology utilized for the factors listed above is as follows:

- A <u>Mixed-Use Factor</u> for sites that are part of a church site or involve the redevelopment of significant retail space outside downtown.
 - On the church sites, the factor ranges from 9% to 40% and is set to account for the fact that the residential development would not take up the entire site. It is important to note that there are several completed and planned affordable housing projects involving faithbased organizations in or near Walnut Creek, including the following:
 - Trinity Commons completed a workforce housing project with 45 units in 0.65 acres (in addition to 6,900 square-feet of ground floor space for the Trinity Center, which provides services to people who are homeless and those experiencing poverty).
 - Multi-Faith Action Coalition and Hope Solutions are working together to put housing on their property.
 - Grace Presbyterian Church plans to put six tiny homes in its parking lot (Site 118).
 - Clayton Valley Presbyterian Church is currently considering a project.

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• Orinda Community Church is interested in providing more senior housing.

Furthermore, the Housing Plan includes Program H-2.Q. Assist Faith-Based Organizations With Affordable Housing Development Faith-Based Properties, for the City to assist faith-based organizations with the development of affordable housing.

- On the retail-space sites, the factor ranges from 50% to 60% and is set to account for the expectation that a developer may want to replace the current commercial spaces. This factor is applied to Sites 65 through 68.
- An **Environmental Factor** for sites that overlap with Walnut Creek or Tice Creek.
 - This factor ranges between 33% and 100%, depending on an approximation of how much of the site is not in a creek area. This factor accounts for the expectation that no construction would occur in the creek areas.
- An Acreage Factor focused on lower-income sites.
 - All lower-income sites are between 0.5 and 10 acres in size. The one exception is Site 51, a 0.45-acre church property. Because this site is almost 0.5 acres and considering the advantages offered by Assembly Bill 1851 for the development of affordable housing on church property, the Acreage Factor is 100% for all sites.
- A Floor Area Ratio Factor for all sites.
 - As shown in Table 7-14Table 7-12, Proposed and Recently Built Development Projects

 Walnut Creek, the average realized floor area as a percentage of the allowable floor area ranges between 94% and 107% for MU-C, MU-D, MU-R, and MU-PD-zoned developments and is 40% for the three (3) subdivision and multifamily developments on properties where residential FAR is regulated. It is important to note that fifteen of the 18 subdivision and multifamily developments are on properties where residential FAR is not regulated, and the 40% metric represents only a small fraction of the actual residential development in those zones.
 zonesHowever, most of the subdivision and multifamily developments listed on Table 7-12 do not have permitted FARs, making the metric for this category an outlierTherefore, the applied Floor Area Ratio Factor is 100% for all sites.
- A **Realistic Capacity Factor** for all sites.
 - As Table 7-3Tables 7-3, Entitled and Pending Development Applications, and Table 7-147-12, Proposed and Recently Built Development Projects, show, it is the norm for recently constructed and proposed developments in the City to achieve more than 100% permitted density. Table 7-14Table 7-12, in particular, includes all of the proposed and developed projects in the last fourteen years. The City-therefore, therefore, believes that

applying a Realistic Capacity Factor of 100% to all sites would be justified.__However, in order to estimate capacity more conservatively, the Sites Inventory applies the following Realistic Capacity Factors:

- 95% for all MU-C, Mixed-Use Commercial, and MU-D, Mixed-Use Downtown, sites. As shown in Table 7-14Table 7-12, Proposed and Recently Built Development Projects – Walnut Creek, these zones regularly see developments proposed and built with higher densities, with a recent average of 152% realized density as a percentage of permitted density.
- 100% for all other sites, a conservative estimate considering the realized density as a percentage of permitted density ranges from 110% to 224% for different zoning categories, per Table 7<u>-</u>14Table 7-12, Proposed and Recently Built Development Projects <u>– Walnut Creek</u>.

In addition to applying the factors listed above, the City considered the likelihood of nonresidential development. It is notable that *for more than thirty years, no new developments located in the City's mixed-use zoning districts have consisted of only commercial uses*. Therefore, the likelihood of any 100% non-residential developments is extremely low.

Furthermore, all of the sites in the Sites Inventory are zoned either for exclusive residential development or for mixed-use development that includes residential, or the sites have a planned development zoning that includes residential use. The exceptions are sites 3, 5, and 119118, which are zoned for commercial use, but have a mixed-use, mostly residential development under construction or proposed.

The City believes that the combination of these factors provides realistic estimates of potential development on the sites. Actual densities will depend on property owners and may exceed 100% of zoned maximums if State-allowed density bonuses are utilized.

Projected housing development counts are net of any existing residential units on the sites. These "net potential units" are shown for each site in the Housing Element Sites Inventory in Appendix C.

Although the majority of the City is already built out, the City expects that future housing development project applications will match the current trend of proposed residential densities near the maximum density allowed or will seek density bonuses as allowed by State law.

The City's Zoning Ordinance provides residential and mixed-use land use designations with maximum densities expressed as a minimum of lot square feet per dwelling unit. For this Housing Element, these density limits are converted to and shown as dwelling units per acre,

for easier comparison._Table 7-15Table 7-13, Allowable Densities for Residential Zones in the City, below outlines the maximum densities allowed under each zoning designation included in the Sites Inventory.__Table 7-14Table 7-12, Proposed and Recently Built Development Projects – Walnut Creek, identifies realized densities, ranging between 110% and 224% for different zones.__This demonstrates that actual development has significantly exceeded permitted density under the current Zoning Ordinance, supporting the realistic capacity assumptions made in the Sites Inventory.

	C11 -					Units		
Zoning Designation	Site Count	Max of Density	Area (ac)	Very Low	Low	Mod.	Above Mod.	Total
Single Family	16	5.4	14.1	-	-	-	54	54
Multi Family	38	58.1	29.5	131	101	398	168	798
Mixed Use - Residential	10	102.5	7.7	302	160	-	408	870
Mixed Use - Downtown	12	58.1	12.3	261	113	78	84	536
Mixed Use - Commercial	27	58.1	47.0	1,116	529	420	314	2,379
Mixed Use - Planned Development	4	As Approved by City	3.4	53	30	26	52	161
Planned Development	12	As Approved by City	51.0	61	121	-	1,147	1,329
Central Retail	4	As Approved by City	3.4	27	33	-	91	151
Duplex Residential	1	14.5	1.2	-	-	-	12	12
Office Commercial	1	As Approved by City	0.6	7	25	-	-	32
Pedestrian - Retail	2	49.78	1.5	-	-	-	137	137
TOTAL	127		171.6	1,958	1,112	922	2,467	6,459

Table 7-15. Allowable Densities for Residential and Mixed-Use Zones in the City

Source: City of Walnut Creek Zoning Ordinance and Site Inventory

7.5.3 Housing Potential Methodology – <u>Sites with Mixed Use Zoning</u>

Of the City's reasonably developable housing capacity, 54<u>3</u> sites, representing 4,096<u>3,946</u> units, have mixed-use zoning. The mixed-use zoning designations include the following:

- MU-R, Residential Mixed-Use District,
- MU-C, Commercial Mixed-Use District,
- MU-D, Downtown Mixed-Use District, and
- M-U, Mixed Use Planned Development District.

The total number and percentage of sites in the inventory that have these mixed-use zoning designations and the number of units assigned to these sites are shown in Table 7-<u>15</u>14, Mixed Use Sites and Net Potential Units. More specifically, sites currently zoned for a mix of uses represent approximately 6<u>1</u>3% of potential units at all income levels and approximately <u>84</u>91% of potential lower-income units in the Sites Inventory.

Sites/ Units	Totals (All Zones)	Total Lower- Income	Mixed Use Zoned Sites	Percent Of Total	Mixed Use Lower- Income	Percent Of Total Lower- Income
Sites	12 <u>7</u> 1	<u>44</u> 37	5 <u>3</u> 4	<u>4542</u> %	30	<u>68</u> 81%
Net Potential Units	6.4 <u>5</u> 69	3, 132<u>070</u>	4,096<u>3,946</u>	6 <u>1</u> 3%	2, 837<u>564</u>	<u>84</u> 91%

The City calculated realistic residential development potential on the mixed-use sites using the methodology described in the prior section of this Chapter.

7.6 Vacant Sites (including Suitability for Lower-Income Housing)

The Sites Inventory identifies vacant developable residential sites throughout the City that can develop within the current RHNA cycle. Twenty (20)_17 sites are currently vacant and zoned for residential use or mixed-use (164% of total sites) and allow for the development of 113 future housing units (approximately 32% of total net potential units). Seventeen (17)15 of these vacant sites are zoned for a maximum density less than 30 units per acre. The other threewo vacant sites are less than 0.5 acres in size. Therefore, none of the vacant sites are suitable for lower-income housing. The City is largely developed, and the acreage representing improved residential or mixed-use property is substantial and limits site availability.

All sites identified with lower-income units and specific information about the suitability of each site are presented in Table 7-12. Lower-Income Sites Used in a Prior Planning Period Table 7-15, Suitability of Lower-Income Sites.

7.7 Non-Vacant Sites (including Suitability for Lower-Income Housing)

The Sites Inventory identifies 104<u>3</u> sites that are not vacant, as defined by California Government Code.__Non-vacant sites have various existing uses including parking lots, low-density residential, retail, and office.__To assess the likelihood of non-vacant sites redeveloping into residential uses during the 6th Cycle Housing Element planning period due, the City referred to recent and current trends in what developments are being built and proposed in both the City and the region.

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The projects shown in Table 7-14Table 7-12, Proposed and Recently Built Development Projects - Walnut Creek, and detailed further in this section, recently built and proposed developments are, in fact, redevelopment of existing parking lots, low-density residential, retail, and office uses. The City expects the market trends supporting this redevelopment to continue, as detailed further in this Section.

California Government Code, Section 65583.2(g)(1), states that, for non-vacant sites, the City shall specify the additional development potential for each site within the planning period and shall provide an explanation of the methodology used to determine the development potential. The methodology shall consider factors including the following:

• The extent to which existing uses may constitute an impediment to additional residential development.

The City's experience with <u>the</u> redevelopment of commercial uses into residential uses suggests that existing commercial uses are not an impediment. To quantify and evaluate the potential impediment of existing uses, the City calculated the ratio of <u>the</u> current assessed improvement value to <u>the</u> current assessed land value. Generally, lower ratios suggest that existing uses are less likely to constitute an impediment to redevelopment. Proposed and in-process residential developments have ratios between 0 and 1.87 (excluding a church property with a ratio above 7.0, because the church is proposing to build residential units on part of its parking lot). Based on this, the City generally considers ratios under 2.0 to suggest that existing uses do not constitute an impediment.

Of the <u>12103</u>¹ sites, <u>111–90</u> have an improvement: land value ratio under 2.00. The remaining <u>10–13</u> sites are still considered feasible for residential development for the following reasons:

- o Site 2 has been approved for development, including 11 very low income units.
- Sites 38 and 43 are aging single-family homes (built in 1949) that can be redeveloped with multifamily. Site 8 (a proposed development) serves as an example of this happening on the same street.
- For Site 46, the City has received expressions of interest from developers in acquiring and redeveloping the property.
- Sites 52, 59, and 11<u>7</u>8 are church properties, where the church can build residential units on part of its parking lot.
- Sites 55, 10<u>0</u>4, and 10<u>1</u>2 are aging office/retail buildings (built between 1975 and 1978) located in the North Downtown Specific Plan area, adjacent to recent high-density residential developments.

- Site 56 is an aging office building (built in 1970) located slightly south of downtown, with multiple vacancies. The site was included in the City's General Plan 2025 with a Mixed-Use Commercial designation allowing a mixed-use floor area ratio of up to 1.5, one of only two areas in the City, outside of downtown, permitted for such mixed-use intensity.
- Site 121 is a golf course with capacity for housing development, which the owner has expressed interest in developing.
- <u>Site 122 consists of a church property and church leadership has expressed interest in</u> <u>developing a portion of their lot into housing.</u>

It should be noted that several of the proposed and in-process developments are currently cleared sites. Prior to their clearing, they may have had improvement: land value ratios above 2.0.

It is also important to note that Section 7.8, Senate Bill (SB) 330: Replacement Housing Requirements, addresses replacement housing requirements, and the Housing Plan includes Program H-5.E. Replacement Housing, a replacement housing program for any units that are occupied or have been occupied in the prior 5 years by, or subject to an affordability requirement for, lower-income households to be replaced.

• The City's past experience converting existing uses to higher density higher-density residential development.

Table 7-14Table 7-12, Proposed and Recently Built Development Projects <u>– Walnut</u> <u>Creek</u>, lists key details of 37 recent and proposed developments. The City has a strong track record of non-residential and low-density residential properties being redeveloped into high(er)-density residential development. Since 2009 (and all except for one since 2014), 25 developments with a density greater than 30 units per acre have been built or proposed, totaling 2,022 units. The following provides additional context for some of these developments that replaced prior uses.

- <u>Walnut Creek Transit Village</u> 596 residential units and 27,000 square feet of retail replacing parking lots. Phase 2 is 358 residential units and 15,000 square feet of retail currently under construction. Phase 3 is 238 residential units and 12,000 square feet of retail approved in 2013. (Phase 1 was a parking garage on a nearby parcel, built to maintain the quantity of parking for the transit station.)
- <u>555 YVR</u> 87 condominiums built in 2009, replacing a two-story office building.
- <u>AVE Walnut Creek</u> 126 apartments built in 2014, replacing a two-story motel (the Walnut Creek Motor Lodge).

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- <u>The Arroyo Residences</u> 6-story multifamily building with 107 apartment units and two levels of above ground parking built in 2014, replacing a one-story office building.
- <u>Agora</u> 49 residential units completed in 2016, replacing an eight-story office building and parking lot.
- <u>Bonanza Heritage Condominiums</u> 15 condominium units in a three-story building over a parking garage, built in 2017, replacing two single-family homes.
- <u>Lyric</u> six-story building with 141 residential units and ground floor retail built in 2017, replacing a café, a bank, and a parking lot.
- <u>Vaya</u> 178 residential units completed in 2018, replacing 20 single-family, duplex, and multifamily units. (The developer provided relocation assistance to the tenants, some of whom moved to affordable housing units elsewhere in the City.)
- <u>Riviera Apartments (1515 Riviera Avenue)</u> 30 affordable units completed in 2018.
- <u>Riv Condominiums (1605 Riviera Avenue)</u> 48 condominiums completed in 2019, replacing a small apartment building.
- <u>Riviera Family Apartments (1738 Riviera Avenue)</u> 28 affordable units built in 2019, replacing two single-family dwellings and a duplex.
- <u>1716 Lofts</u> 48 residential units and 2,900 square feet of commercial space built in 2019/2020, replacing a surface parking lot and a car storage lot for a nearby car dealership.
- <u>Analisa Townhomes</u> 12 townhomes built in 2020, replacing three homes.
- Homestead Terrace Homes 12 condominiums built in 2016 replacing two duplexes.
- <u>1910 NOMA</u> 135 residential units and 7,000 square feet of commercial space, currently under construction. Replacing a one-story restaurant and parking lot, the project includes 11 very low-income units for a density bonus.
- <u>1380 N California Blvd</u> 95 units (including 20 "hotel" units designed to be convertible to full residential dwelling units) and 15,000 square feet of commercial space currently under construction, replacing a one-story McDonalds restaurant and parking lot.
- <u>Oakmont Senior Housing</u> 254 apartment units proposed to replace approximately 95,000 square feet of office space.

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 <u>699 Ygnacio</u> – 96 affordable units and approximately 2,622 square feet of commercial space approved in 2021, replacing a gas station and related structures.

These developments demonstrate a clear track record of existing uses being redeveloped with high(er)-density residential development.

• The current market demand for existing use.

The current market demand for existing uses is detailed in the previous bullet point ("The City's past experience converting existing uses to higher density residential development"). It is important to note that the demand for residential units is very high due to a large number of jobs in the City, direct highway and transit access to the San Francisco Bay Area, highly ranked schools, and an excellent public safety record. With the increased popularity of e-commerce and changes to the demand for office space and hotels due to the COVID-19 pandemic (and the popularity of virtual meetings and remote working), the financial viability of commercial uses in the City are showing further signs of increasing redevelopment opportunities that were already occurring prior to the pandemic.

• Development trends for lower-income units – Region.

In order to understand the feasibility of affordable housing development in Walnut Creek, the City collected information on the development of 100% affordable developments in the region. Specifically, the City analyzed privately-owned (not publicly owned), non-vacant, commercial sites that were developed into 100% affordable housing in Contra Costa and Alameda Counties. These projects are completed, 100% affordable housing projects (no market rate units).

The City performed this analysis by reviewing California Tax Credit Allocation Committee's (CTCAC) data on projects approved for funding. As shown in Table 7-17, Non-Vacant Commercial Sites Redeveloped Into Affordable Housing (2016-2022) – Alameda and Contra Costa Counties, this analysis yielded the following conclusions:

- Since 2016, CTCAC has assisted 8 developers build 100% affordable developments on privately-owned sites that replaced non-vacant, commercial sites in Alameda and Contra Costa Counties.
- All projects were 100% affordable housing units. Of the 8 developments, all 8 are exclusively affordable to lower income households only (very low- and low-income households).
- The developments were built on sites with previous retail, commercial, industrial, and office uses:

- <u>One (1)</u> of the 8 developments were built on a parcel with a former retail building.
- <u>Three (3)</u> of the 8 developments was built on a parcel with a former industrial building.
- <u>Three (3)</u> of the 8 developments were built on parcels with a former office building.
- One (1) of the 8 developments was built on a parcel with a former auto repair building.
- The average density is 83 units per acre.
- Overall, the findings of this analysis provide evidence of the following:
 - Residential developments built on commercial properties are feasible in the region;
 - Residential developments that are 100% affordable to a majority of lowerincome households are feasible in the region; and
 - High densities for 100% affordable housing built on commercial parcels are feasible in the region.

 Table 7-177-15.
 Non-Vacant Commercial Sites Redeveloped Into Affordable Housing (2016-2022) – Alameda and Contra Costa Counties

		Year			# of units	5		Total #	Lot Size	Density		
City	Address	Built	Mgr.	Very Low	Low	Mod.	Above Mod.	Units	(ac)	(du/ac)	Previous Use	Zoning
Richmond	25 Harbour Way	2016	1	7	54	0	0	62	0.93	67	Industrial Warehouse	Commercial Mixed- Use
Pittsburg	901 Los Medanos St	2022	1	29	0	0	0	30	0.49	61	Industrial Warehouse	Downtown High- Density Residential
Richmond	2100-2200 Nevin Ave	2021	3	81	187	0	0	271	1.72	158	Office Building	Commercial Mixed- Use
Fremont	47003 Mission Falls Ct	2019	0	90	0	0	0	90	2.25	40	Office Building	Residential
San Lorenzo	15888 Hesperian Blvd	2017	1	76	0	0	0	77	1.37	56	Office Building	Specific Plan
Livermore	1665 Chestnut St	2021	1	33	8	0	0	42	0.75	56	Large Retail Buildings	Specific Plan
Hayward	28901-28987 Mission Blvd	2016	0	151	0	0	0	151	1.44	105	Auto Renair Building	Planned Development
Oakland	7120 Hawley St	2022	1	27	31	0	0	59	0.46	128	Industrial	Transit Oriented Development
									Average	83		

Source: CoStar, California Tax Credit Allocation Committee

Chapter 7. Adequate Site Inventory Analysis and Methodology

• An analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development.

It is important to note that leases and contracts related to privately owned properties are not public information, and the City does not have any power to require or compel property owners to provide this information. The City researched existing office space listings to understand current vacancies from publicly available information.

- o The building located on Site 3 was listed as 56% vacant.
- o The building located on Site 58 was listed for sale fully vacant.
- o The building located on Site 66 was listed as 18% vacant.
- o The building located on Site 67 was listed as 16% vacant.
- o The building located on Site 69 was listed for sale fully vacant.
- o The building located on Site 72 was listed for sale with no vacancies.
- o The building located on Site 78 was listed as 33% vacant.
- o The building located on Site 80 was listed as 65% vacant.
- The building located on Site <u>11258</u> was listed for sale fully vacant.
- The building located on Site <u>11378</u> was listed for <u>sale fully vacant</u>lease fully vacant.

• The building located on Site 79 was listed as 35% vacant.

In addition to actual proposals and developments, the City has received indications of interest from owners and developers to redevelop commercial and low-density residential properties with a high(er)-density residential use.

Development trends, market conditions, and regulatory and other incentives and standards (such as density bonuses) continue to support such redevelopment.

• An analysis of suitability.

As discussed in Section 7-137.3.5, the City employed a comprehensive methodology to analyze the development suitability for each site. This analysis speaks to the residential developability of non-vacant sites by considering their conditions prior to redevelopment. Please refer to Section 7.3.5, Determination of Suitability Methodology, for a full description of the methodology.

The following sections address the legal requirements outlined in California Government Code, Section 65583.2(g)(1) in more detail. It is not possible for the City to include an analysis of existing leases or other contracts, as this information is not publicly available. Furthermore, uitability of Lower-Income SitesTable 7-16Table 7-15, Suitability of Lower-Income Sites, including the sites' existing use and reason for selection as a site suitable for redevelopment to residential use.

Chapter 7. Adequate Site Inventory Analysis and Methodology

Table 7-18. Suitability of Lower-Income Sites

		Net Units of Capacity												
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
2	1910, 1940-1950 N Main St	178-411-017	0.97	MU-R	102.49	100%	11	-	-	124	135	Under construction	2.96	Proposed development with a density bonus.
6	699 Ygnacio Valley Rd	178-402-003	0.91	MU-C	49.78	100%	68	24	-	1	93	Former gas station	0.00	Proposed 100% affordable development, with City financial support.
7	1250 Las Juntas Way	148-180-055	2.09	M-3	14.52	100%	-	22	20	-	42	Vacant	0.00	Proposed development by Habitat for Humanity.
47	2221 N Main Street	174-150-009	2.10	MU-PD	40.00	100%	53	30	-	-	83	Gas station and 1- story retail	0.94	ND. Underutilized retail/ office properties assembled by a single owner. Adjacent to recent high-density residential development.
48	2082-2084 Mt. Diablo Blvd	178-020-006	3.41	MU-C	58.08	95%	119	69	-	-	188	Gas station and 1- story retail	0.96	WD. Underutilized retail/ office properties.
49	2042 Mt. Diablo Blvd	178-030-003	1.60	MU-C	58.08	95%	55	33	-	-	88	1-story retail	0.38	WD. Underutilized retail/ office properties.
50	1832 Sharp Ave	178-040-018	4.45	M-0.75	58.08	100%	60	35	128	-	223	1-story retail, office, and single family homes	0.24	WD. Underutilized retail/ office properties assembled by a single owner
51	1859 Lacassie Ave	178-080-030	0.45	M-0.75	58.08	100%	16	10	-	-	26	Parking lot	0.00	WD. Church parking lot.
52	1801 Lacassie Ave	178-080-075	5.20	M-0.75	58.08	100%	16	10	-	-	26	Church and parking lot	7.12	WD. Church parking lot.
54	Arroyo Way	178-411-011	1.45	MU-R	102.49	100%	93	55	-	-	148	Parking lot and car storage lot	0.18	Parking lot and car storage lot.
59	Mt Diablo Blvd	184-041-016	1.93	MU-D	58.10	95%	42	-	-	-	42	Church and parking lot	4.22	WD. Church parking lot.
61	1919 Mt. Diablo Blvd	184-050-010	2.44	MU-C	58.08	95%	85	49	-	-	134	1-2 story office/retail	0.77	WD. Underutilized retail/ office properties.
62	1815 Mt. Diablo Blvd	184-050-058	2.15	MU-C	58.08	95%	74	44	-	-	118	1-2 story office/retail	0.48	WD. Underutilized retail/ office properties.
63	1123 S. California Blvd	184-050-066	3.60	MU-C	58.08	95%	198	-	-	-	198	1-story retail	0.23	WD. Underutilized retail/ office property.
64	1870 Olympic Blvd	184-050-063	1.64	MU-D	58.10	95%	23	-	54	-	77	2-story office, 2- story apartments	1.30	WD. Underutilized retail/ office properties.
65	1295 S. Main St	184-070-011	3.01	MU-C	58.08	95%	52	31	-	-	83	1-story retail	0.29	Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Adjacent to recent high-density residential development.

Chapter 7. Adequate Site Inventory Analysis and Methodology

Table 7-18. Suitability of Lower-Income Sites (Continued)

Chapter 7. Adequate Site Inventory Analysis and Methodology

	Net Units of Capacity													
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
2	1910, 1940-1950 N Main St	178-411-017	0.97	MU-R	102.49	100%	11	-	-	124	135	Under construction	2.96	Proposed development with a density bonus.
6	699 Ygnacio Valley Rd	178-402-003	0.91	MU-C	49.78	100%	68	24	-	1	93	Former gas station	0.00	Proposed 100% affordable development, with City financial support.
7	1250 Las Juntas Way	148-180-055	2.09	M-3	14.52	100%	-	22	20	-	42	Vacant	0.00	Proposed development by Habitat for Humanity.
47	2221 N Main Street	174-150-009	2.10	MU-PD	40.00	100%	53	30	-	-	83	Gas station and 1- story retail	0.94	ND. Underutilized retail/ office properties assembled by a single owner. Adjacent to recent high-density residential development.
48	2082-2084 Mt. Diablo Blvd	178-020-006	3.41	MU-C	58.08	95%	119	69	-	-	188	Gas station and 1- story retail	0.96	WD. Underutilized retail/ office properties.
49	2042 Mt. Diablo Blvd	178-030-003	1.60	MU-C	58.08	95%	55	33	-	-	88	1-story retail	0.38	WD. Underutilized retail/ office properties.
50	1832 Sharp Ave	178-040-018	4.45	M-0.75	58.08	100%	60	35	128	-	223	1-story retail, office, and single family homes	0.24	WD. Underutilized retail/ office properties assembled by a single owner
51	1859 Lacassie Ave	178-080-030	0.45	M-0.75	58.08	100%	16	10	-	-	26	Parking lot	0.00	WD. Church parking lot.
52	1801 Lacassie Ave	178-080-075	5.20	M-0.75	58.08	100%	16	10	-	-	26	Church and parking lot	7.12	WD. Church parking lot.
54	Arroyo Way	178-411-011	1.45	MU-R	102.49	100%	93	55	-	-	148	Parking lot and car storage lot	0.18	Parking lot and car storage lot.
59	Mt Diablo Blvd	184-041-016	1.93	MU-D	58.10	95%	42	-	-	-	42	Church and parking lot	4.22	WD. Church parking lot.
61	1919 Mt. Diablo Blvd	184-050-010	2.44	MU-C	58.08	95%	85	49	-	-	134	1-2 story office/retail	0.77	WD. Underutilized retail/ office properties.
62	1815 Mt. Diablo Blvd	184-050-058	2.15	MU-C	58.08	95%	74	44	-	-	118	1-2 story office/retail	0.48	WD. Underutilized retail/ office properties.
63	1123 S. California Blvd	184-050-066	3.60	MU-C	58.08	95%	198	-	-	-	198	1-story retail	0.23	WD. Underutilized retail/ office property.
64	1870 Olympic Blvd	184-050-063	1.64	MU-D	58.10	95%	23	-	54	-	77	2-story office, 2- story apartments	1.30	WD. Underutilized retail/ office properties.
65	1295 S. Main St	184-070-011	3.01	MU-C	58.08	95%	52	31	-	-	83	1-story retail	0.29	Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Adjacent to recent high-density residential development.

Chapter 7. Adequate Site Inventory Analysis and Methodology

	Net Units of Capacity													
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
66	1550 Newell Ave	184-070-016	1.80	MU-C	58.08	95%	31	18	-	-	49	1-story retail	0.36	Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Adjacent to recent high-density residential development.
67	1531-1599 Botelho Dr, 1320-1330 S. California Blvd	184-070-023	2.56	MU-C	58.08	95%	53	31	-	-	84	1-story retail	0.54	Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Located near recent high-density residential development.
68	1372-1388 S. California Blvd	184-070-024	2.15	MU-C	58.08	95%	37	22	-	-	59	1-story retail		Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Located near recent high-density residential development.
69	1355 S. California Blvd	184-080-018	4.00	MU-C	58.08	95%	139	81	-	-	220	1-story retail	1.17	Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Located near recent high-density residential development.
71	1735 N Broadway	178-320-006	1.61	MU-C	49.78	95%	94	53	-	-	147	Auto dealership and car storage lot	1.23	ND. Underutilized retail/ office properties assembled by a single owner. Adjacent to recent high-density residential development.
72	Arroyo Way	178-330-001	1.99	MU-R	102.49	100%	165	87	-	1	253	1-story retail	0.88	ND. Underutilized retail/ office properties. Adjacent to recent high-density residential development.
73	1375 Arroyo Way	178-340-002	0.50	MU-R	102.49	100%	33	18	-	-	51	Auto dealership and car storage lot	0.05	ND. Underutilized retail/ office properties.
75	N Broadway	178-412-010	1.63	MU-C	49.78	100%	12	-	-	128	140	Auto dealership and car storage lot	0.00	ND. Underutilized retail/ office properties.
77	1756 Lacassie Ave	174-220-002	1.97	MU-D	58.10	95%	69	39	-	-	108	Former Department of Motor Vehicles office	1.01	ND. Underutilized retail/ office properties assembled by a single owner. Located near recent high-density residential development.

Table 7-18. Suitability of Lower-Income Sites (Continued)

Chapter 7. Adequate Site Inventory Analysis and Methodology

	Net Units of Capacity													
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
78	1443-1515 Oakland Blvd	177-260-023	0.76	MU-D	58.10	95%	26	16	-	-	42	Gas station and 1- 3-story office	1.20	WD. Underutilized retail/ office properties assembled by a few owners. Located near recent high-density residential development.
79	1415 Oakland Blvd	177-280-014	0.69	MU-D	58.10	95%	24	14	-	-	38	2-3-story office	0.69	WD. Underutilized retail/ office properties.
80	1407 Oakland Blvd	177-280-018	0.95	MU-D	58.10	95%	33	19	-	-	52	2-story office	1.16	WD. Underutilized retail/ office properties.
88	Trinity Ave	178-072-009	1.10	M-0.75	58.08	100%	39	24	-	-	63	3-story office	0.11	WD. Underutilized retail/ office properties.
93	1777 N California Blvd	178-080-072	1.27	MU-D	58.10	95%	44	25	-	-	69	Parking lot	0.64	WD. Church parking lot.
96	1222-1250 Pine St	173-110-018	1.33	MU-C	49.78	95%	40	22	-	-	62	3-story office	1.03	WD. Underutilized retail/ office properties. Adjacent to high-density residential development.
97	1201-1299 Parkside Dr	173-110-023	3.39	MU-C	49.78	95%	-	20	-	137	157	2-story office	1.51	ND. Underutilized retail/ office property.
98	2101 N Main St	174-172-012	0.56	MU-C	49.78	95%	17	9	-	-	26	Auto dealership and car storage lot	0.51	ND. Underutilized retail/ office property.
103	1251 Arroyo Way	178-352-020	0.62	MU-C	49.78	95%	19	10	-	-	29	2-story retail	0.83	ND. Underutilized retail/ office property.
105	1150 Civic Dr	178-402-004	0.77	MU-C	49.78	95%	23	13	-	-	36	1-story office	0.88	ND. Underutilized retail/ office properties. Adjacent to recent high-density residential development.
117	2100 Tice Valley Blvd	186-030-054	3.84	P-D	0.00	100%	6	-	-	-	6	Church and parking lot	7.24	Church parking lot. Proposed development.
118	1271 S California Blvd	184-092-034	1.32	C-R	49.78	100%	-	11	-	83	94	Retail	0.02	Unoccupied retail
121	Heather Dr	144-082-004	14.34	P-D	0.00	100%	20	118	-	-	138	Golf course	5.79	There is potential to increase the density in portions where housing already exists or is already allowed.
122	200 La Casa Via	140-230-004	2.95	P-D	0.00	100%	2	-	-	-	2	Church	4.65	Church leadership has expressed an interest in developing housing
123	1426 S Main St	183-030-005	0.51	C-R	Det. by CUP, except in specific plan area where applicable*	100%	1	_	-	8	9	Retail	0.32	Property owner has an SB 330 pre-application on file.

 Table 7-18. Suitability of Lower-Income Sites (Continued)

Chapter 7. Adequate Site Inventory Analysis and Methodology

		Net Units of Capacity												
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
2	1910, 1940-1950 N Main St	178-411-017	0.97	MU-R	102.49	100%	11	-	-	124	135	Under construction	2.96	Proposed development with a density bonus.
6	699 Ygnacio Valley Rd	178-402-003	0.91	MU-C	49.78	100%	68	24	-	1	93	Former gas station	0.00	Proposed 100% affordable development, with City financial support.
7	1250 Las Juntas Way	148-180-055	2.09	M-3	14.52	100%	-	22	20	-	42	Vacant	0.00	Proposed development by Habitat for Humanity.
47	2221 N Main Street	174-150-009	2.10	MU-PD	40.00	100%	53	30	-	-	83	Gas station and 1- story retail	0.94	ND. Underutilized retail/ office properties assembled by a single owner. Adjacent to recent high-density residential development.
48	2082-2084 Mt. Diablo Blvd	178-020-006	3.41	MU-C	58.08	95%	119	69	-	-	188	Gas station and 1- story retail	0.96	WD. Underutilized retail/ office properties.
49	2042 Mt. Diablo Blvd	178-030-003	1.60	MU-C	58.08	95%	55	33	-	-	88	1-story retail	0.38	WD. Underutilized retail/ office properties.
50	1832 Sharp Ave	178-040-018	4.45	M-0.75	58.08	100%	60	35	128	-	223	1-story retail, office, and single family homes	0.24	WD. Underutilized retail/ office properties assembled by a single owner
51	1859 Lacassie Ave	178-080-030	0.45	M-0.75	58.08	100%	16	10	-	-	26	Parking lot	0.00	WD. Church parking lot.
52	1801 Lacassie Ave	178-080-075	5.20	M-0.75	58.08	100%	16	10	-	-	26	Church and parking lot	7.12	WD. Church parking lot.
54	Arroyo Way	178-411-011	1.45	MU-R	102.49	100%	93	55	-	-	148	Parking lot and car storage lot	0.18	Parking lot and car storage lot.
59	Mt Diablo Blvd	184-041-016	1.93	MU-D	58.10	95%	42	-	-	-	42	Church and parking lot	4.22	WD. Church parking lot.
61	1919 Mt. Diablo Blvd	184-050-010	2.44	MU-C	58.08	95%	85	49	-	-	134	1-2 story office/retail	0.77	WD. Underutilized retail/ office properties.
62	1815 Mt. Diablo Blvd	184-050-058	2.15	MU-C	58.08	95%	74	44	-	-	118	1-2 story office/retail	0.48	WD. Underutilized retail/ office properties.
63	1123 S. California Blvd	184-050-066	3.60	MU-C	58.08	95%	198	-	-	-	198	1-story retail	0.23	WD. Underutilized retail/ office property.
64	1870 Olympic Blvd	184-050-063	1.64	MU-D	58.10	95%	23	-	54	-	77	2-story office, 2- story apartments	1.30	WD. Underutilized retail/ office properties.
65	1295 S. Main St	184-070-011	3.01	MU-C	58.08	95%	52	31	-	-	83	1-story retail	0.29	Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Adjacent to recent high-density residential development.

Chapter 7. Adequate Site Inventory Analysis and Methodology

								Net Un	its of Ca	pacity				
Site No.	Address	APN	Area (ac)	Zoning	Permitted Density	Density Realism*	Very Low	Low	Mod.	Above Mod.	Total	Existing Use	I:LV	Reason for Selection**
124	1459-1479 Newell Ave	183-030-029	0.92	C-R	Det. by CUP, except in specific plan area where applicable*	100%	5	22	-	-	27	Retail	0.25	Multi-family residential is permitted by the specific plan and requires a CUP by zoning.
125	2079 Mt Diablo Blvd	184-042-014	0.58	O-C	Det. by CUP, except in specific plan area where applicable*	95%	7	25	-	-	32	One-story Motel	1.50	Old, one-story motel.
126	154 Sierra Dr	179-060-036	1.42	P-D	0.00	100%	33	3	-	-	36	Apartments	1.65	Old apartments with a low FAR.
127	S Main St	183-030-001	0.61	C-R	Det. by CUP, except in specific plan area where applicable*	100%	21	-	-	_	21	Vacant 1-story retail	0.60	Proposed development with a density bonus.
TOTAL							1,958	1,112	202	482	3,754			

*For pending and entitled developments, "Density Realism" is based on the proposed development. For other sites, "Density Realism" is an assumption based on realized density of recent and proposed developments.

** ND indicates the North Downtown Specific Plan Area. WD indicates the West Downtown Specific Plan Area.

7.8 Senate Bill 330/Replacement Housing Requirements

Adopted in 2019, Senate Bill (SB) 330 implements new requirements applicable to the Sites Inventory to conserve existing affordable housing units and units that are occupied by households with lower incomes. Pursuant to SB 330, sites with existing residential units cannot be counted toward the City's lower-income capacity unless the City has adopted a mechanism to preserve or require replacement of existing units that are, or within the last 5 years were, affordable to households with low or very-low-incomes or occupied by households with low or very-low-incomes (referred to by SB 330 as "Protected Units").

California Government Code, Section 65583.2(g)(3), requires that existing residential units on non-vacant sites be replaced with units affordable to the same or lower-income level when demolished. More specifically, replacement housing must be provided for the following types of non-vacant sites:

- Sites that currently have residential uses; and
- Sites that had residential uses within the past 5 years, which have been vacated or demolished that:
 - Are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income;
 - Are or were subject to any other form of rent or price control through a public entity's valid exercise of its police power; or
 - Are or were occupied by low or very low-income households.

Of the 104<u>3</u> non-vacant sites in the Sites Inventory, 3<u>96</u> have existing residential uses totaling 1<u>866</u> units. Site 121, located at 1148-1152 Alpine Road and 1204 Alpine Road contains 61 of these existing units and has capacity for a total of <u>10098</u> units. The other 3<u>85</u> sites contain between one and <u>2015</u> units and have a capacity for a total of between two and 238 units. The capacity of these sites is generally double or more the current number of units, providing an opportunity for the financial return needed to cover the cost of replacement housing.

Eight-<u>Nine</u> of the sites with existing residential uses are proposed or in-process developments, replacing 1<u>2</u>6 existing units with <u>65577</u> total new units (6<u>43</u>4 net new units). There are no proposed developments that propose fewer residential units than currently, exist on the property nor have there been any recent developments with fewer residential units than previously existed on the property. Only net new units are counted in the Sites Inventory for the capacity determination.

To ensure that any demolished units are replaced, the City is including a program for replacement units (See Policy H-5.9 and Proposed Program H-5.E. Replacement Housing). Pursuant to this program, the City will review all available information for a property (obtained from the property owner), reach out directly to existing tenants to determine residents' income levels, calculate the number of units with lower-income households, and determine if proposed units are sufficient for replacement. If the City determines that the number of residential units occupied by lower-income households exceeds the proposed replacement units, the City will work with the developer to ensure the appropriate number of affordable units are built to replace any existing units.

7.9 Senate Bill 1333 Requirements – "No Net Loss"

Recent modifications to housing element law adopted through SB 1333, known as the "No Net Loss" provision, require that the City maintain adequate capacity to accommodate the remaining unmet portion of its RHNA target for each of the income categories throughout the 8-year Housing Element Planning Period. The City must also monitor housing production as the planning period progresses and ensure that the City does <u>not</u> reduce the housing capacity below what is needed to meet its RHNA target by income level through either of the following methods:

- Adoption of reductions in allowable residential densities for sites identified in the Sites Inventory through community plan update/amendment or rezone.
- Approval of development or building permits for sites identified in the inventory that authorize the construction or development of fewer units (by income level) than identified as possible in the inventory.

In order to address the "No Net Loss" provisions, the City completed the following steps in preparing the Sites Inventory:

- Evaluated the need to reduce the estimates of site housing capacity based on topography, environmental features, site acreage, and expectations for mixed-use development. Where deemed appropriate, the City applied such reductions.
- Further reduced estimated site housing capacity to ensure estimates are conservative, ranging between 95% and 100% of the net potential housing units, based on site-specific zoning and units' designated income levels. As described in Section 7.4 and elsewhere in this Chapter, average realized density of proposed and recently built developments ranges between 110% and 224% for different zones.
- Identified sufficient sites with housing capacity to provide a reasonable capacity buffer (20% of gross RHNA numbers for the lower-income levels and 15% for the moderate-income

level) above the City's RHNA targets to ensure that the City maintains adequate capacity to meet its targets.

The Housing Plan includes Program H-1.CC. Maintain/Update the Site Inventory to maintain and update the Sites Inventory on an annual basis in connection with the preparation of the Annual Progress Report to ensure that the City maintains sufficient housing capacity.

7.10 Development Trends and Market Conditions

The City performed an analysis of development trends and market conditions <u>(for the City and the region as a whole)</u> for the existing use types of non-vacant sites in the Sites Inventory. These use types primarily include retail and office.

7.10.1.17.10.1 Retail (City and Region)

Changes in consumer preferences over the last several years with the advent of e-commerce has changed the retail business model to reduce demand for larger and more traditional brickand-mortar space. The effect of e-commerce on the evolution of retail presents opportunities to repurpose existing retail uses for new mixed-use and residential developments. This trend has already occurred in the Bay Area as evidenced by Richmond's Hilltop Mall and San Francisco's 5M Development, both examples of underused retail to residential mixed-use conversions. Other recent projects include the Orbisonia Heights project in Bay Point (Pittsburg) and the MacArthur and Central Station projects in Oakland (both include affordable units).

The COVID-19 pandemic has accelerated the evolution of the retail commercial real estate market away from the large traditional brick-and-mortar footprints as evidenced by the following data:

- According to the John Cumbelich and Associates (a San Francisco Bay Area commercial real estate firm specializing in retail properties) <u>Q131 20232Q1 2022</u> Retail Market Report for the City of Walnut Creek (this report is specific to the City rather than the County or the region), *retail vacancy in the City was <u>8 19.7010.9</u>%, which exceeds the 5<u>.1</u>% <i>East Bay Area retail vacancy rate* reported by the Kidder Mathews (a commercial real estate firm specializing in West Coast commercial properties) Retail Market Report for the same period.
- The John Cumbelich and Associates <u>Q13_202320Q3_2020</u> Retail Market Report_for <u>Walnut Creek</u> showed an overall retail vacancy rate of <u>131.511.3</u>% during one of the heights of the pandemic_, which indicates that the Walnut Creek retail market has experienced only a minor recovery in the last 1-2 yearsbut has decreased with a decrease to 9.78.9% vacancy in Q1 2023. While Walnut Creek retail vacancy rates have recovered with less COVID-19 restrictions and more people shopping in person, they have not

reached pre-pandemic levels, and vacancy rates even show a slight increase from Q3 and Q4 2022 (8.9% for both) signaling a recovering trend with less COVID-19 restrictions and more people shopping in person. Furthermore, years. However, the retail vacancy rates inrate for the East Bay Area (per the Kidder Mathews Market Report Q1 20223) have slightly increased to 5.1% since Q1 2022. Before this, East Bay retail vacancy rates remainedhas) has stayed at 5% since Q1 2021. This data indicates indicating a stronger retail market in the overall region vs. the City, along with the emergence of an uptrend in vacancy rates in both the City and the region.

It is important to note that according to the market reports referenced above, retail vacancy rates began to increase significantly starting in Q1 of 2019, prior to the pandemic. More specifically, Kidder Mathews shows East Bay retail vacancies increasing from 3% to nearly 4% between Q4 2018 to Q1 2019 and John Cumbelich and Associates reports that Walnut Creek retail vacancies jumped from 3.6% to 6% over this same period. Despite the overall decrease in the last couple of years, vacancy rates did not recover to pre-pandemic levels.

Retailers who vacated space in the City include Neiman Marcus (86,000 square feet building), Sur La Table, <u>Paia Mercantile</u>, <u>Flashlight Books</u>, <u>CycleScape</u>, <u>Mattress Firm</u> and a number of restaurants.__According to the John Cumbelich and Associates <u>Q13_2023</u>20Q3_2020 Retail Market Report, "<u>some 34,452 [square feet]</u> in newly vacant space hit the market in Q1, against only 8,347 [square feet] in new leases, resulting in net negative absorption of 26,106 overbuilding, shrinking demand for bricks and mortar space due to e-commerce" and restriction during the pandemic have "re-set market conditions dramatically."the market has achieved net positive absorption for four of the past five quarters" which has "result[ed] in net positive absorption of almost 22,000 [square feet]" in this quarter._ Q1 2023.

This change in the retail market combined with the availability of vacant and underutilized retail properties create opportunities for redevelopment of existing retail for residential uses in Walnut Creek. The descriptions of recent and proposed developments starting on page 7-43 (under the heading "The City's past experience converting existing uses to higher density residential development") provide examples of retail properties being redeveloped with a high-density residential use. <u>28-Twenty-eight</u> sites in the Sites Inventory have an automotive use (i.e., gas station or auto dealership), bank, restaurant, retail sales, or shopping center use description. Table 7-19 provides examples of retail properties being converted to high-density residential. This supports the redevelopment of the 26 retail sites in the Sites Inventory into residential developments.

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7.10.1.27.10.2 Office (City and Region)

West and North Downtown

The significant number of residential development projects that have occurred in the West and North Downtown Specific Plan areas are the strongest evidence that the existing nonresidentially zones sites (as contained in the Sites Inventory) will be redeveloped with residential uses.

Market Data

The County's <u>once solidonce-solid</u> office market has struggled, as the COVID-19 pandemic became a catalyst for remote working. This has led to a rise in vacancy and availability of sublet space along with declines in rents.

- According the Colliers (a leading real estate and investment firm) 2023 Q1 Walnut Creek Office Report, Although-vacancy rates have ticked down from 18.9% in Q1 2022 to 17.6% in Q1 2023recently according to the Colliers 20231 Q142021 Q4 Office Report for Walnut Creek,. However, office vacancy rates in the City have not recovered to pre-pandemic levels. Furthermore, CoStar (the industry leader in commercial real estate analytics) reports that vacancy rates in the East Bay have increased from 10.5% by the end of 2020, to 13.4% in Q1 2023 and, just like Walnut Creek, the East Bay has not recovered to prepandemic levels. the lasting effects of the COVID-19 pandemic seem to point towards a decrease in office demand combined in combination with the ever-growing need for housing.
- As shown in Figure 7-1. Submarket Vacancy, CoStar reports that the BART/Downtown Walnut Creek submarket has the third highest office vacancy rate at 21%, which has remained high since 2020. In addition, CoStar forecasts that vacancies will remain high through at least 2027.

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Figure 7-1. Submarket Vacancy

		Vacancy							
No.	Submarket	SF	Percent	Rank					
1	Alameda	294,235	6.5%	6					
2	Antioch/Pittsburg	183,504	7.1%	10					
3	Berkeley	491,871	7.5%	12					
4	Bishop Ranch	1,663,678	24.3%	26					
5	Concord/Pleasant Hill	1,536,508	19.7%	23					
6	Danville/Alamo	136,278	9.1%	14					
7	Dublin	424,161	15.2%	17					
8	E Hayward/Castro Valley	-	-	-					
9	Emeryville	1,026,189	22.4%	25					
10	Fremont	352,649	6.9%	8					
11	Hayward/Castro Valley	158,892	4.1%	2					
12	Lamorinda	126,765	7.0%	9					
13	Livermore	315,868	15.3%	18					
14	Martinez/Pacheco/Hercules	68,943	3.8%	1					
15	Newark	181,506	16.1%	20					
16	Oakland-Downtown	3,371,290	15.9%	19					
17	Oakland-North	288,331	8.8%	13					
18	Oakland-Port/Jack London	152,058	10.9%	15					
19	Oakland-South/Airport	357,474	7.2%	11					
20	Oakland-West	39,762	4.5%	3					
21	Pleasanton	1,394,385	11.9%	16					
22	Richmond/San Pablo	171,450	5.8%	4					
23	San Leandro	166,524	6.3%	5					
24	San Ramon	384,592	16.2%	21					
25	Union City	16,721	6.6%	7					
26	Walnut Creek-BART/DT	1,737,344	20.6%	24					
27	Walnut Creek-Shadelands	393,635	16.5%	22					

- The Colliers Q1 2023 Office Report also details vacancy rates for the I-680 Corridor and Downtown Walnut Creek. As reported by Colliers, the I-680 Corridor has-Office Figures report shows the I-680 Corridor with an overall office vacancy rate of 23%, while -office vacancy rate and Downtown Walnut Creek area athas a 20.9% vacancy rate Both vacancy rates are which is higher than the 17.6% vacancy rate of the City as reported in Colliers 2023 Q1 Office Report. as a whole.
- Current data indicates that the impacts of the COVID-19 pandemic on the office market are not expected to be temporary. The March 2023 Bay Area Council Employer Network Poll, 70% of Bay Area employers expect their employees to work in person 3 days or less per week. Furthermore, Aaccording to According to a February 2022Colliers 2023 U.S. Office Research Report, "roughly 1.4 billion square feet of leases expiring before 2026

could result in nearly 300 million square feet of space being returned to the market." In addition to lease expiration, Colliers reports that office space needs vary widely and "most common are space reductions of 20% to 30%, particularly when relocating, but some large companies have slashed space by more than 60%." survey by the business group Bay Area Council, almost 70% of Bay Area employers expect their employees will work in person 3 days or less per week. A Cushman and Wakefield report, Global Office Impact Study & Recovery Timing, from September 2020 anticipates office demand to be 15.8% lower over the 2022–2030 period because of work from home trends.

 According to the Cushman & Wakefield National Office Market Report for Q1 2023, the office vacancy rate sits at 18.6%, which is an increase from prior periods.

An example of <u>the above</u>sethese market forces in effect can be seen in Station Plaza._Station Plaza was an office building with a prime location near the BART station in Walnut Creek that sold at a loss due to high vacancy rates, per *The Mercury News*._These trends present an opportunity to redevelop a number of sites in the City with existing office space to residential uses._According to the Cushman & Wakefield National Office Market Report for Q1 202322022, the office vacancy rate sits at 187.6517.5%, which is an increase from prior periods.

These market conditions and trends provide factual support that non-vacant sites in these areas have a strong likelihood of being redeveloped for residential uses.__The descriptions of recent and proposed developments Table 7-19_starting on page 44 provides provide examples of office properties being redeveloped with a converted to high-density residential use. This supports the redevelopment of the 20 office 20_sites in the Sites Inventory contain office uses into residential developments.

7.10.3 Commercial to Residential Conversion (Regional Trends)

Throughout this Chapter 7, Sites Inventory, the City provides an overwhelming amount of proof of the decreasing demand for commercial buildings and the increasing demand for housing. Specifically, Table 7-19. Recent Commercial to Residential Conversions - Region, shows the demand of commercial to residential conversion. Error! Reference source not found. shows the following:

- 53 commercial to residential projects in Contra Costa County, totaling 6,017 units.
 - \circ Of the total 6,017 units, 1,957 are affordable, broken down as follows:
 - 1,157 lower income
 - 800 moderate income

• As shown in Table 7-14, Proposed and Recently Built Development Projects – Walnut Creek, of the 2,161 units proposed and built in the City over the last 15 years, 366 (17%) are the result of commercial property redeveloping into residential units.

7.10.3.1 Nexus - Regional Trends and Real Estate/Economic Market Data

As evidenced by the data presented in this Chapter 7, Sites Inventory, there is a clear nexus between the redevelopment of commercial properties to residential, changes in the economy (including the retail and office markets), and the likelihood that the sites in the Sites Inventory will redevelop. Specifically, Table 7-14 and Table 7-19 provide evidence of the trends summarized in this Section 7.10, including changes in demand for retail and office uses after the COVID-19 pandemic.

In the realm of retail, the rise of e-commerce and changing consumer preferences have reduced the demand for traditional brick-and-mortar spaces. The COVID-19 pandemic has further accelerated this transformation, as the retail market experienced significant changes resulting from increased reliance in online retailers, such as Amazon. Vacancy rates increased in the early stages of the pandemic but have shown signs of recovery as restrictions eased. This shift has prompted the repurposing of existing retail properties for mixed-use and residential developments. Examples like Richmond's Hilltop Mall and San Francisco's 5M Development demonstrate successful conversions from underused retail to residential mixed-use projects. Similarly, the office market has been affected by the COVID-19 pandemic and the rise of remote work. The need for social distancing changed where people work and continued in the long run.

The shifts from brick-and-mortar to e-commerce and in-office to remote work are particularly pronounced in the Bay Area, where the tech industry is undergoing significant changes. This shift has been exacerbated by significant lay-offs in the tech industry and recent bank failures and concerns, including the failure of Silicon Valley Bank. The Colliers 2023 U.S. Office Research Report states the following:

It is unclear which occupiers will drive demand into the future, since tech firms, the key driver in many markets, are retrenching, leading to layoffs, hiring freezes, and sublease offerings. In fact, major tech employers announced more than 40,000 layoffs in January.

These market conditions, combined with the availability of vacant or underutilized commercial properties, present opportunities for the redevelopment of retail and office spaces into residential uses. The data and trends presented support the likelihood of non-vacant sites being redeveloped for residential purposes, showcasing the ongoing trend of commercial to residential development conversions. As such, the 51 (or 40% of the total 127) commercial and office properties included in the Sites Inventory are suitable for redevelopment.

Table 7-19. Recent Commercial to Residential Conversions - Region

_									Affordability					
	Jurisdiction	Development Name			Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status			
1	Antioch	Delta Fair Village	2710-3040 Delta Fair Bl∨d	Not available	Existing: Convenience Commercial Proposed: Planned Development	Focus Area (GP- 18-02)	13.4	4000 sf commercial building; 210 apartments	0	0	0	210	210	Incomplete
2	Concord	Galindo Terrace	1313-1321 Galindo Street	Gas station, billboard, two- story building	Downtown Mixed Use	Downtown Mixed Use	0.5	61-unit affordable housing plus 1 manager's unit	53	8	1	0	62	Approved
3	Concord	RMG Affordable Housing	1335 Galindo Street	Rede∨. of an underutilized commercial retail	Downtown Mixed Use	Downtown Mixed Use	0.6	75-unit redevelopment project; supportive housing for residents with special needs.	15	15	0	45	75	Approved
4	Concord	The Argent	2400 Willow Pass Road	Single-story former Blockbuster video building	Downtown Mixed Use	Downtown Mixed Use	1.6	181-unit redevelopment project	20	0	0	161	181	Approved
5	Concord	Clayton Road Townhomes	3512 Clayton Road	Storage facility	Residential Medium and Commercial Mixed Use	Medium Density Residential & Commercial Mixed Use	3.9	70-unit three-story residential townhomes	0	0	0	70	70	Approved
6	Concord	Salmon Run Apartments	2324 Clayton Road	Office building	Downtown Mixed Use	Downtown Mixed Use	0.5	Office building conversion project 32 apartment units; offsite parking lot	0	0	0	32	32	Approved
7	Concord	The Grant	(North) 1776 Grant Street (South) 1676 Grant Street	Redev. of underutilized commercial office and retail	Downtown Mixed Use	Downtown Mixed Use	2.0	Mixed-Use Development; 228-unit apartment project with 4,600 square feet of commercial space	0	0	0	228	228	Under Construction
8	Danville	600 Hartz Avenue Mix Use Project	600 Hartz Avenue	Restaurant	DBD11	Downtown Master Plan - commercial/res idential	1.2	Mxed-use commercial and 37-unit condominium development	0	0	6	27	33	Approved by Planning Commission
9	Danville	Diablo Mixed Use Development	198 Diablo Road	Service Station	DBD2	Downtown Master Plan - old town retail transition	0.4	10,496 sf two-story mixed- use building; second floor residential	0	0	0	3	3	Approved by Planning Commission

										Afford	ability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
10	El Cerrito	Mayfair: Phase II – Affordable	11690 San Pablo Avenue	Vacant/ Parking Lot	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.5	100% deed-restricted affordable housing with 1 manager's unit	44	24	0	1	69	Under Construction
11	El Cerrito	The Lexington	6501 Fairmount Avenue	Commercial Building	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.3	40 Market rate apartments (assumed 50/50 mod/above mod) with 5 moderate-income inclusionary units; 1,841 sf commercial	0	0	25	20	45	Building Permit under review as of February 2023
12	El Cerrito	Potrero Property	6115/6111 Potrero Avenue 11335-41 San Pablo Avenue	Commercial Building	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.3	63 Market rate apartments (assumed 50/50 mod/above mod) with 5,000 sf commercial, including outdoor patio along San Pablo Avenue.	0	0	31	32	63	Approved April 2022
13	El Cerrito	10192 San Pablo Ave	10192 San Pablo Avenue	Former Rob's Auto	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.3	42 Market rate apartments (assumed 50/50 mod/above mod) and 2 live-work units (above mod)	0	0	21	23	44	Approved January 2019; Expired 1/24/2023; New entitlement submitted 11/14/2022; Pending Design Review Board consideration
14	El Cerrito	Polaris Apartments	11965 San Pablo Avenue	Fast food restaurant (currently unoccupied building, parking lot, landscaping)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.5	135 Market rate apartments (assumed 50/50 mod/above mod) with 9 moderate-income inclusionary units	0	0	76	68	144	Approved June 2019; entitlement extension granted to 12/18/2024
15	El Cerrito	Wall Avenue Apartments	11795 San Pablo Avenue	Three vacant structures: commercial building, SFR, converted garage/reside nce	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.6	117 Market rate apartments (assumed 50/50 mod/above mod) with 6 low-income and 7 moderate-income inclusionary units, with 3,695 sf commercial	0	6	65	59	130	Approved 10/2/2019; entitlement expires 4/2/2023

										Afford	ability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
16	El Cerrito	El Cerrito Plaza BART TOD	6774 Central Avenue	BART	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	7.5	351 deed-restricted lower- income units and 392 market-rate units (assumed 50/50 mod/above mod)	35	316	196	196	743	Developer selected, planning underway. Partial entitlement application submitted
17	El Cerrito	10919 San Pablo Avenue	10919 San Pablo Avenue	two single- family homes,	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	0.5	Mixed-use: 90 dwelling units and two ground floor commercial spaces	0	0	45	45	90	Under Construction
18	El Cerrito	The Civic	10290 San Pablo Avenue	garage,	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.3	50 residential units, 4 live- work units	0	0	25	29	54	Under Construction
19	El Cerrito	10810 San Pablo	10810 San Pablo	uncovered	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	0.6	40 units	0	0	0	40	40	Entitled
20	El Cerrito	Avenue Lofts	10167 San Pablo Avenue	formerly auto	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.3	62 dwelling units	0	0	0	62	62	Entitled
21	El Cerrito	The Griffin	11048/ 11060 San Pablo	store and associated	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	1.5	170 dwelling units	0	0	0	170	170	Entitled
22	El Cerrito	10135 San Pablo Avenue	10135 San Pablo Avenue	Parking lot	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	0.5	72 residential units; 4,455 sq ft ground floor retail	0	0	0	72	72	Entitled

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										Afford	ability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
23	El Cerrito	921 Kearney Street	921 Kearney Street	Vacant building	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	TOMIMU (Transit Oriented Mid- Intensity Mixed Use)	0.3	59 dwelling units	0	0	0	59	59	Entitled
24	El Cerrito	1711 Eastshore Drive	1711 Eastshore Drive	Former Orchard Supply Hardware Site	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	TOHIMU (Transit Oriented Mid- Intensity Mixed Use)	3.8	239 market-rate apartments and 2 managers' units (assumed 50/50 mod/above mod) with 69 low- and 5 moderate-income inclusionary units	0	69	125	121	315	Application submitted March 2022; deemed complete; pending environmental review and DRB consideration
25	Lafayette	Oak Hill	1001, 1007, 1009 Oak Hill Rd	Commercial/ Retail Buildings with Parking lots	Special Retail Business (SRB)	Downtown Core/ Downtown Retail District (DSP)	1.1	Redevelopment of four parcels containing three existing commercial/retail buildings for a multifamily building containing 51 rental units with 6 below market rate units	0	6	0	45	51	
26	Lafayette	Lennar Homes 'The Brant'	3666 Mt Diablo Boulevard	Restaurant, Office Building, Auto Repair and Parking	General Commercial District 1 (C-1)	West End Commercial	2.0	Mixed Use Project 66 condominiums including 10 BMR units 5400 sf commercial including full service restaurant	2	2	6	56	66	Under Construction
27	Lafayette	Woodbury Highlands	5 Woodbury Highlands Court	Two Office Complexes and Parking	С	West End District	6.6	99-unit condominium project with 15 BMR units; club house; outdoor areas	0	0	15	84	99	Under Construction
28	Lafayette	Lenox Lafayette Circle	210 Lafayette Circle	Restaurant and Parking	Special Retail Business (SRB)	Downtown Core	0.4	3-story (34' high) mixed use building with 12 dwelling units; 2 BMR units; 700 sf ground floor commercial live/work space	0	0	2	10	12	Under Construction

										Afford	ability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
29	Lafayette	Lafayette Lane (Corporate Terrace)	3470 & 3462 Mt. Diablo Blvd	Office Complex and Parking	General Commercial District 1 (C-1)	East End Commercial		166 multiple-family residential units (38 BMR rental units) in five 4-story residential buildings; two detached community buildings; one office building	38	0	128	0	166	Entitled
30	Lafayette	Lynx/Schadek	3458 Mt Diablo & 1005 2nd St	Construction Office and Parking	General Commercial District 1 (C-1)	East End Commercial	0.6	9 multifamily rental units, including 1 BMR unit; two 3- story buildings; public plaza with public seating, landscaping, and art installations	0	1	0	8	9	Approved, not yet under construction
31	Lafayette	The Mill at Brown Avenue	3408 Mt Diablo	Gas Station/Auto Repair	General Commercial District 1 (C-1)	East End Commercial	0.4	13 condominium units including 2 BMR units within two 3-story buildings	0	0	2	11	13	Under Construction
32	Lafayette	950 Hough	950 Hough Avenue	Retail Service and Parking	Retail Business (RB); Downtown Retail District	High Density Multifamily Residential	0.4	4-story condominium project; 20 units (3 BMR units)	0	0	3	14	17	Entitled
33	Lafayette	Lenox Homes 'SIX'	954 Mountain View Drive	Single story buildings	Retail Business (RB)	Downtown Core	0.3	6 new for-sale condominiums	0	0	0	6	6	Completed
34	Oakley	Hamman Minor Subdivision	2540 Oakley Road	Vacant building	LI	Light Industrial	4.0		0	0	0	3	3	
35	Oakley	Oakley Road	2480 Oakley Road	Vacant building	LI	Light Industrial	4.4		0	0	0	22	22	Entitled
36	Pinole	Vista Woods	600 Roble Avenue 1109 San Pablo Avenue 1230 San Pablo Avenue	Vacant land with abandoned commercial structures	Very High Density Residential (VHDR)	Mixed Use Sub Area (MUSA)	2.0	179-unit 100% affordable senior housing complex	0	0	0	179	179	Under Construction

										Afford	lability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
37	Pinole	Appian Village	2151 Appian Way	Vacant Doctors Medical Center Pinole Campus	Residential Mixed Use and Commercial Mixed Use	Service Sub- Area	7.4	154-unit stacked- flat/townhome-style multifamily residential development at the vacant Doctor's Hospital Site	0	0	0	154	154	Demolition phase; building permit for new buildings under review
38	Pinole	BCRE Project	2801 Pinole Valley Road	Existing office commercial building	Office Professional Mixed Use (OPMU)	Service Sub- Area	1.7	Office/commercial addition and new 29-unit apartment building	0	0	0	29	29	Grading permit review
39	Pinole	Pinole Vista	1500 Fitzgerald Drive	Vacant K-Mart	Commercial Mixed Use (CMU)	Service Sub- Area	5.9	223-unit apartment building	0	0	0	233	233	Approved
40	Pittsburg	The Atchison Mixed-Use Development	2575 Railroad Avenue	Vacant; former auto dealership and auto body shop	CC Community Commercial	Railroad Avenue Subarea - Community Commercial	3.9	202 mixed-income, affordable residential units + 13,669 sf Commercial	100	100	0	2	202	Approved
41	Pittsburg	Liberty Residential Subdivision	350 Central Avenue	wash and	Existing: Service Commercial, RS- 5 Single Family Residential Proposed: Planned Development		5.0	57-unit single-family development	0	0	0	57	57	Under Construction
42	Pleasant Hill	Blake-Griggs Multi-Family Development	85 Cleveland	Vacant Wells Fargo Bank administrative offices	DSP (Subarea D)	Mixed Use Sub Area (MUSA)	2.3	General Plan Amendment and Related Entitlements for a 189 unit Multi-family project	0	19	0	170	189	Approved by City Council. Post Approval Follow-Up.
43	Pleasant Hill	401 Taylor Boulevard	401 Taylor Boulevard II	Vacant office building	Professional and Administrative Office	Existing: Office Proposed: Multi- Family Very Low Density	5.0	31 new single-family detached homes + 6 ADUs	0	0	0	37	37	

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										Afford	ability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
44	Richmond	Cherry Blossom Row Project	2301 Columbia Avenue and two vacant non- contiguous parcels on Dalai Lama Avenue	Vacant	CG General Commercial	Medium Intensity Mixed Use (Commercial Emphasis)	1/	100 townhome-style condominiums	0	0	10	90	100	Entitled
45	Richmond	Nevin Plaza Project	2400 Nevin Avenue	7-story Nevin Plaza - Multifamily residential uses and offices	Commercial	High-Intensity Mixed Use	0.9	1. Comprehensive renovation of the existing 7- story structure to provide 138 residences on floors 2 to 7 with all systems including mechanical, electrical and plumbing upgraded as needed; and 2. Construction of a 5-story structure providing 70-units in 4 stories above a concrete podium with one- level of on-site parking.	0	90	0	2	92	Preliminary
46	San Ramon	Trumark Townhomes	2481 Deerwood Drive	Office Building	Proposed: Medium High Density Residential	Existing: Office Proposed: Multi- Family High Density Residential & Open Space	4.4	Ten 3-story townhomes; 61 units	0	0	0	61	61	In Review

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										Afford	ability			
	Jurisdiction	Development Name	Address	Existing Use	Existing Zoning	Existing General Plan	Site Size (ac)	Proposed Dev.	Very Low	Low	Mod.	Above Mod.	Total Units	Status
47	San Ramon	Iron Horse Village	3401 Crow Canyon Road & 12943 Alcosta Boulevard		NCRSP - Office Mixed Use	Mixed Use		Preliminary Housing Development Application; New horizontal mixed use development, 117 units; 86 single-family detached condominium units (with an option for up to 64 attached JADUs; 31 multifamily townhome units (including 8 live/work units)	0	0	0	117	117	In Review
48	San Ramon	Deerwood & Omega Apartments	2233 San Ramon Valley Boulevard	,	Village Center Mixed Use (VCMU) San Ramon Village Specific Plan	Mixed Use	3.0	160 workforce housing units + 2 manager units	0	0	0	162	162	Concept Review
49	San Ramon	City Village	2400-2440 Camino Ramon	3 office buildings	NCRSP, MDR	MU	31.0	404-unit for-sale residential project	4	6	10	384	404	Approved; Building permits issued December 2022
50	San Ramon	TTLC Townhomes	500 Deerwood Road	Outdoor Commercial	SRVSP	MU	2.5	57 dwelling units within 6 multi-family buildings	3	2	4	48	57	Approved
51	San Ramon	CityWalk Master Plan (Phase 3)	BR 2600: SE-1	Office Parking Area	ССМИ	MUCC	135.0		23	22	0	255	300	Approved
52	San Ramon	Windflower Fields	2701 Hooper Drive	Commercial Recreation	SRVSP, RO	MU	3.6	47 condo units within eight multi-family buildings	6	6	4	47	63	Approved
53	San Ramon	Aspen Wood 9000 Vacant 123-unit sen							26	96	0	1	123	Approved
								TOTAL UNITS	369	788	800	4,060	6,017	

7.127.11 Assembly Bill 1486 City-Owned Land

The Site Inventory does not contain any City-owned properties. The City evaluated City-owned properties and determined that none of them has capacity for new residential development.

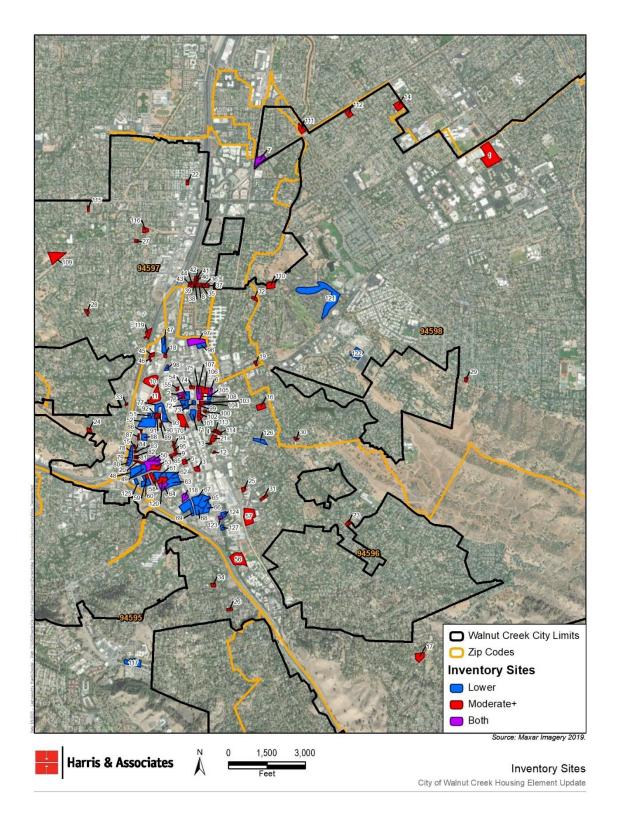
7.137.12 Summary

As stated above, through its Sites Inventory, the City has identified 12<u>7</u>4 sites adequate for development of housing and that have the following characteristics:

- Housing capacity that is reasonably developable within the planning period for at least 6,469 net housing units under the sites' existing zoning.
- Non vacant sites designated for lower-income units and used in the previous, 5th Cycle Housing Element are currently zoned to allow by-right residential development, allowing their use in the current Housing Element.
- Each identified site is adjacent to developed land and/or is the subject of a proposed housing development project.
- Based on the review of the documentation outlined in this Chapter, each site has sufficient utility supply available and is accessible to support housing development.
- Environmental constraints are factored into the Sites Inventory; however, most sites are not impacted by any environmental constraints. The City did receive a public comment expressing concern over Sites 55, 89, and 94, as they are located near an electrical transmission line. However, the electrical transmission line is not a concern, as the City has considered it during its planning. (See Chapter 3, Section 3.22 of this Housing Element for more information on environmental constraints.)
- Sites identified for lower-income capacity, in accordance with State law, have a parcel size of at least 0.5 acres and less than 10 acres and have a zoning designation that permits development density of 30 or more dwelling units per acre, the City's default lower-income density pursuant to California Government Code, Section 65583.2.

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-2. Sites Inventory Maps



Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-20. Inventory Sites

		2							Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
1	143-040-103	2800 Mitchell Dr	9.49	P-D	-	100%	254.00				254.00
2	178-411-017	1910, 1940-1950 N Main St	0.97	MU-R	102.49	100%	135.00	11.00			124.00
3	178-230-028	1556 Mt Diablo Blvd	0.80	P-R	49.78	100%	42.00				42.00
3	178-230-029	1532 Mt Diablo Blvd	0.80	P-R	47./0	100%	42.00				42.00
4	178-290-008	1665 Carmel Dr	0.27	M-1	43.56	100%	8.00				8.00
5	178-160-028	1380 North California	0.68	P-R	49.78	100%	95.00				95.00
6	178-402-003	699 Ygnacio Valley Rd	0.91	MU-C	49.78	100%	93.00	68.00	24.00		1.00
	148-180-055			M-3							
	148-180-056			M-3							
7	148-180-057	1250 Los Hunton Way	2.09	M-3	14.52	100%	42.00		22.00	20.00	
/	148-180-058	1250 Las Juntas Way	2.07	M-3	14.52	100%	42.00		22.00	20.00	
	148-180-059			M-3							
	148-180-060			M-3							
8	172-130-015	1394 Walden Rd	0.46	M-2.5	17.42	100%	6.00				6.00
0	172-130-016	1374 Walden Ra	0.40	M-2.5	17.42	100%	0.00				0.00
9	178-140-001	1501 N California Blvd	0.42	MU-D	58.10	100%	27.00				27.00
7	178-140-006		0.42	MU-D	56.10	100%	27.00				27.00
10	174-180-008	200 Ygnacio Valley Rd	3.56	P-D	58.10	100%	358.00				358.00
11	174-180-009	200 Ygnacio Valley Rd	3.85	P-D	58.10	100%	288.00				288.00
12	178-261-033	1487, 1493, 1500 Carmel Dr	0.16	P-D	-	100%	11.00				11.00
13	178-261-002	1229 Lincoln Ave	0.18	M-1	43.56	100%	3.00				3.00
14	145-042-012	1835 Weaver Lane	1.96	P-D	4.40	100%	7.00				7.00
15	178-010-036	1524 Oakland Blvd	0.29	P-D	29.04	100%	4.00				4.00
16	179-030-001	2680 Walnut Blvd	1.67	R-10	4.40	100%	12.00				12.00
10	179-030-002	2670 Walnut Blvd	1.07	R-10	4.40	100%	12.00				12.00
17	182-010-022	50 Garron Ct	2.24	R-20	2.20	100%	3.00				3.00
18	182-010-031 174-150-044	2211 N Main St	0.45	R-20 MU-PD	40.00	100%	52.00				52.00
10	174-150-044		0.45		40.00	10076	52.00				52.0

Chapter 7. Adequate Sites Inventory Analysis and Methodology

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
19	173-172-021	1072 Ygnacio Valley Rd	0.34	M-2	21.78	100%	4.00				4.00
20	178-010-006	Oakland Blvd	0.48	M-0.75	58.08	100%	27.00				27.00
	178-290-001	1224 Lincoln Ave		M-1	43.56						
	178-290-002	1611 Carmel Dr		M-1	43.56						
21	178-290-003	1615 Carmel Dr	0.93	M-1	43.56	100%	34.00				34.00
21	178-290-004	1617 Carmel Dr	0.93	M-1	43.56	100%	34.00				34.00
	178-290-005	1619 Carmel Dr		M-1	43.56						
	178-290-006	1817 Camer Di		M-1	43.56						
22	170-280-005	1537 Sunnyvale Ave	0.42	M-1.5	29.04	100%	12.00			12.00	
23	180-210-034	1081 Scots Ln	0.59	R-15	2.90	100%	1.00				1.00
24	177-231-032	416 Oakvale Ct	0.51	R-15	2.90	100%	1.00				1.00
25	183-270-006	15 Holcomb Ct	0.55	M-2	21.78	100%	11.00				11.00
26	184-402-004	132 Lancaster Rd	0.50	R-8	5.40	100%	2.00				2.00
27	171-100-040	1690 2nd Ave	0.38	R-8	5.40	100%	2.00				2.00
28	174-021-009	186 Wootten Dr	0.57	R-8	5.40	100%	1.00				1.00
29	139-025-021	1032 Millbrook Ct	0.43	R-10	4.40	100%	1.00				1.00
30	179-100-011	Hacienda Dr	0.32	R-10	4.40	100%	1.00				1.00
21	180-020-008	1860 San Miguel Dr	0.74	M-3	14.52	100%	10.00				10.00
31	180-020-009	1862 San Miguel Dr	0.74	M-3	14.52	100%	10.00				10.00
32	173-030-033	2123 Walnut Blvd	0.56	R-20	2.20	100%	1.00				1.00
33	174-210-043	2109 Overlook Dr	0.20	M-3	14.52	100%	2.00				2.00
34	184-370-034	1611 Orchard Ln	0.56	R-20	2.20	100%	1.00				1.00
35	172-130-014	1388 Walden Rd	0.28	M-2.5	17.42	100%	3.00				3.00
36	172-130-053	1380 Walden Rd	0.39	M-2.5	17.42	100%	5.00				5.00
37	172-130-054	1374 Walden Rd	0.53	M-2.5	17.42	100%	8.00				8.00
38	172-130-017	1408 Walden Rd	0.52	M-2.5	17.42	100%	8.00			2.00	6.00
39	172-130-018	81 Shady Ln	0.27	M-2.5	17.42	100%	3.00			1.00	2.00
40	172-130-019	71 Shady Ln	0.26	M-2.5	17.42	100%	3.00			1.00	2.00

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Units Realistic Current Permitted **Total Net** Above Area (ac) Zoning APN Address Very Low Low Mod. capacity Density (du/ac) Units Site # Mod. factor 172-130-020 61 Shady Ln 41 0.26 M-2.5 17.42 100% 3.00 1.00 2.00 42 172-130-021 51 Shady Ln 0.26 M-2.5 17.42 100% 3.00 1.00 2.00 43 172-130-049 1424 Walden Rd 0.36 M-2.5 17.42 100% 5.00 1.00 4.00 7.00 44 172-130-069 1412 Walden Rd 0.47 M-2.5 17.42 100% 2.00 5.00 174-140-014 1620 Riviera Avenue MU-PD 40.00 100% 174-140-015 1630 Riviera Avenue 45 0.54 MU-PD 100% 19.00 19.00 40.00 174-140-016 1638 Riviera Avenue MU-PD 40.00 100% 46 174-140-018 1700 Riviera Avenue 0.30 MU-PD 40.00 100% 7.00 7.00 174-150-009 2221 N Main Street MU-PD 40.00 100% 174-150-010 2225 N Main Street MU-PD 40.00 100% 174-150-013 2255 N Main Street MU-PD 40.00 100% 174-150-014 2263 N Main Street MU-PD 40.00 100% 174-150-041 2.10 MU-PD 83.00 53.00 30.00 47 Adjacent to 2241 N Main Street 40.00 100% 174-150-046 2235 N Main Street MU-PD 40.00 100% 174-150-047 2241 N Main Street 40.00 MU-PD 100% 174-150-052 2295 N Main Street MU-PD 40.00 100% 174-150-073 2329 N Main Street MU-PD 40.00 100% 178-020-006 2082-2084 Mt. Diablo Blvd MU-C 58.08 95% MU-C 178-020-009 2074-2076 Mt. Diablo Blvd 58.08 95% 178-020-011 2086-2094 Mt. Diablo Blvd MU-C 58.08 95% 48 3.41 188.00 119.00 69.00 178-020-002 1220 Oakland Blvd MU-C 95% 58.08 178-020-008 2098 Mt Diablo Blvd MU-C 58.08 95% 178-030-006 2044-2066 Mt. Diablo Blvd MU-C 58.08 95% 178-030-003 2042 Mt. Diablo Blvd MU-C 58.08 95% 1.60 49 88.00 55.00 33.00 MU-C 95% 178-030-004 2008-2040 Mt. Diablo Blvd 58.08

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Units Realistic Total Net Current Permitted Above APN Address Area (ac) Zoning Verv Low Low Mod. capacitv Site # Density (du/ac) Units Mod. factor 1832 Sharp Ave 178-040-018 M-0.75 58.08 100% 178-040-019 1842 Sharp Ave M-0.75 58.08 100% 178-040-020 1852 Sharp Ave M-0.75 58.08 100% 58.08 178-040-021 1860 Sharp Ave M-0.75 100% 178-040-022 1914 Sharp Ave M-0.75 58.08 100% 178-040-023 1920 Sharp Ave M-0.75 58.08 100% 178-040-024 1928 Sharp Ave M-0.75 58.08 100% 178-040-025 Sharp Ave (no address) M-0.75 58.08 100% M-0.75 178-040-062 1925 Sharp Ave 58.08 100% 178-040-027 1919 Sharp Ave M-1 43.56 100% 4.45 223.00 50 60.00 35.00 128.00 178-040-028 1909-1911 Sharp Ave 43.56 M-1 100% 178-040-029 1859 Sharp Ave M-0.75 58.08 100% 178-040-030 1825 Sharp Ave M-0.75 58.08 100% 178-040-031 1809 Sharp Ave M-1 43.56 100% 178-040-032 1801-1805 Sharp Ave M-1 43.56 100% M-1 178-040-063 1921 Sharp Ave 43.56 100% 178-030-005 1960 Mt. Diablo Blvd. MU-C 58.08 95% 178-040-036 1948-1950 Mt. Diablo Blvd. MU-C 95% 58.08 178-040-037 1952-1954 Mt. Diablo Blvd. MU-C 58.08 95% 178-040-066 1936-1946 Mt. Diablo Blvd. MU-C 58.08 95% 51 178-080-030 1859 Lacassie Ave 0.45 M-0.75 58.08 100% 26.00 16.00 10.00 52 178-080-075 1801 Lacassie Ave 5.20 M-0.75 58.08 100% 26.00 16.00 10.00 178-040-060 1920-1930 Mt. Diablo Blvd. MU-C 58.08 95% 1.68 53 92.00 92.00 MU-C 178-040-079 1902 Mt. Diablo Blvd. 58.08 95% 178-411-011 Arroyo Way MU-R 102.49 100% 1.45 93.00 54 148.00 55.00 178-411-013 1410 Arroyo Way MU-R 102.49 100% 55 178-411-020 1980 N. Main St 0.34 MU-R 102.49 100% 34.00 34.00 56 183-050-021 31-45 Quail Ct 5.03 P-D 43.56 100% 219.00 219.00 57 183-260-027 1275 Newell Ave 5.25 M-1.5 29.04 100% 152.00 152.00 -

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
	184-041-047	2005 Mt. Diablo Blvd		MU-C	58.08	95%					
	184-041-002	1111 Alpine Ave		MU-C	58.08	95%					
	184-041-003	1119 Alpine Ave		MU-C	58.08	95%					
58	184-041-004	1147 Alpine Ave	1.08	MU-D	58.10	95%	58.00			58.00	
	184-041-005	1149 Alpine Ave		MU-D	58.10	95%					
	184-041-006	1155 Alpine Ave		MU-D	58.10	95%					
	184-041-007	1161 Alpine Ave		MU-D	58.10	95%					
59	184-041-016	Mt Diablo Blvd	1.93	MU-D	58.10	95%	42.00	42.00			
60	184-041-019	2027 Mt. Diablo Blvd	0.41	MU-C	58.08	95%	22.00			22.00	
80	184-041-020	2021 Mt. Diablo Blvd	0.41	MU-C	58.08	95%	22.00			22.00	
	184-050-010	1919 Mt. Diablo Blvd		MU-C	58.08	95%					
	184-050-011	1909 Mt. Diablo Blvd		MU-C	58.08	95%					
	184-050-012			MU-C	58.08	95%					
	184-050-013	1990 Mt Dischla Blud		MU-C	58.08	95%					
/1	184-050-014	1889 Mt. Diablo Blvd	2.44	MU-C	58.08	95%	124.00	85.00	49.00		
61	184-050-015	1849 Mt. Diablo Blvd	2.44	MU-C	58.08	95%	134.00	85.00	49.00		
	184-050-016	1829 Mt. Diablo Blvd		MU-C	58.08	95%					
	184-050-062	1929 Mt. Diablo Blvd		MU-C	58.08	95%					
	184-050-068	1160 Alpine Ave		MU-D	58.10	95%					
	184-050-069	1148-1152 Alpine Ave		MU-D	58.10	95%	1				
	184-050-058	1815 Mt. Diablo Blvd		MU-C	58.08	95%					
(0	184-050-059	1813 Mt. Diablo Blvd	0.15	MU-C	58.08	95%	110.00	74.00	44.00		
62	184-050-060	1821 Mt. Diablo Blvd	2.15	MU-C	58.08	95%	118.00	74.00	44.00		
	184-050-065	1101-1105 S. California Blvd		MU-C	58.08	95%	1				
63	184-050-066	1123 S. California Blvd	3.60	MU-C	58.08	95%	198.00	198.00			
	184-050-063	1870 Olympic Blvd	1	MU-D	58.10	95%					
	184-050-070	1900 Olympic Blvd		MU-D	58.10	95%	1				
64	184-050-002	1248 Alpine Rd	1.64	MU-D	58.10	95%	77.00	23.00		54.00	
	184-050-003	1238 Alpine Rd		MU-D	58.10	95%	1				
	184-050-004	1208 Alpine Rd		MU-D	58.10	95%					

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
65	184-070-011	1295 S. Main St	3.01	MU-C	58.08	95%	83.00	52.00	31.00		
66	184-070-016	1550 Newell Ave	1.80	MU-C	58.08	95%	49.00	31.00	18.00		
00	184-070-017	1536 Newell Ave	1.00	MU-C	58.08	95%	47.00	31.00	10.00		
67	184-070-023	1531-1599 Botelho Dr, 1320-1330 S. California Blvd	2.56	MU-C	58.08	95%	84.00	53.00	31.00		
68	184-070-024	1372-1388 S. California Blvd	2.15	MU-C	58.08	95%	59.00	37.00	22.00		
	184-080-018	1355 S. California Blvd		MU-C	58.08	95%					
	184-080-019	1387 S California Blvd		MU-C	58.08	95%					
	184-080-020	1375 S. California Blvd, 1387 S. California Blvd		MU-C	58.08	95%					
69	184-080-023	1313 S. California Blvd	4.00	MU-C	58.08	95%	220.00	139.00	01.00		
67	184-080-032	1301 S. California Blvd, 1601 Botelho Dr, 1661-1667 Botelho Dr	4.00	MU-C	58.08	95%	220.00	139.00	81.00		
	184-080-034	1651 Botelho Dr		MU-C	58.08	95%					
	184-080-035	1661-1667 Botelho Dr		MU-C	58.08	95%					
	184-080-036	130 Petticoat Ln		MU-C	58.08	95%					
	178-210-007	1766 Locust St		MU-C	49.78	95%					
70	178-210-008	1551 Lacassie Ave	2.79	MU-C	49.78	95%	131.00			131.00	
70	178-210-010	1785 N Main St	2.17	MU-C	49.78	95%	131.00			131.00	
	178-210-012	1707 N Main St		MU-C	49.78	95%					
	178-320-006	1735 N Broadway		MU-C	49.78	95%					
71	178-320-007	1743 N Broadway	1.61	MU-C	49.78	95%	147.00	94.00	53.00		
71	178-320-012	1413 Carlback Ave	1.01	MU-R	102.49	100%	147.00	74.00	55.00		
	178-320-020	1799 N Broadway		MU-R	102.49	100%					
	178-330-001	Arroyo Way		MU-R	102.49	100%					
72	178-330-004	East of Main St & Arroyo Way	1.99	MU-R	102.49	100%	253.00	165.00	87.00		1.00
	178-330-007	1890 N Main St		MU-R	102.49	100%					
73	178-340-002	1375 Arroyo Way	0.50	MU-R	102.49	100%	51.00	33.00	18.00		
,0	178-340-017	1800 Broadway	0.00	MU-R	102.49	100%	01.00	00.00	10.00		

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
	178-411-007	577-581 Ygnacio Valley Rd		MU-C	49.78	95%					
74	178-411-008	587 Ygnacio Valley Rd	0.48	MU-C	49.78	95%	22.00			22.00	
	178-411-009	1991 N Broadway		MU-C	49.78	95%					
	178-412-010	N Broadway		MU-C	49.78	100%					
75	178-412-011	1910 N Broadway	1.63	MU-C	49.78	95%	140.00	12.00	_		128.00
75	178-412-012	Southeast of Ygnacio Valley Rd & Broadway	1.05	MU-C	49.78	95%	140.00	12.00	-	-	120.00
	178-550-013			MU-R	102.49	95%					
	178-550-001	1		MU-R	102.49	95%					
	178-550-002	1		MU-R	102.49	95%	1				
	178-550-003	1		MU-R	102.49	95%					
	178-550-004	1		MU-R	102.49	95%	1				
	178-550-005	1		MU-R	102.49	95%	1				
76	178-550-006	1430 Arroyo Way	0.37	MU-R	102.49	95%	36.00				36.00
	178-550-007	1		MU-R	102.49	95%	1				
	178-550-008]		MU-R	102.49	95%					
	178-550-009	1		MU-R	102.49	95%	1				
	178-550-010			MU-R	102.49	95%					
	178-550-011	1		MU-R	102.49	95%	1				
	178-550-012]		MU-R	102.49	95%					
	174-220-002	1756 Lacassie Ave		MU-D	58.10	95%					
	174-220-033	1801 N California Blvd	Ţ	MU-D	58.10	95%					
77	174-220-034	Southwest corner of Ygnacio Valley Rd & California Blvd	1.97	MU-D	58.10	95%	100.00	(0.00	20.00		
77	174-220-039	245 Ygnacio Valley Rd	1.97	MU-D	58.10	95%	108.00	69.00	39.00		
	174-220-041	265 Ygnacio Valley Rd	1	MU-D	58.10	95%	1				
	174-220-043	255 Ygnacio Valley Rd	1	MU-D	58.10	95%	1				
	174-220-045	1766 Lacassie Ave	1	MU-D	58.10	95%	1				
78	177-260-023	1443-1515 Oakland Blvd	0.76	MU-D	58.10	95%	42.00	26.00	16.00		
79	177-280-014	1415 Oakland Blvd	0.69	MU-D	58.10	95%	38.00	24.00	14.00		

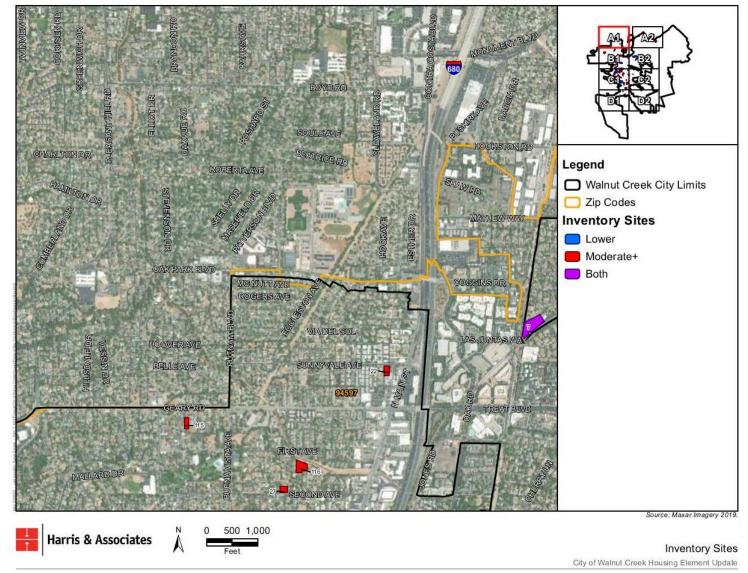
									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
80	177-280-018	1407 Oakland Blvd	0.95	MU-D	58.10	95%	52.00	33.00	19.00		
80	177-280-017	1371 Oakland Blvd	0.95	MU-D	58.10	95%	52.00	33.00	19.00		
81	178-010-015	1420 Oakland Blvd	0.14	M-1.5	29.04	100%	2.00			2.00	
82	178-010-016	1428 Oakland Blvd	0.23	M-1.5	29.04	100%	4.00			4.00	
83	178-010-028	1973-1977 Dora Ave	0.17	M-1.5	29.04	100%	3.00			3.00	
84	178-010-020	1502 Oakland Blvd	0.09	M-1.5	29.04	100%	1.00			1.00	
85	178-040-001	1806 Bonanza St	0.28	MU-D	58.10	95%	14.00			6.00	8.00
86	178-071-002	1944 Trinity Ave	0.16	M-0.75	58.08	100%	8.00			8.00	
87	178-072-006	1963 Trinity Ave	0.27	M-0.75	58.08	100%	8.00				8.00
88	178-072-009	Trinity Ave	1.10	M-0.75	58.08	100%	63.00	39.00	24.00		
89	178-080-007	1755 Cole Ave	0.20	M-0.75	58.08	100%	8.00			8.00	
	178-080-038	10 Lacassie Ct		M-0.75	58.08	100%					
90	178-080-022	20 Lacassie Ct	0.41	M-0.75	58.08	100%	21.00			21.00	
	178-080-023	30 Lacassie Ct		M-0.75	58.08	100%					
	178-080-024	31 Lacassie Ct		M-0.75	58.08	100%					
91	178-080-025	21 Lacassie Ct	0.37	M-0.75	58.08	100%	18.00			18.00	
	178-080-026	1745 Lacassie Ave		M-0.75	58.08	100%					
92	178-080-027	1753 Lacassie Ave	0.23	M-0.75	58.08	100%	12.00			12.00	
93	178-080-072	1777 N California Blvd	1.27	MU-D	58.10	95%	69.00	44.00	25.00		
73	178-080-073	1777 N California Blvd	1.27	MU-D	58.10	95%	67.00	44.00	25.00		
94	178-130-017	1711 Almond Ave	0.38	MU-D	58.10	95%	18.00			18.00	
74	178-130-022	1716 Stow Ave	0.36	MU-D	58.10	95%	10.00			16.00	
	178-140-004	1721 Stow Ave		MU-D	58.10	95%					
95	178-140-007	Southwest corner of Stow Ave & California Blvd	0.21	MU-D	58.10	95%	10.00				10.00
96	173-110-018	1222-1250 Pine St	1.33	MU-C	49.78	95%	62.00	40.00	22.00		
	173-110-023	1201-1299 Parkside Dr		MU-C	49.78	95%					
97	173-110-024	Southwest corner of Parkside Dr & Civic Dr	3.39	P-D	49.78	100%	157.00		20.00		137.00

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
98	174-172-012	2101 N Main St	0.56	MU-C	49.78	95%	26.00	17.00	9.00		
99	178-340-020	1800-1830 N Broadway	0.59	MU-R	102.49	100%	60.00				60.00
100	178-351-008	1300 Civic Dr	0.24	MU-C	49.78	95%	11.00				11.00
101	178-351-016	1700 N Broadway	0.72	MU-C	49.78	95%	34.00			34.00	
102	178-351-018	1756-1790 N Broadway	0.60	MU-R	102.49	100%	61.00				61.00
103	178-352-020	1251 Arroyo Way	0.62	MU-C	49.78	95%	29.00	19.00	10.00		
104	178-352-022	1267 Arroyo Way	0.50	MU-R	102.49	100%	51.00				51.00
	178-402-004	1150 Civic Dr		MU-C	49.78	95%					
105	178-412-005	Northwest of Arroyo Way & Civic Dr	0.77	MU-C	49.78	95%	36.00	23.00	13.00		
10/	178-412-004	675 Ygnacio Valley Rd	1.54	MU-C	49.78	95%	70.00			54.00	10.00
106	178-412-003	635 Ygnacio Valley Rd	1.54	MU-C	49.78	95%	72.00			54.00	18.00
107	178-412-013	605 Ygnacio Valley Rd	0.55	MU-C	49.78	95%	26.00			7.00	19.00
108	178-412-015	N Broadway	0.43	MU-R	102.49	95%	41.00				41.00
	171-150-001	2641-2643 Larkey Ln		P-D	4.40	100%					
109	171-150-007	Northeast corner of Conejo Way and San Luis Rd	4.06	P-D	4.40	100%	6.00				6.00
110	173-042-019	Southwest of Homestead Ave and Seven Hills Ranch Rd	1.76	R-20	2.20	100%	3.00				3.00
111	147-271-003	Bancroft Rd	1.39	R-10	4.40	100%	F 00				F 00
111	147-271-010	Bancroft Rd	1.39	R-10	4.40	100%	5.00				5.00
	145-151-020	730 Minert Rd		R-10	4.40	100%					
112	145-151-021	Southwest of Minert Rd and Arkell Rd	1.32	R-10	4.40	100%	15.00				15.00
113	178-290-009	1679 Carmel Dr	0.17	M-1	43.56	100%	6.00				6.00
114	178-290-018	1654 Carmel Dr	0.34	M-1	43.56	100%	10.00				10.00
114	178-290-019	1632 Carmel Dr	0.34	M-1	43.56	100%	10.00				10.00
115	171-032-036	SE of Geary Rd & Coralie Dr	0.39	R-8	5.40	100%	2.00				2.00
116	171-091-030	Jolie Lane	0.89	R-8	5.40	100%	3.00				3.00
117	186-030-054	2100 Tice Valley Blvd	3.84	P-D	-	100%	6.00	6.00			

Units Realistic Current Permitted **Total Net** Above APN Area (ac) Zoning Very Low Address Mod. capacity Low Site # Density (du/ac) Units Mod. factor 184-092-034 1271 S California Blvd 1.32 C-R 49.78 100% 94.00 11.00 83.00 118 174-050-013 2318 San Juan Ave D-3 14.50 100% 1.18 119 12.00 12.00 D-3 174-050-014 2314 San Juan Ave 14.50 100% 184-050-005 1204 Alpine Rd MU-D 58.10 95% 1.82 120 39.00 39.00 MU-D 184-050-027 1148-1152 Alpine Rd 58.10 95% 144-082-004 Heather Dr P-D 100% -14.34 P-D 121 144-082-006 Kinross Dr 100% 138.00 20.00 118.00 _ -144-082-011 P-D Marchbanks Dr -100% 122 140-230-004 200 La Casa Via 2.95 P-D 100% 2.00 2.00 _ -Det. by CUP, except in 123 183-030-005 1426 S Main St 0.51 C-R specific plan 100% 9.00 1.00 8.00 area where applicable* Det. by CUP, except in 124 183-030-029 1459-1479 Newell Ave 0.92 C-R specific plan 100% 27.00 5.00 22.00 area where applicable* Det. by CUP, except in 184-042-014 2079 Mt Diablo Blvd 0.58 O-C specific plan 32.00 7.00 125 95% 25.00 area where applicable* 179-060-036 154 Sierra Dr 1.42 P-D 36.00 33.00 3.00 126 -100% Det. by CUP, 183-030-001 S Main St C-R 100% except in 127 0.61 specific plan 21.00 21.00 _ area where C-R 183-030-002 1448 S Main St 100% applicable*

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-3. Sites Inventory Maps (Area A1)



Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-21. Inventory Sites (Area A1)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
	148-180-055			M-3							
	148-180-056			M-3							
7	148-180-057	1250 Las Juntas Way	2.09	M-3	14.52	100%	42.00		22.00	20.00	
/	148-180-058		2.07	M-3	14.52	100%	42.00		22.00	20.00	
	148-180-059			M-3							
	148-180-060			M-3							
22	170-280-005	1537 Sunnyvale Ave	0.42	M-1.5	29.04	100%	12.00			12.00	
27	171-100-040	1690 2nd Ave	0.38	R-8	5.40	100%	2.00				2.00
115	171-032-036	SE of Geary Rd & Coralie Dr	0.39	R-8	5.40	100%	2.00				2.00
116	171-091-030	Jolie Lane	0.89	R-8	5.40	100%	3.00				3.00

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-4. Sites Inventory Maps (Area A2)



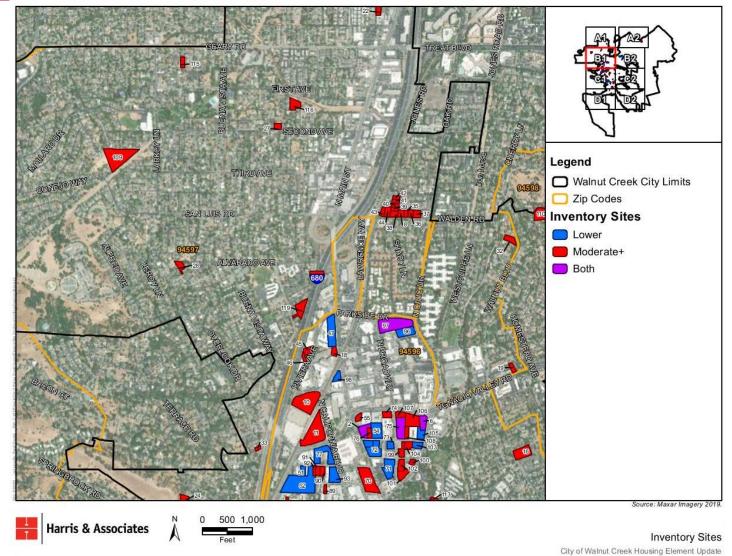
Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-22. Inventory Sites (Area A2)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
1	143-040-103	2800 Mitchell Dr	9.49	P-D	-	100%	254.00				254.00
14	145-042-012	1835 Weaver Lane	1.96	P-D	4.40	100%	7.00				7.00
111	147-271-003	Bancroft Rd	1.39	R-10	4.40	100%	5.00				5.00
111	147-271-010	Bancroft Rd	1.37	R-10	4.40	100%	5.00				5.00
	145-151-020	730 Minert Rd		R-10	4.40	100%					
112	145-151-021	Southwest of Minert Rd and Arkell Rd	1.32	R-10	4.40	100%	15.00				15.00

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-5. Sites Inventory Maps (Area B1)



Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-23. Inventory Sites (Area B1)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
2	178-411-017	1910, 1940-1950 N Main St	0.97	MU-R	102.49	100%	135.00	11.00			124.00
6	178-402-003	699 Ygnacio Valley Rd	0.91	MU-C	49.78	100%	93.00	68.00	24.00		1.00
8	172-130-015 172-130-016	1394 Walden Rd	0.46	M-2.5 M-2.5	17.42	100%	6.00				6.00
10	174-180-008	200 Ygnacio Valley Rd	3.56	P-D	58.10	100%	358.00				358.00
11	174-180-009	200 Ygnacio Valley Rd	3.85	P-D	58.10	100%	288.00				288.00
17	179-030-001	2680 Walnut Blvd	1 (7	R-10	4.40	100%	10.00				10.00
16	179-030-002	2670 Walnut Blvd	1.67	R-10	4.40	100%	12.00				12.00
18	174-150-044	2211 N Main St	0.45	MU-PD	40.00	100%	52.00				52.00
22	170-280-005	1537 Sunnyvale Ave	0.42	M-1.5	29.04	100%	12.00			12.00	
24	177-231-032	416 Oakvale Ct	0.51	R-15	2.90	100%	1.00				1.00
27	171-100-040	1690 2nd Ave	0.38	R-8	5.40	100%	2.00				2.00
28	174-021-009	186 Wootten Dr	0.57	R-8	5.40	100%	1.00				1.00
35	172-130-014	1388 Walden Rd	0.28	M-2.5	17.42	100%	3.00				3.00
36	172-130-053	1380 Walden Rd	0.39	M-2.5	17.42	100%	5.00				5.00
37	172-130-054	1374 Walden Rd	0.53	M-2.5	17.42	100%	8.00				8.00
38	172-130-017	1408 Walden Rd	0.52	M-2.5	17.42	100%	8.00			2.00	6.00
39	172-130-018	81 Shady Ln	0.27	M-2.5	17.42	100%	3.00			1.00	2.00
40	172-130-019	71 Shady Ln	0.26	M-2.5	17.42	100%	3.00			1.00	2.00
41	172-130-020	61 Shady Ln	0.26	M-2.5	17.42	100%	3.00			1.00	2.00
42	172-130-021	51 Shady Ln	0.26	M-2.5	17.42	100%	3.00			1.00	2.00
43	172-130-049	1424 Walden Rd	0.36	M-2.5	17.42	100%	5.00			1.00	4.00
44	172-130-069	1412 Walden Rd	0.47	M-2.5	17.42	100%	7.00			2.00	5.00
	174-140-014	1620 Riviera Avenue		MU-PD	40.00	100%					
45	174-140-015	1630 Riviera Avenue	0.54	MU-PD	40.00	100%	19.00			19.00	
	174-140-016	1638 Riviera Avenue	1	MU-PD	40.00	100%					
46	174-140-018	1700 Riviera Avenue	0.30	MU-PD	40.00	100%	7.00			7.00	
	174-150-009	2221 N Main Street		MU-PD	40.00	100%					
	174-150-010	2225 N Main Street	1	MU-PD	40.00	100%	1				
	174-150-013	2255 N Main Street	1	MU-PD	40.00	100%	1				
	174-150-014	2263 N Main Street	1	MU-PD	40.00	100%					
47	174-150-041	Adjacent to 2241 N Main Street	2.10	MU-PD	40.00	100%	83.00	53.00	30.00		
	174-150-046	2235 N Main Street	1	MU-PD	40.00	100%					
	174-150-047	2241 N Main Street	1	MU-PD	40.00	100%					
	174-150-052	2295 N Main Street	1	MU-PD	40.00	100%	1				
	174-150-073	2329 N Main Street	1	MU-PD	40.00	100%	1				

Units Realistic Current Permitted **Total Net** Above APN Area (ac) Zoning Address capacity Very Low Low Mod. Site # Density (du/ac) Units Mod. factor 1859 Lacassie Ave 178-080-030 0.45 M-0.75 58.08 100% 26.00 16.00 10.00 51 1801 Lacassie Ave 52 178-080-075 5.20 M-0.75 58.08 100% 26.00 16.00 10.00 178-411-011 Arroyo Way ∕UU-R 102.49 100% 54 148.00 93.00 55.00 1.45 178-411-013 1410 Arroyo Way MU-R 102.49 100% 55 178-411-020 1980 N. Main St 0.34 MU-R 102.49 100% 34.00 34.00 178-210-007 1766 Locust St MU-C 49.78 95% 178-210-008 1551 Lacassie Ave ∧U-C 49.78 95% 70 2.79 131.00 131.00 178-210-010 1785 N Main St MU-C 49.78 95% 178-210-012 1707 N Main St MU-C 49.78 95% 178-320-006 1735 N Broadway MU-C 49.78 95% 178-320-007 1743 N Broadway VU-C 49.78 95% 71 1.61 147.00 94.00 53.00 102.49 100% 178-320-012 1413 Carlback Ave MU-R 178-320-020 1799 N Broadway MU-R 102.49 100% 178-330-001 MU-R 102.49 100% Arroyo Way MU-R 102.49 100% 72 178-330-004 East of Main St & Arrovo Way 1.99 253.00 165.00 87.00 1.00 178-330-007 1890 N Main St MU-R 102.49 100% 178-340-002 1375 Arroyo Way 102.49 100% MU-R 73 0.50 51.00 33.00 18.00 178-340-017 1800 Broadway MU-R 102.49 100% 577-581 Ygnacio Valley Rd 178-411-007 MU-C 49.78 95% 74 178-411-008 587 Ygnacio Valley Rd 0.48 MU-C 49.78 95% 22.00 22.00 178-411-009 1991 N Broadway MU-C 49.78 95% 178-412-010 N Broadway MU-C 49.78 100% 49.78 178-412-011 1910 N Broadway VU-C 95% 75 1.63 140.00 12.00 --128.00 Southeast of Ygnacio Valley Rd 178-412-012 MU-C 49.78 95% & Broadway 95% 178-550-013 102.49 MU-R 178-550-001 MU-R 102.49 95% 178-550-002 MU-R 102.49 95% 178-550-003 MU-R 102.49 95% 178-550-004 95% MU-R 102.49 178-550-005 MU-R 102.49 95% 95% 76 178-550-006 1430 Arroyo Way 0.37 MU-R 102.49 36.00 36.00 178-550-007 MU-R 102.49 95% 178-550-008 MU-R 102.49 95% 178-550-009 MU-R 102.49 95% 178-550-010 MU-R 102.49 95% 178-550-011 MU-R 102.49 95% 178-550-012 MU-R 102.49 95%

Table 7-23. Inventory Sites (Area B1) (Continued)

Table 7-23. Inventory Sites (Area B1) (Continued)

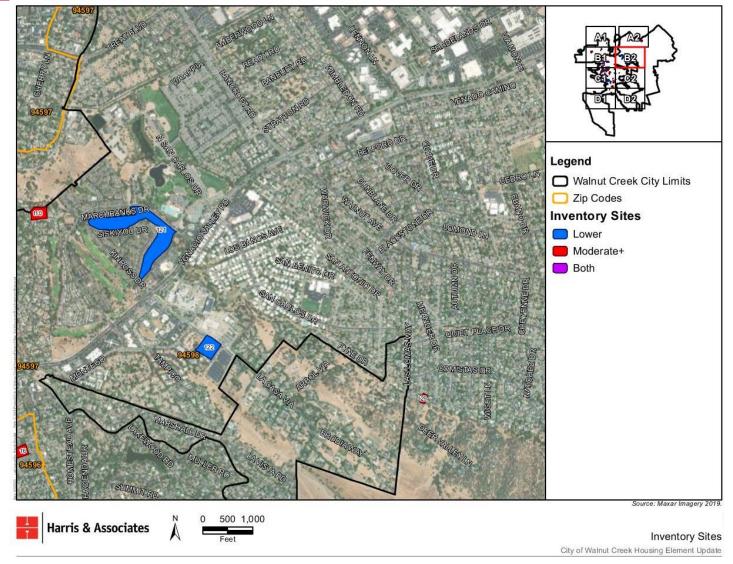
									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
	174-220-002	1756 Lacassie Ave		MU-D	58.10	95%					
	174-220-033	1801 N California Blvd		MU-D	58.10	95%					
77	174-220-034	Southwest corner of Ygnacio Valley Rd & California Blvd	1.07	MU-D	58.10	95%	100.00	(0.00	20.00		
77	174-220-039	245 Ygnacio Valley Rd	1.97	MU-D	58.10	95%	108.00	69.00	39.00		
	174-220-041	265 Ygnacio Valley Rd		MU-D	58.10	95%					
	174-220-043	255 Ygnacio Valley Rd		MU-D	58.10	95%					
	174-220-045	1766 Lacassie Ave		MU-D	58.10	95%					
89	178-080-007	1755 Cole Ave	0.20	M-0.75	58.08	100%	8.00			8.00	
	178-080-038	10 Lacassie Ct		M-0.75	58.08	100%					
90	178-080-022	20 Lacassie Ct	0.41	M-0.75	58.08	100%	21.00			21.00	
	178-080-023	30 Lacassie Ct		M-0.75	58.08	100%					
	178-080-024	31 Lacassie Ct		M-0.75	58.08	100%					
91	178-080-025	21 Lacassie Ct	0.37	M-0.75	58.08	100%	18.00			18.00	
	178-080-026	1745 Lacassie Ave		M-0.75	58.08	100%					
92	178-080-027	1753 Lacassie Ave	0.23	M-0.75	58.08	100%	12.00			12.00	
93	178-080-072	1777 N California Blvd	1.27	MU-D	58.10	95%	69.00	44.00	25.00		
75	178-080-073	1777 N California Blvd	1.2/	MU-D	58.10	95%	07.00	44.00	23.00		
96	173-110-018	1222-1250 Pine St	1.33	MU-C	49.78	95%	62.00	40.00	22.00		
	173-110-023	1201-1299 Parkside Dr		MU-C	49.78	95%					
97	173-110-024	Southwest corner of Parkside Dr & Civic Dr	3.39	P-D	49.78	100%	157.00		20.00		137.00
98	174-172-012	2101 N Main St	0.56	MU-C	49.78	95%	26.00	17.00	9.00		
99	178-340-020	1800-1830 N Broadway	0.59	MU-R	102.49	100%	60.00				60.00
100	178-351-008	1300 Civic Dr	0.24	MU-C	49.78	95%	11.00				11.00

Table 7-23. Inventory Sites (Area B1) (Continued)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
101	178-351-016	1700 N Broadway	0.72	MU-C	49.78	95%	34.00			34.00	
102	178-351-018	1756-1790 N Broadway	0.60	MU-R	102.49	100%	61.00				61.00
103	178-352-020	1251 Arroyo Way	0.62	MU-C	49.78	95%	29.00	19.00	10.00		
104	178-352-022	1267 Arroyo Way	0.50	MU-R	102.49	100%	51.00				51.00
	178-402-004	1150 Civic Dr		MU-C	49.78	95%					
105	178-412-005	Northwest of Arroyo Way & Civic Dr	0.77	MU-C	49.78	95%	36.00	23.00	13.00		
106	178-412-004	675 Ygnacio Valley Rd	1.54	MU-C	49.78	95%	70.00			54.00	10.00
106	178-412-003	635 Ygnacio Valley Rd	1.54	MU-C	49.78	95%	72.00			54.00	18.00
107	178-412-013	605 Ygnacio Valley Rd	0.55	MU-C	49.78	95%	26.00			7.00	19.00
108	178-412-015	N Broadway	0.43	MU-R	102.49	95%	41.00				41.00
	171-150-001	2641-2643 Larkey Ln		P-D	4.40	100%					
109	171-150-007	Northeast corner of Conejo Way and San Luis Rd	4.06	P-D	4.40	100%	6.00				6.00
110	173-042-019	Southwest of Homestead Ave and Seven Hills Ranch Rd	1.76	R-20	2.20	100%	3.00				3.00
113	178-290-009	1679 Carmel Dr	0.17	M-1	43.56	100%	6.00				6.00
115	171-032-036	SE of Geary Rd & Coralie Dr	0.39	R-8	5.40	100%	2.00				2.00
116	171-091-030	Jolie Lane	0.89	R-8	5.40	100%	3.00				3.00
119	174-050-013	2318 San Juan Ave	1.18	D-3	14.50	100%	12.00				12.00
117	174-050-014	2314 San Juan Ave	1.10	D-3	14.50	100%	12.00				12.00

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Figure 7-6. Sites Inventory Maps (Area B2)



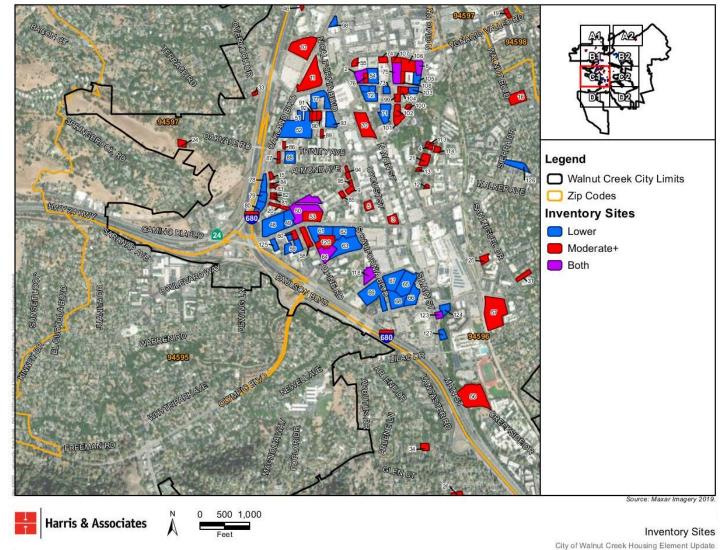
Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-24. Inventory Sites (Area B2)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
16	179-030-001	2680 Walnut Blvd	1.67	R-10	4.40	100%	12.00				12.00
10	179-030-002	2670 Walnut Blvd	1.07	R-10	4.40	100%	12.00				12.00
110	173-042-019	Southwest of Homestead Ave and Seven Hills Ranch Rd	1.76	R-20	2.20	100%	3.00				3.00
	144-082-004	Heather Dr		P-D	-	100%					
121	144-082-006	Kinross Dr	14.34	P-D	-	100%	138.00	20.00	118.00		-
	144-082-011	Marchbanks Dr		P-D	-	100%					
122	140-230-004	200 La Casa Via	2.95	P-D	-	100%	2.00	2.00			-

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-7. Sites Inventory Maps (Area C1)



Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-25. Inventory Sites (Area C1)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
2	178-411-017	1910, 1940-1950 N Main St	0.97	MU-R	102.49	100%	135.00	11.00			124.00
3	178-230-028	1556 Mt Diablo Blvd	0.80	P-R	49.78	100%	42.00				42.00
3	178-230-029	1532 Mt Diablo Blvd	0.80	P-R	49./8	100%	42.00				42.00
4	178-290-008	1665 Carmel Dr	0.27	M-1	43.56	100%	8.00				8.00
5	178-160-028	1380 North California	0.68	P-R	49.78	100%	95.00				95.00
9	178-140-001 178-140-006	1501 N California Blvd	0.42	MU-D MU-D	58.10	100%	27.00				27.00
10	174-180-008	200 Ygnacio Valley Rd	3.56	P-D	58.10	100%	358.00				358.00
11	174-180-009	200 Ygnacio Valley Rd	3.85	P-D	58.10	100%	288.00				288.00
12	178-261-033	1487, 1493, 1500 Carmel Dr	0.16	P-D	-	100%	11.00				11.00
13	178-261-002	1229 Lincoln Ave	0.18	M-1	43.56	100%	3.00				3.00
15	178-010-036	1524 Oakland Blvd	0.29	P-D	29.04	100%	4.00				4.00
16	179-030-001	2680 Walnut Blvd	1.67	R-10	4.40	100%	10.00				10.00
10	179-030-002	2670 Walnut Blvd	1.6/	R-10	4.40	100%	12.00				12.00
19	173-172-021	1072 Ygnacio Valley Rd	0.34	M-2	21.78	100%	4.00				4.00
20	178-010-006	Oakland Blvd	0.48	M-0.75	58.08	100%	27.00				27.00
	178-290-001	1224 Lincoln Ave		M-1	43.56						
	178-290-002	1611 Carmel Dr		M-1	43.56						
21	178-290-003	1615 Carmel Dr	0.93	M-1	43.56	100%	24.00				24.00
21	178-290-004	1617 Carmel Dr	0.93	M-1	43.56	100%	34.00				34.00
	178-290-005			M-1	43.56						
	178-290-006	1619 Carmel Dr		M-1	43.56						
24	177-231-032	416 Oakvale Ct	0.51	R-15	2.90	100%	1.00				1.00
25	183-270-006	15 Holcomb Ct	0.55	M-2	21.78	100%	11.00				11.00
26	184-402-004	132 Lancaster Rd	0.50	R-8	5.40	100%	2.00				2.00
21	180-020-008	1860 San Miguel Dr	0.74	M-3	14.52	100%	10.00				10.00
31	180-020-009	1862 San Miguel Dr	0.74	M-3	14.52	100%	10.00				10.00

Table 7-25. Inventory Sites (Area C1) (Continued)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
33	174-210-043	2109 Overlook Dr	0.20	M-3	14.52	100%	2.00				2.00
34	184-370-034	1611 Orchard Ln	0.56	R-20	2.20	100%	1.00				1.00
46	174-140-018	1700 Riviera Avenue	0.30	MU-PD	40.00	100%	7.00			7.00	
	178-020-006	2082-2084 Mt. Diablo Blvd		MU-C	58.08	95%					
	178-020-009	2074-2076 Mt. Diablo Blvd		MU-C	58.08	95%					
48	178-020-011	2086-2094 Mt. Diablo Blvd	3.41	MU-C	58.08	95%	188.00	119.00	69.00		
40	178-020-002	1220 Oakland Blvd	5.41	MU-C	58.08	95%	100.00	117.00	67.00		
	178-020-008	2098 Mt Diablo Blvd		MU-C	58.08	95%					
	178-030-006	2044-2066 Mt. Diablo Blvd		MU-C	58.08	95%					
49	178-030-003	2042 Mt. Diablo Blvd	1.60	MU-C	58.08	95%	88.00	55.00	33.00		
47	178-030-004	2008-2040 Mt. Diablo Blvd	1.60	MU-C	58.08	95%	00.00	55.00	33.00		
	178-040-018	1832 Sharp Ave		M-0.75	58.08	100%					
	178-040-019	1842 Sharp Ave	1	M-0.75	58.08	100%					
	178-040-020	1852 Sharp Ave	1	M-0.75	58.08	100%					
	178-040-021	1860 Sharp Ave		M-0.75	58.08	100%					
	178-040-022	1914 Sharp Ave		M-0.75	58.08	100%					
	178-040-023	1920 Sharp Ave		M-0.75	58.08	100%]				
	178-040-024	1928 Sharp Ave		M-0.75	58.08	100%]				
	178-040-025	Sharp Ave (no address)		M-0.75	58.08	100%					
	178-040-062	1925 Sharp Ave		M-0.75	58.08	100%					
50	178-040-027	1919 Sharp Ave	4.45	M-1	43.56	100%	223.00	60.00	35.00	128.00	
30	178-040-028	1909-1911 Sharp Ave	4.45	M-1	43.56	100%	223.00	80.00	35.00	120.00	
	178-040-029	1859 Sharp Ave		M-0.75	58.08	100%					
	178-040-030	1825 Sharp Ave		M-0.75	58.08	100%					
	178-040-031	1809 Sharp Ave		M-1	43.56	100%]				
	178-040-032	1801-1805 Sharp Ave		M-1	43.56	100%]				
	178-040-063	1921 Sharp Ave		M-1	43.56	100%]				
	178-030-005	1960 Mt. Diablo Blvd.		MU-C	58.08	95%					
	178-040-036	1948-1950 Mt. Diablo Blvd.		MU-C	58.08	95%]				
	178-040-037	1952-1954 Mt. Diablo Blvd.		MU-C	58.08	95%]				
	178-040-066	1936-1946 Mt. Diablo Blvd.		MU-C	58.08	95%					

Units Realistic Current Permitted **Total Net** Above APN Address Area (ac) Zoning Very Low Low Mod. capacity Site # Density (du/ac) Units Mod. factor 178-080-030 1859 Lacassie Ave 16.00 10.00 51 0.45 M-0.75 58.08 100% 26.00 52 178-080-075 1801 Lacassie Ave 5.20 M-0.75 58.08 100% 26.00 16.00 10.00 178-411-011 Arroyo Way MU-R 102.49 100% 1.45 148.00 93.00 54 55.00 MU-R 178-411-013 1410 Arroyo Way 102.49 100% 0.34 MU-R 55 178-411-020 1980 N. Main St 102.49 100% 34.00 34.00 183-050-021 31-45 Quail Ct 5.03 P-D 43.56 100% 219.00 219.00 56 183-260-027 1275 Newell Ave 5.25 M-1.5 29.04 152.00 57 100% 152.00 -184-041-047 2005 Mt. Diablo Blvd MU-C 58.08 95% 184-041-002 11111 Alpine Ave MU-C 58.08 95% 184-041-003 1119 Alpine Ave MU-C 58.08 95% 184-041-004 1147 Alpine Ave 1.08 MU-D 58 58.10 95% 58.00 58.00 184-041-005 11149 Alpine Ave MU-D 58.10 95% 184-041-006 1155 Alpine Ave MU-D 58.10 95% MU-D 184-041-007 1161 Alpine Ave 58.10 95% 59 184-041-016 Mt Diablo Blvd 1.93 MU-D 58.10 95% 42.00 42.00 184-041-019 2027 Mt. Diablo Blvd MU-C 58.08 95% 0.41 60 22.00 22.00 MU-C 184-041-020 2021 Mt. Diablo Blvd 95% 58.08 184-050-010 1919 Mt. Diablo Blvd MU-C 58.08 95% 184-050-011 MU-C 58.08 95% 1909 Mt. Diablo Blvd 184-050-012 MU-C 58.08 95% MU-C 184-050-013 58.08 95% 889 Mt. Diablo Blvd 184-050-014 MU-C 58.08 95% 2.44 134.00 85.00 49.00 61 MU-C 184-050-015 1849 Mt. Diablo Blvd 58.08 95% 184-050-016 1829 Mt. Diablo Blvd MU-C 58.08 95% MU-C 184-050-062 1929 Mt. Diablo Blvd 58.08 95% 184-050-068 1160 Alpine Ave MU-D 58.10 95% 184-050-069 1148-1152 Alpine Ave MU-D 58.10 95% 184-050-058 MU-C 1815 Mt. Diablo Blvd 58.08 95% 184-050-059 1813 Mt. Diablo Blvd MU-C 58.08 95% 62 2.15 118.00 74.00 44.00 184-050-060 MU-C 95% 1821 Mt. Diablo Blvd 58.08 184-050-065 1101-1105 S. California Blvd MU-C 58.08 95%

Table 7-25. Inventory Sites (Area C1) (Continued)

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-25. Inventory Sites (Area C1) (Continued)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
63	184-050-066	1123 S. California Blvd	3.60	MU-C	58.08	95%	198.00	198.00			
	184-050-063	1870 Olympic Blvd		MU-D	58.10	95%					
	184-050-070	1900 Olympic Blvd		MU-D	58.10	95%					
64	184-050-002	1248 Alpine Rd	1.64	MU-D	58.10	95%	77.00	23.00		54.00	
	184-050-003	1238 Alpine Rd		MU-D	58.10	95%					
	184-050-004	1208 Alpine Rd		MU-D	58.10	95%					
65	184-070-011	1295 S. Main St	3.01	MU-C	58.08	95%	83.00	52.00	31.00		
	184-070-016	1550 Newell Ave	1.80	MU-C	58.08	95%	40.00	21.00	10.00		
66	184-070-017	1536 Newell Ave	1.60	MU-C	58.08	95%	49.00	31.00	18.00		
67	184-070-023	1531-1599 Botelho Dr, 1320-1330 S. California Blvd	2.56	MU-C	58.08	95%	84.00	53.00	31.00		
68	184-070-024	1372-1388 S. California Blvd	2.15	MU-C	58.08	95%	59.00	37.00	22.00		
	184-080-018	1355 S. California Blvd		MU-C	58.08	95%					
	184-080-019	1387 S California Blvd		MU-C	58.08	95%					
	184-080-020	1375 S. California Blvd, 1387 S. California Blvd		MU-C	58.08	95%					
69	184-080-023	1313 S. California Blvd	4.00	MU-C	58.08	95%	000.00	120.00	01.00		
67	184-080-032	1301 S. California Blvd, 1601 Botelho Dr, 1661-1667 Botelho Dr	4.00	MU-C	58.08	95%	220.00	139.00	81.00		
	184-080-034	1651 Botelho Dr		MU-C	58.08	95%	1				
	184-080-035	1661-1667 Botelho Dr		MU-C	58.08	95%	1				
	184-080-036	130 Petticoat Ln		MU-C	58.08	95%	1				
	178-210-007	1766 Locust St		MU-C	49.78	95%					
70	178-210-008	1551 Lacassie Ave	0.70	MU-C	49.78	95%	101.00			101.00	
70	178-210-010	1785 N Main St	2.79	MU-C	49.78	95%	131.00			131.00	
	178-210-012	1707 N Main St		MU-C	49.78	95%	1				
	178-320-006	1735 N Broadway		MU-C	49.78	95%					
71	178-320-007	1743 N Broadway	1	MU-C	49.78	95%	147.00	04.00	F2 00		
71	178-320-012	1413 Carlback Ave	1.61	MU-R	102.49	100%	147.00	94.00	53.00		
	178-320-020	1799 N Broadway		MU-R	102.49	100%	Ţ				
	178-330-001	Arroyo Way		MU-R	102.49	100%					
72	178-330-004	East of Main St & Arroyo Way	1.99	MU-R	102.49	100%	253.00	165.00	87.00		1.00
	178-330-007	1890 N Main St		MU-R	102.49	100%	1				

Table 7-25. Inventory Sites (Area C1) (Continued)	Table 7-25.	Inventory Sites	s (Area C1)	(Continued)
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		``	-				Units				
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
73	178-340-002	1375 Arroyo Way	0.50	MU-R	102.49	100%	51.00	33.00	18.00		
	178-340-017	1800 Broadway		MU-R	102.49	100%		00.00	10.00		
74	178-411-007	577-581 Ygnacio Valley Rd	0.48	MU-C	49.78	95%	22.00			22.00	
	178-411-008	587 Ygnacio Valley Rd		MU-C	49.78	95%					
	178-411-009	1991 N Broadway		MU-C	49.78	95%					
75	178-412-010	N Broadway	1.63	MU-C	49.78	100%	140.00	12.00	-	-	128.00
	178-412-011	1910 N Broadway		MU-C	49.78	95%					
	178-412-012	Southeast of Ygnacio Valley Rd & Broadway		MU-C	49.78	95%					
76	178-550-013		0.37	MU-R	102.49	95%	36.00				
	178-550-001	1		MU-R	102.49	95%					
	178-550-002	1		MU-R	102.49	95%					
	178-550-003	1		MU-R	102.49	95%					
	178-550-004	1		MU-R	102.49	95%					
	178-550-005	1		MU-R	102.49	95%					
	178-550-006	1430 Arroyo Way		MU-R	102.49	95%					36.00
	178-550-007	1		MU-R	102.49	95%					
	178-550-008	1		MU-R	102.49	95%					
	178-550-009	1		MU-R	102.49	95%					
	178-550-010	1		MU-R	102.49	95%					
	178-550-011	1		MU-R	102.49	95%					
	178-550-012	1		MU-R	102.49	95%					
77	174-220-002	1756 Lacassie Ave	1.97	MU-D	58.10	95%	108.00		39.00		
	174-220-033	1801 N California Blvd		MU-D	58.10	95%		69.00			
	174-220-034	Southwest corner of Ygnacio Valley Rd & California Blvd		MU-D	58.10	95%					
	174-220-039	245 Ygnacio Valley Rd		MU-D	58.10	95%					
	174-220-041	265 Ygnacio Valley Rd		MU-D	58.10	95%					
	174-220-043	255 Ygnacio Valley Rd		MU-D	58.10	95%					
	174-220-045	1766 Lacassie Ave		MU-D	58.10	95%					
78	177-260-023	1443-1515 Oakland Blvd	0.76	MU-D	58.10	95%	42.00	26.00	16.00		
79	177-280-014	1415 Oakland Blvd		MU-D	58.10	95%	38.00	24.00	14.00		

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Units Realistic Current Permitted **Total Net** Above Area (ac) Zoning APN Address Verv Low capacity Low Mod. Site # Density (du/ac) Units Mod. factor 177-280-018 1407 Oakland Blvd MU-D 58.10 95% 0.95 52.00 33.00 19.00 80 177-280-017 1371 Oakland Blvd MU-D 58.10 95% 178-010-015 1420 Oakland Blvd 0.14 M-1.5 100% 2.00 81 29.04 2.00 1428 Oakland Blvd 0.23 M-1.5 4.00 82 178-010-016 29.04 100% 4.00 178-010-028 1973-1977 Dora Ave 0.17 M-1.5 3.00 3.00 83 29.04 100% 84 178-010-020 1502 Oakland Blvd 0.09 M-1.5 29.04 100% 1.00 1.00 85 178-040-001 1806 Bonanza St 0.28 MU-D 58.10 95% 14.00 6.00 8.00 8.00 178-071-002 1944 Trinity Ave 0.16 M-0.75 58.08 100% 8.00 86 87 178-072-006 1963 Trinity Ave 0.27 M-0.75 58.08 100% 8.00 8.00 1.10 M-0.75 39.00 24.00 88 178-072-009 Trinity Ave 58.08 100% 63.00 89 178-080-007 1755 Cole Ave 0.20 M-0.75 58.08 100% 8.00 8.00 178-080-038 10 Lacassie Ct M-0.75 58.08 100% 178-080-022 20 Lacassie Ct M-0.75 90 0.41 58.08 100% 21.00 21.00 178-080-023 30 Lacassie Ct M-0.75 58.08 100% 178-080-024 31 Lacassie Ct M-0.75 58.08 100% 0.37 M-0.75 91 178-080-025 21 Lacassie Ct 58.08 100% 18.00 18.00 178-080-026 1745 Lacassie Ave M-0.75 58.08 100% 0.23 M-0.75 92 178-080-027 1753 Lacassie Ave 58.08 100% 12.00 12.00 178-080-072 1777 N California Blvd MU-D 58.10 95% 1.27 93 69.00 44.00 25.00 178-080-073 1777 N California Blvd MU-D 58.10 95% 178-140-004 1721 Stow Ave MU-D 58.10 95% 95 0.21 10.00 10.00 Southwest corner of Stow Ave & MU-D 178-140-007 58.10 95% California Blvd 17.00 9.00 98 174-172-012 2101 N Main St 0.56 MU-C 49.78 95% 26.00 99 178-340-020 1800-1830 N Broadway 0.59 MU-R 102.49 100% 60.00 60.00 178-351-008 1300 Civic Dr 100 0.24 MU-C 49.78 95% 11.00 11.00 0.72 MU-C 101 178-351-016 1700 N Broadway 49.78 95% 34.00 34.00 178-351-018 1756-1790 N Broadway 0.60 MU-R 61.00 102 102.49 100% 61.00 103 178-352-020 0.62 MU-C 49.78 95% 19.00 1251 Arroyo Way 29.00 10.00

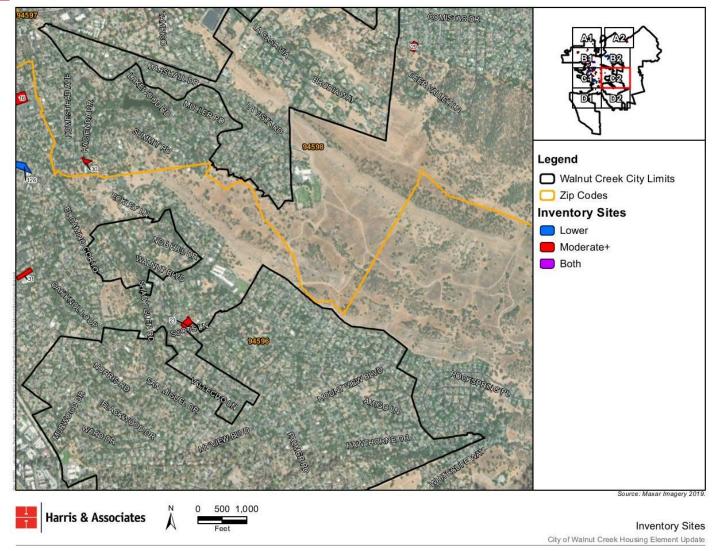
Table 7-25. Inventory Sites (Area C1) (Continued)

Chapter 7. Adequate Sites Inventory Analysis and Methodology

	-						Units				
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
104	178-352-022	1267 Arroyo Way	0.50	MU-R	102.49	100%	51.00				51.00
	178-402-004	1150 Civic Dr		MU-C	49.78	95%					
105	178-412-005	Northwest of Arroyo Way & Civic Dr	0.77	MU-C	49.78	95%	36.00	23.00	13.00		
10/	178-412-004	675 Ygnacio Valley Rd	1.54	MU-C	49.78	95%	70.00			E 4 00	10.00
106	178-412-003	635 Ygnacio Valley Rd	1.54	MU-C	49.78	95%	72.00			54.00	18.00
107	178-412-013	605 Ygnacio Valley Rd	0.55	MU-C	49.78	95%	26.00			7.00	19.00
108	178-412-015	N Broadway	0.43	MU-R	102.49	95%	41.00				41.00
113	178-290-009	1679 Carmel Dr	0.17	M-1	43.56	100%	6.00				6.00
114	178-290-018	1654 Carmel Dr	0.34	M-1	43.56	100%	10.00				10.00
114	178-290-019	1632 Carmel Dr	0.34	M-1	43.56	100%	10.00				10.00
118	184-092-034	1271 S California Blvd	1.32	C-R	49.78	100%	94.00		11.00		83.00
100	184-050-005	1204 Alpine Rd	1.00	MU-D	58.10	95%	20.00				20.00
120	184-050-027	1148-1152 Alpine Rd	1.82	MU-D	58.10	95%	39.00				39.00
123	183-030-005	1426 S Main St	0.51	C-R	Det. by CUP, except in specific plan area where applicable*	100%	9.00	1.00			8.00
124	183-030-029	1459-1479 Newell Ave	0.92	C-R	Det. by CUP, except in specific plan area where applicable*	100%	27.00	5.00	22.00		-
125	184-042-014	2079 Mt Diablo Blvd	0.58	0-C	Det. by CUP, except in specific plan area where applicable*	95%	32.00	7.00	25.00		-
126	179-060-036	154 Sierra Dr	1.42	P-D	-	100%	36.00	33.00	3.00		
127	183-030-001	S Main St	0.61	C-R	Det. by CUP, except in specific plan	100%	21.00	21.00			_
12/	183-030-002	1448 S Main St	0.01	C-R	area where applicable*	100%	21.00	21.00			_

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-8. Sites Inventory Maps (Area C2)



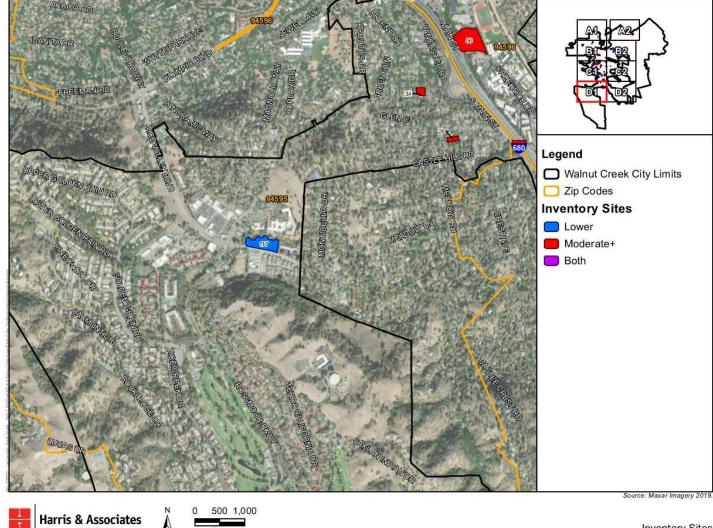
Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-26. Inventory Sites (Area C2)

								Units			
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
16	179-030-001	2680 Walnut Blvd	1 /7	R-10	4.40	100%	12.00	12.00			12.00
10	179-030-002	2670 Walnut Blvd	1.67	R-10	4.40	100%	12.00				12.00
23	180-210-034	1081 Scots Ln	0.59	R-15	2.90	100%	1.00				1.00
31	180-020-008	1860 San Miguel Dr	0.74	M-3	14.52	100%	10.00	10.00			10.00
31	180-020-009	1862 San Miguel Dr	0.74	M-3	14.52	100%					10.00
126	179-060-036	154 Sierra Dr	1.42	P-D	-	100%	36.00	33.00	3.00		

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-9. Sites Inventory Maps (Area D1)



Inventory Sites City of Walnut Creek Housing Element Update

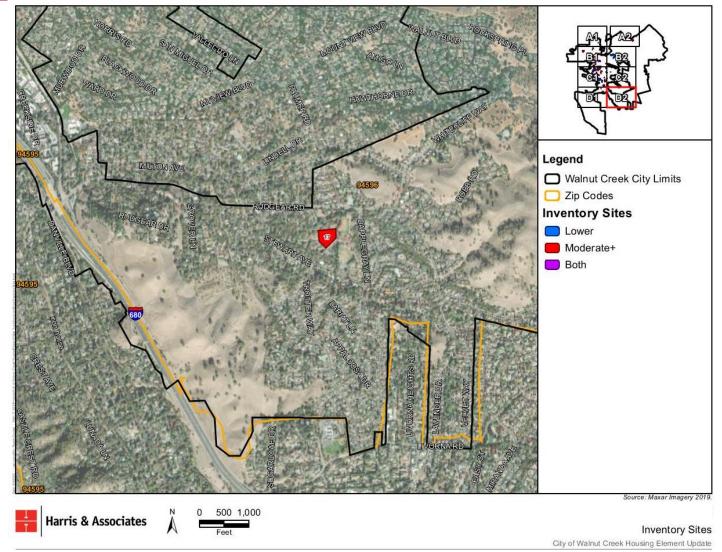
Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-27. Inventory Sites (Area D1)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
26	184-402-004	132 Lancaster Rd	0.50	R-8	5.40	100%	2.00				2.00
34	184-370-034	1611 Orchard Ln	0.56	R-20	2.20	100%	1.00				1.00
56	183-050-021	31-45 Quail Ct	5.03	P-D	43.56	100%	219.00				219.00
117	186-030-054	2100 Tice Valley Blvd	3.84	P-D	-	100%	6.00	6.00			

Chapter 7. Adequate Sites Inventory Analysis and Methodology

Figure 7-10. Sites Inventory Maps (Area D2)



Chapter 7. Adequate Sites Inventory Analysis and Methodology

Table 7-28. Inventory Sites (Area D2)

									Units		
Current Site #	APN	Address	Area (ac)	Zoning	Permitted Density (du/ac)	Realistic capacity factor	Total Net Units	Very Low	Low	Mod.	Above Mod.
17	182-010-022 182-010-031	50 Garron Ct	2.24	R-20 R-20	2.20	100%	3.00				3.00

Chapter 7. Adequate Sites Inventory Analysis and Methodology

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8 HOUSING PLAN

The City's (City or Walnut Creek) overall objective is to ensure that housing is available to current and future Walnut Creek residents of all income levels. The goals of this Housing Element are formulated based on information provided in the Community Profile, Housing Constraints, and Affirmatively Furthering Fair Housing sections of this document, as well as input from the City Council, Planning Commission, City staff, and members of the public. In addition, California Government Code, Section 65583(c), requires a program that sets forth a schedule of actions that the local government is undertaking or intends to undertake during the Planning Period to implement the programs and achieve the goals and policies of the Housing Element. The goals, policies, and programs have been established to address the housing issues in the City and to meet State (State or California) housing law requirements, including the identification of the agencies and officials responsible for the implementation of the various actions. The components of this section can be described as follows:

- **Goals** are the results that the City desires to achieve over the housing planning time horizon. They are general expressions of values or preferred outcomes, and therefore, are abstract in nature and may not be fully attained. The goals are the basis for City policies and actions during this period.
- Policies are specific statements that will guide decision-making._Policies serve as the directives to developers, builders, service providers, decision makers and others who will initiate or review new development projects or seek to provide housing-related services in the City._Some policies stand alone as directives, but others require that additional actions be taken._These additional actions are listed as "programs."
- **Programs** are the core of the City's housing strategy.__Programs translate goals and policies into actions.__These include ongoing programs, procedural changes, Zoning Ordinance changes, and other actions that implement the housing policies and help achieve housing goals._Each program identifies the funding source, responsible party, and time frame for implementation.

This section contains the City's Housing Plan for the 2023–2031 Housing Element Planning Period.

8.1 Goals, Policies, and Programs

8.1.1 Goal H-1: New Housing Development

To provide sufficient housing sites and encourage the availability of housing types for all economic segments of the community consistent with the infrastructure and service capacities of the City.

Policies and Programs

- H-1.1: The City shall provide an adequate supply of residentially zoned land at sufficient densities to accommodate its fair share of the existing and future housing needs, and accommodate any shortfalls caused by loss of sites or reduced density developments.
- H-1.2: The City shall encourage a mix of land uses and residential densities in the Downtown Core Area to increase the supply of housing.
- H-1.<u>3</u>4: The City shall encourage housing and commercial mixed-use development in selected locations that enhances pedestrian access and reduces traffic, particularly in the Core Area, and near public transit.
- H-1.45: The City shall continue to allow the designation of the residential land use category, Single Family High, 6 to 9 dwelling units per acre, in opportune areas to increase the supply of housing, consistent with the character and integrity of existing neighborhoods.
- H-1.<u>5</u>6: The City shall advise developers on how to maximize their use of waivers and concessions and provide technical assistance.
- H-1.<u>6</u>9: The City shall encourage and incentivize the development of Accessory Dwelling Units.
- H-1.<u>7</u>13: The City shall streamline the process of obtaining development approvals or incentives/concessions to expedite housing development.
- H-1.814: The City shall increase training for staff involved in the application and entitlement process on State housing laws (as they exist now and as they change in the future) in order to ensure legal compliance related to the entitlement and approval process to expedite housing development.

	Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H	-1: New Housing Development		
Assemb Elemen rents fo adopte legislat with the	Encourage and <u>Monitor Incentivize</u> Accessory Dwelling Units (ADUs) by Bill (AB) 671 (2019) amended Government Code, Section 65583, to require local agencies' Housing its to include a plan that incentivizes and promotes the creation of ADUs that can offer affordable or households with very low-, low-, or moderate-income householdsOn September 21, 2021, the City ed Ordinance No. 2210, amending the Walnut Creek Municipal Code to comply with recent State ion that went into effect in 2020. <i>(editor's note: previous remaining text was deleted and replaced e following)</i> . The City shall take further actions as follows: ⁺		
	2023. Update and reduce development impact fee so that they're reduced proportionally based on length of time owner is willing to deed restrict the property for x amount of time.		
2. <u>3.</u> <u>4.</u>	Encourage the development of ADUs by developing and distributing educational materials that inform property owners of the standards for ADU development, permitting procedures, and the importance of ADUs. City staff will distribute these promotional materials and flyers by making them available at the Planning Counter, publishing them on the City's website, and providing information in the City's newsletter <u>that is mailed to all residents</u> . <u>Schedule of Action</u> : Prepare materials by December 2023 and update annually. <u>Encourage regional partners to pursue a regional ADU incentive program</u> . If pursued, participate in program development and implementation. Develop an ADU Monitoring Program to collect data from project applicants during the building permit application process in order to enhance existing tracking of ADU production with more details such as occupancy status and rent levels at time of occupancy. Utilize the data collected	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> <u>part of City staff's</u> <u>regular work plan.</u>	<u>City Manager's</u> <u>Office & City</u> <u>Council, and</u> <u>Community</u> <u>Development</u> <u>Department</u>
<u>5.</u>	from the Monitoring Program to better understand the income groups they serve and inform future improvements to the outreach and educational efforts. Assess the production and affordability of ADUs in comparison to the estimates in the Sites Inventory as a part of the Mid-Cycle Review (see Program H-6.K). Schedule of Action: End of 2024 If the assumptions in the Housing Element Sites Inventory are not met, the City shall take alternative actions (e.g., outreach, technical assistance, development standard modifications, incentives, funding and rezoning) depending on the needs identified through the ADU Monitoring Program.		
3. 6	<u>Schedule of Action:</u> <u>- by December 2028.</u> <u>-</u> In accordance with AB 671, the City shall research the feasibility of reducing or waiving building permit fees for property owners who take advantage of the new program, and research grant funds to help fund ADUs. <u>Schedule of Action</u> : End of 6th Cycle Planning Period.		
The Cit	. Technical Assistance to Developers y shall advise developers on how to maximize density bonus and/or seek waivers and concessions State density bonus regulations <u>.</u> Continue to advise developers and offer pre-application meetings	None required	Community Development Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
upon requestAs part of this program, City staff shall hold one outreach meeting with housing developers each year to discuss sites identified in the Housing Element sites inventory that are available, density bonus,		
and other incentives, starting in 2024. Schedule of Action: Annually after Housing Element certification and		
by December 31 each year.		
To date, City staff technical assistance has contributed to the development of two 100% affordable projects on Riviera Ave (completed), a market-rate project at 1910 N Main Street (nearing completion), and another market-rate project at 1501 N California (expected to apply for Building Permits).		
H-1. <u>C</u> D. Maintain/Update the Site Inventory		
 The City shall provide adequate residential and mixed-use designated sites to accommodate the City's 6th Cycle RHNA of 5,805 units (1,657 very low-, 954 low-, 890 moderate-, and 2,304 above-moderate-income units) through the following actions: Verify Inventory: The City will maintain a residential site inventory of the City's RHNA and update this inventory as projects are reviewed/approved/constructed, to ensure sufficient residential capacity is maintained to accommodate the identified need. Schedule of Action: Annually through the HCD Annual Progress Report effort. Accommodate Shortfall: Should a development approval result in a reduction of capacity below the residential capacity needed to accommodate the shortfall. Schedule of Action: As needed. Inventory Map: Upon request by interested developers or the general public, the City will make the site inventory map and/or list available subject to reproduction costs. Schedule of Action: As requested. Apply for Funding: The City will continue to pursue alternative options for meeting the RHNA through 	None required	Community Development Department
 preservation, legislative changes, and regional cooperation. The City will apply for available funding, or support applications for funding, to pursue acquisition/rehabilitation of affordable housing projects and preservation of at-risk housing. <u>Schedule of Action</u>: Annually during the HCD Annual Progress Report effort, and as State and federal funding sources are announced. H-1.<u>D</u>H. Provide a Menu of Incentives/Concessions for Developers To expedite the process of finding resources and incentives, the City shall gather information, including feedback from the annual meeting proposed in Program H-1.<u>B</u>C of this Housing Element, on the available incentives/concessions for developers. The City shall then develop and post an overview of the available incentives/concessions for developers on the City's website and update the information on an annual basis. <u>Schedule of Action</u>: Post annually by 	None required	City Manager's Office & City Council, and Community Development
December 31. The goals of this program are to expedite the time it takes to obtain development approvals and provide incentives that result in -cost savings on housing projects, thereby improving, and increasing the financial feasibility of affordable housing projects <u>.</u>		Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
H-1.E. Increase Workforce Housing Options. As a part of the permanent ordinance implementing Senate Bill	No additional	City Manager's
9, the City will consider allowing total larger square foot SB 9 dwelling units. Schedule of Action: Fall of 2023	funding is	Office & City
and ongoing.	necessary – this will	Council, and
Further, the City will add geographic targeting to the ADU and SB 9 programs, to increase education,	be performed as	Community
marketing, and incentives for specific areas of the City that are RCAAs and have larger lots. Schedule of	part of City staff's	Development
Action: December-Fall of 2023 and ongoing.	regular work plan.	Department

8.1.2 Goal H-2: Affordable Housing

To facilitate affordable housing opportunities, particularly for Walnut Creek workers, first-time home buyers, and lower-income renters.

Policies and Programs

- **H-2.1:** The City shall assist in the development of extremely low-, very low-, low-, and moderate-income housing units to the extent financially feasible.
- **H-2.2:** The City shall encourage innovative housing approaches in the design and ownership of units to increase the availability of affordable housing.
- **H-2.3:** The City shall encourage, streamline, and give high priority to housing that is affordable to Walnut Creek workers, first-time home buyers, and lower-income renters.
- **H-2.4:** The City shall require that relocation assistance be provided to low-income households when private redevelopment of land occurs, consistent with Ordinance No. 1747.
- H-2.<u>5</u>6: The City shall strive to educate the community on program opportunities, as well as the myths and realities of affordable and supportive housing to help overcome the stigma and improve community support for meeting the housing needs of all Walnut Creek residents.
- H-2.<u>6</u>7: The City shall seek out new and innovative approaches to funding affordable housing (i.e., new federal and State grants, local housing trusts, etc.)
- H-2.78: The City shall facilitate partnerships between nonprofit and for-profit housing developers to meet inclusionary housing requirements and encourage affordable housing production.
- H-2.89: The City shall support a regional approach to solving the housing problems that cannot be solved by individual jurisdictions.
- H-2.911: The City shall facilitate the development of available sites with the best potential for development.
- H-2.1012: The City shall connect with affordable housing developers and maintain a collaborative relationship to provide information and technical assistance and facilitate the affordable housing development process.
- H-2.114: The City shall assist extremely low-, very low- and low-income renters with securing affordable housing.

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• <u>H</u>-2.1<u>2</u>5: The City shall provide assistance and facilitate education for homeownership and available programs to support aspiring homeowner

Implementation Program/Schedule of Action **Potential Funding Responsible Party** Goal H-2: Affordable Housing H-2.A. Pursue State and Federal Funding for Affordable Housing The City shall access information from State, federal, and regional sources to identify grant application opportunities for affordable housing. Schedule of Action: Annually. When grant opportunities are known, the City will reach out to affordable developer stakeholders to identify projects and/or opportunities to include on grant applications and work to secure the funding. Schedule of Action: As grants become available, the City will apply for or support a minimum of two grant applications per year. Such arants may include, but are not limited to: One Bay Area Grants awarded by the Association of Bay Area Governments (ABAG) Section 811 funding for supportive housing for extremely low-income residents provided by the Department of Housing and Urban Development (HUD) Community Local Housing Trust Fund Program through the California State Department of Housing and Community None required Development Development (HCD) Department • The State Infill Infrastructure Grant (HCD) The State Multifamily Housing Program (HCD) • The State Permanent Local Housing Allocation Program (HCD) Community Development Block Grant (CDBG), City revolving bond funds, and other sources of funding to assist with the purchase of land for affordable housing When affordable housing projects that qualify for funding are proposed, the City will apply for or support a minimum of two grant applications in the year. The goal of this program is to increase the amount of funding available for affordable housing projects. Disclaimer – completing the tasks and activities referenced in this program will be dependent upon available local, State, and federal funding sources. H-2.B. Local Funding for Affordable Housing The City shall continue to allocate commercial linkage and housing in -lieu fees for extremely low-, very low-, low-, and moderate-income housing for the City's 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. Schedule of Action: As funding is available and developers request it. Commercial Community linkage fees, Development To increase transparency for developers, the City shall also provide information on available funds during the housing in-lieu fees Department annual developer meeting held once a year, per Program H-1.8- of this Housing Element. The information provided shall include available funds and a projection for the following 3 years. Schedule of Action: Annually by December 31.

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Implementation Program/Schedule of Action **Potential Funding Responsible Party** Goal H-2: Affordable Housina This program addresses the need for certainty for affordable housing developers. By knowing what is and may be available for them in the future, developers can make better-informed decisions. H-2.C. Allocate CDBG Funding for Housing The City shall continue to participate in the Contra Costa Consortium and shall continue to set aside a City Manager's portion of the City's Community Development Block Grant (CDBG) annual allocation for housing programs, Office & City consistent with the Contra Costa Consortium Consolidated Plan and the City's Annual Action Plan Council, and requirements. Schedule of Action: Annually. CDBG funds Community Development The City shall meet with ECHO Housing to discuss funding needs. If additional funds are needed for fair Department housing services, the City shall fund fair housing services under the program administration cap instead. Schedule of Action: End of FY 2023-24. H-2.D. Facilitate Access to Affordable Housing for Residents The City shall Coordinate coordinate with affordable housing property managers and housing advocates to discuss ways to improve referrals to available affordable housing units, including outreach to nonprofits Community None required Development serving the region as a means to reach a broader range of prospective residents. Department In addition, the City shall continue to maintain the City's webpage and listserv-serve email system that informs advocates and residents of each property's waitlist status, application requirements for each property, etc. Schedule of Action: End of FY 2023–24 with updates as needed. H-2.E. Community Housing Engagement The City shall utilize its public information campaign to educate and engage the community on affordable housing and homelessness issues. As a part of this campaign, the City shall hold presentations for a minimum Community of one community group meeting per year. Presentations shall educate residents on housing issues and None required Development available resources and gather input on possible solutions. Schedule of Action: Annually by December 31. Department In addition, presentations and events shall be promoted through the City's social media outlets, emails, and newsletters. Schedule of Action: Ongoing, as City attends events. H-2.F. 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 Community homebuyers in purchasinge a home. As of June 2022, the County's website states that this program is not Development MCC Allocation currently funded but encourages visitors to check back periodically. When City staff can confirm funding Department availability, the City shall publicize the program on the City website and prepare and distribute written materials. Schedule of Action: Promotion when the County confirms funding availability. H-2.G. Improve First--Time Homebuver Assistance Program Community The City shall research the feasibility of increasing the funding limits of the First-Time Homebuyer Assistance None required Development Program. Schedule of Action: End of FY 2024-25. Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Affordable Housing		
H-2.H. Housing Choice Voucher Program In addition to continuing to coordinate with the Contra Costa County Housing Authority (CCCHA) to ensure full use of the Section 8 Rental Assistance Payments Program in Walnut Creek, the City shall contact other agencies and jurisdictions in Contra Costa County to discuss conducting a region-wide rent study to help increase HUD's Fair Market Rent determination to help increase assistance for recipients who are challenged with finding units affordable enough to use the program. <u>Schedule of Action</u> : End of FY 2024–25.	None required	Community Development Department
 H-2.1. Provide Density Bonus Ordinance Training/Education The City's Housing/Planning staff shall provide training for other City departments involved in the entitlement and development process regarding the existing Density Bonus Ordinance and any future amendments. Schedule of Action: Within 6 months of Housing Element certification by HCD. In addition, the City shall promote the Density Bonus Ordinance by completing the following: Maintaining materials on the City's website and by discussing the density bonus with developers at preliminary application review meetings. Schedule of Action: Within 12 months of Housing Element certification by HCD. Improvinge understanding of community needs by connecting developers of projects with density bonus units with local community advocates. This would help developers understand the community's needs and potentially encourage them to provide units for special groups including, but not limited to, veterans and special needs adults. Schedule of Action: Ongoing, as projects are proposed. This program is designed to expedite the development of housing projects in the City by increasing staff knowledge of the Density Bonus Ordinance and providing clear information on the City's website for developers.	None required	Community Development Department
H-2.J. Legislative Advocacy for Affordable Housing The City shall continue to actively advocate for affordable housing through its legislative committee by writing letters of support for and providing feedback on housing bills at the State level <u>. Schedule of Action:</u> Primarily between February and September each year to track with the Legislative Session.	None required	Community Development Department and City Manager's Office
H-2.K. Coordinate with Contra Costa County for Affordable Housing The City shall reach out to the Contra Costa County Housing Authority and the Contra Costa County Consortium to discuss the feasibility of establishing inter-jurisdictional affordable housing programs, such as a regional housing trust fundThe discussion will include available funds and benefits available for regional organizationsSchedule of Action: By the end of FY 2023–24.	None required	Community Development Department and City Manager's Office & City Council
H-2.L. Regional Collaboration on Affordable Housing and Homelessness The City shall continue to participate in the Walnut Creek Community Task Force on Homelessness, the Contra Costa Continuum of Care Council on Homelessness, the Contra Costa Mayor's Conference, and the	N/A	Community Development Department and

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Affordable Housing		
Coordinated Entry Oversight Committee to gather data, exchange ideas, and discuss strategies to address homelessness and affordable housing. <u>Schedule of Action</u> : As meetings take place.		City Manager's Office & City Council
Additionally, the City shall include information on the Contra Costa County Coordinated Outreach Referral and Engagement (CORE) program through 211 on the City's website. Information should include contact information and description of services. Schedule of Action: By the end of FY 2023–24.		
H-2.M. Prioritize Review and Expedite Development of Affordable and Special Needs Projects		
The City shall adopt a formal policy for expedited review and permitting of affordable housing developments and housing for special needs populations (i.e., seniors, people experiencing homelessness, people living with disabilities, single female-headed households, large families, and extremely low-, very low-, low-, and moderate-income households). Schedule of Action: By the end of FY 2023–24.	None required	Community Development Department
H-2.N. Assist with Development of Affordable Housing The City is committed to examininge additional mechanisms that allow for a streamlined approval process for housing development projects and expanded opportunities to incentivize affordable developmentsTo assist the development of housing for households with lower-incomes on larger sites, the City will amend the timing of fee collection process (timing) for land divisions and lot line adjustments resulting in parcel sizes that facilitate multifamily developments affordable to households with lower-incomes (including extremely low- incomes) and with special needs in light of State, federal, and local financing programsThe City will also identify potential property owners and nonprofit developers by December 31, 2024, and work with them on an annual basis to target and market the availability of sites with the best potential for development. Schedule of Action: Identify owners and developers by December 31, 2024, and market the availability of sites on an annual basis. In addition, to facilitate said commitment, the City will offer the following incentives for the development of	None required	Community Development
 affordable housing, including but not limited to the following: The City shall streamline and expedite the approval process for land division for projects that include affordable housing units. The City shall prepare an analysis, including a financial assessment, with the goal of eliminating or reducing permitting fees for housing projects that are 100% affordable. The goal of reducing fees would be to reduce factors that can render an affordable housing. Schedule of Action: Within 2 years of Housing Element certification. The City shall provide technical assistance to developers on funding applications, as projects are proposed. Schedule of Action: Ongoing as projects are proposed (specific timing dependent on development community). 		Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Affordable Housing		
 H-2.O. Funding, Incentives, and Concessions for Extremely Low-Income Developments The City will undertake the following actions during the planning period: Developer Meetings: Continue to hold one outreach meeting per year with affordable housing developers and providers as established in Program H-1.BC (by December of each year) to discuss available funding sources (City State and federal) sites identified in the Housing Element sites inventory. 		
 available funding sources (City, State and federal), sites identified in the Housing Element sites inventory that are available, developer needs and opportunities for affordable housing projectsOutreach will include experienced developers with recent affordable housing project experience that includes units affordable to extremely low-income households and households with special needsSchedule of <u>Action</u>; Annually after Housing Element certification and by December of -each year. Assistance to Developers: Emphasize funding for housing developments affordable to extremely low-income households and identify feasible financial incentives and regulatory concessions to encourage the development of different housing types (including multifamily and single-room occupancy projects) through the following actions: Technical Assistance: Provide technical assistance to developers regarding the City's lower-income sites, funding opportunities, as well as mixed-use zoning and density bonus incentives (make the availability for technical assistance known to developers at the outreach meeting referenced above). Schedule of Action; Annually by December 31 (during developer meeting) and as requested. Fee underwriting, fee deferals, and/or permit fast-tracking for projects that include housing affordable to lower-income households, prioritizing projects that include units affordable to extremely low-income households. Flexible development standards to potentially enhance financially feasibility for mixed-use development projects that include an affordable housing component with an emphasis on extremely low-income units. Incentives and State and federal grants/assistance). Studies can be supplemented with information gathered during the developer meeting proposed on Program H.1.<u>B</u>C of this Housing Lienaria. Founding Alerts: City staff will continue to receive regular aiers and communications about State and federal grants/assistance). Funding Al	General Fund	Community Development Department

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Affordable Housing		
each year to identify additional funding opportunities for affordable housing activities. Schedule of		
Action: each year by December 31.		
The goal of this program is to offer all available concessions, technical assistance and funding assistance to housing projects that include lower-income affordable housing units to improve the financial feasibility of those projects, allowing the projects to be implemented rather than abandoned due to financial infeasibility. This program thus also furthers the City's commitment to examine additional mechanisms that allow for streamlined approval processes for housing development projects and expanded opportunities to incentivize affordable developments.		
Disclaimer – completing the tasks and activities referenced in this program will be dependent upon available local, State, and federal funding sources <u>.</u>		
H-2.P. Advertise Available Resources		
Publish affordable housing funding opportunities available to developers and <u>property owners</u> on the City's website, disseminate them via targeted email notifications, and post them on all City social media accounts. Address funding, state laws, and City incentives to encourage housing production as a part of the annual outreach meeting described in Program H-1.B. Schedule of Action: annual update by December 31,	None required	Community Development Department
H-2.Q. Assist Faith-Based Properties Organizations With Affordable Housing Development		
 Generate a list of properties that contain facilities operated by -faith-based organizations -that can take advantage of state law for the development of affordable housing. Compile the information of faith-based organizations looking to develop affordable housing and affordable housing developers interested in developing on their property. Schedule of Action: This list will be updated annually at the end of each fiscal year, starting in FY 2023-24. Expand ADU ordinance to be applicable to faith-based properties. Proactively reach out to churches and affordable housing developers to provide information on state law, city ordinances, and the list of sites. Schedule of Action: End of FY 2023-24 and updates will occur every fiscal year by June 30. In addition, during the meeting held once a year per Program H-1.BC of this Housing Element, the City shall invite faith-based organizations on the interest list and discuss opportunities for affordable housing development in partnership with affordable housing developers, as well as any available funding or concessions. Schedule of Action: Annually by October 31, starting in 2024. 	None required	Community Development Department
H-2.R. Amend Density Bonus Ordinance The City shall amend the Density Bonus Ordinance to ensure compliance with current state law. In addition to meeting the minimum state requirements, the City will maintain the existing provisions of its Density Bonus Ordinance relating to density bonus benefits that exceed state requirements to encourage the development of affordable housing and housing mobility. Schedule of Action: End of FY 20232-20243.	None required	Community Development Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Affordable Housing		
H-2.S. Continue to Allow By-Right Residential Development on Non-Vacant Sites Designated for Lower- income Households and Used in the Previous Sites Inventory The City shall continue to allow residential developments by right, pursuant to Government Code, Section 65583.2(i), when 20% or more of the units are affordable to lower-income households on Sites No. 2, 47–52, 54, 61–65, and 67–69, as identified on Table 7-9, Lower-Income Sites Used in a Prior Planning Period, in Chapter 7 (Sites Inventory) of this Housing Element. Schedule of Action: Ongoing.	None required	Community Development Department
H-2.T. Clarify Mixed-Use Commercial Requirements The City shall amend the Zoning Ordinance to clarify that the Mixed-Use Commercial zone requirement for commercial uses to be the primary use on the ground floor can be satisfied with 50% of the floor area on the ground floor (excluding parking) consisting of commercial uses. <u>Schedule of Action</u> : End of FY 2024–25. In addition, the City shall reduce or waive this requirement for projects that qualify for a density bonus. <u>Schedule of Action</u> : Ongoing as projects qualify.	None required	Community Development Department
 H-2.U. W- Housing Choices. The City will commit to perform the following actions to increase housing choices within residential areas: Research and propose a home-sharing program, including research and coordination with non-profit and other organizations to assist with matching tenants with existing homeowners. <u>Coordinate or partner with regional organizations to conduct outreach to individuals beyond existing city residents, such as people who work in the city but don't live in the city. Schedule of Action: June of 2025: engeing</u> Identify a housing mobility coordinator to provide housing mobility counseling, such as information on opportunity areas, housing search skills and tools, workshops, one-on-one research assistance, referrals, structured support for a time after a move to the City, landlord-tenant mediation, and retention counseling. <u>Schedule of Action</u>: Spring of 202<u>5</u>4 Provide landlord education and outreach on source of income discrimination and voucher programs to expand the location program to inform the public on the impact on residential development of Measure A height limitations on properties zoned for residential development. <u>Schedule of Action</u>: Spring of 2024 and ongoing Evaluate and consider an amendment to the Zoning Code toIncrease heights in multi-family residential districts to the maximum height authorized under Measure A to increase <u>the potential for</u> density, as <u>stated in Program H-6.J.6.</u> <u>Schedule of Action</u>: Fall of 2027 and ongoing. 	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> <u>part of City staff's</u> <u>regular work plan</u>	<u>City Manager's</u> <u>Office & City</u> <u>Council, and</u> <u>Community</u> <u>Development</u> <u>Department</u>

8.1.3 Goal H-3: Special Needs Housing

To provide a range of housing opportunities for Walnut Creek residents to encourage economic mobility, particularly residents with special needs, including seniors, persons with disabilities, single female-headed households with children, large families, the persons experiencing homelessness, and residents with extremely extremely low-income residents.

Policies

- H-3.1: The City shall prioritize the development of housing that meets the needs of special needs groups including seniors, person with disabilities, single female-headed households with children, large families, persons experiencing homelessness, and extremely low-income residents.
- H-3.23: The City shall support efforts to provide services, emergency shelter, transitional housing, and permanent supportive housing for persons experiencing homelessness or living with a disability.
- H-3.<u>3</u>5: The City shall encourage the development of housing accessible to people with disabilities, including developmental disabilities.
- H-3.<u>4</u>6: The City shall continue to provide information to senior citizens regarding available senior housing programs and opportunities.
- H-3.<u>5</u>8: The City shall continue to provide individuals with disabilities reasonable accommodation through flexibility in the application of land use, zoning, or building regulations, when necessary to eliminate barriers to housing opportunities (pursuant to Ordinance No. 2131).

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-3: Special Needs Housing		
 H-3.A. Funding to Assist the Homeless and Special Needs Housing The City shall continue to provide CDBG, CSG, and Homeless Services Fund monies, when appropriate, to organizations that provide emergency shelter, transitional housing, and support services to assist persons experiencing homelessness. 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. Schedule of Action: As funding is available, and <u>as</u> organizations request funding. The City shall also provide local organizations providing services to persons with a disability and/or experiencing homelessness with information on available funds and application requirements through a targeted email. Schedule of Action: Annually by December 31. This program will work together with Program H-2.A and the City shall apply for eligible funding for homeless and special needs housing or support the grant applications of developers pursuing these types of projects. The City shall ensure that housing options provided through this program include reasonable accommodations and transitional and supportive services for people with disabilities. 	CDBG, CSG, ESG, HOME, HOPWA, and other relevant State and federal funds	Community Development Department and City Manager's Office & City Council
 H-3.B. Public Outreach to Increase Awareness of Homeless Issues The City shall continue to work with nonprofits and service providers that serve the homeless to increase awareness of homelessness issues in Walnut Creek through its public information campaign. As proposed in Program H-2.E of this Housing Element, the City shall hold presentations for a minimum of one community groups meeting per year. Presentations and event attendance shall educate residents on housing issues and available resources and gather input on possible solutions. Schedule of Action: Annually by December 31. In addition, presentations and events shall be promoted through the City's social media outlets, emails, and newsletters. Schedule of Action: Ongoing, as City attends events. 	None required	Community Development Department, City Manager's Office, and Public Information Officer <mark>I</mark>
H-3.C. Support Counseling and Housing Services for Seniors and Low-Income Households The City shall continue to fund ECHO Housing to provide tenant/landlord and fair housing services to Walnut Creek residents, as well as Senior Legal Services to provide legal assistance to low-income seniors. Schedule of Action: Annually The City shall meet with ECHO Housing to discuss funding needs. If additional funds are needed for fair housing services, the City shall fund fair housing services under the program administration cap instead. Schedule of Action: End of FY 2023–24.	CDBG and CSG funds	Community Development Department
H-3.D. Encourage Development of Housing for Persons with Disabilities The City shall compile a list of developers of supportive housing and reach out on an annual basis to provide information on available sites, funding, or other concessions for the development of projects targeted for	N/A	Community Development Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-3: Special Needs Housing		
persons with disabilities, including developmental disabilities. <u>Schedule of Action</u> : Compile list by the end of		
FY 2023–24 and send targeted email annually by December 31.		
The City shall also support the development of housing for persons with disabilities by providing developers with support on applications for County, State, and federal funding. The City shall do so by providing developers with technical assistance, as requested and <u>as</u> projects are proposed. <u>Schedule of Action</u> : Ongoing, as projects are proposed.		
H-3.E. Coordinate with the Regional Center of the East Bay		
The City shall hold a meeting with the Regional Center of the East Bay to discuss the Center's implementation of a case management/referral program that helps residents connect with, navigate, and obtain available housing and services available for persons with developmental disabilitiesPursue partnerships with the Regional Center of the East Bay to identify funding opportunities and promote housing for persons with disabilitiesIn addition, encourage housing providers to designate a portion of new affordable housing developments for special needs populations such as persons with disabilities, especially persons with developmental disabilitiesSchedule of Action: End of FY 2023–24.	N/A	Community Development Department
If agreed during the meeting, the City and Regional Center shall work to establish the program and advertise it on the City's website. <u>Schedule of Action:</u> End of FY 2025–26.		
H-3.F. Identify Incentives for Larger Housing Units		Community
The City shall modify the City's Density Bonus Ordinance to incentivize developers to build units with more	N/A	Development
bedrooms to accommodate families <u>. Schedule of Action:</u> End of FY 2025–26.		Department
H-3.G. Crisis Response Protocol The City shall establish a crisis response protocol for local service providers (including the Contra Costa County Coordinated Outreach Referral and Engagement [{CORE]} program) to render rapid crisis support, including after-hour services for people experiencing or at risk of homelessness. Community Development Department staff will reach out to the Walnut Creek Police Department and ask for a meeting and hold such meeting within 6 months of Housing Element certification. During the meeting, Community Development Department staff will discuss the preferred parameters for the protocol and work with the Walnut Creek Police Department to draft a document within 9 months of that meeting. The final protocol document shall be approved within 6 months of the initial draft being completed. Schedule of Action: Within 18 months of Housing Element certification.	N/A	Community Development Department <u>and,</u> Walnut Creek Police Department
H-3.H. Program H-3.HF. Housing Opportunities	No additional	City Manager's
To increase bouries apportunities for identified encourse such as a second with the first ""	funding is	Office & City
To increase housing opportunities for identified groups, such as persons with disabilities, unhoused	necessary – this will	Council, and
personspersons experiencing homelessness, extremely low-income households, seniors, and local critical	be performed as	Community
workforce, the City will-commit to implement the following::	part of City staff's	Development
	regular work plan	Department

2023–2031 Housing Element *Chapter 8. Housing Plan*

	Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Go	al H-3: Special Needs Housing		
1.	Amend the Zoning Ordinance Consider amendement to allow as a permitted use residential care		
	facilities for 7 or more persons subject only to objective standards in all zones allowing residential uses		
	similar to other residential uses of the same type in the same zone. <u>Schedule of Action</u> : Fall of 2025.		
2.	Evaluate and consider amendment to <u>Reduce</u> parking requirement for residential care facilities		
~	(currently 0.25 spaces per bed plus 1 space per employee). <u>Schedule of Action</u> : Fall of 2025.		
3.	Evaluate and pursue supportive rental programs for targeted groups, including seniors, unhoused		
	personspersons experiencing homelessness, veterans, extremely low-income households, and persons with disabilities. Convene and consult with community-based organizations serving special needs		
	population for annual or more frequent meetings to discuss and propose potential solutions regarding		
	community housing needs. Foster cooperation and coordination between City and said organizations		
	that provide services or information about services to any special needs and linguistically isolated		
	groupsCombine meetings with any existing programs to cooperate with community advocates.		
	Specific areas to be addressed will include providing information on potential sites and communicatinge		
	with the development community on the City's goal to provide quality housing affordable to lower_		
	income households. <u>Schedule of Action</u> : ongoing		
4.	Expand existing priority all project processing and expedited review for projects providing housing to all		
	targeted communities including special needs housing.		
	<u>Schedule of Action: O</u> engoing.		
5.	Strengthen City's relationship with the local fair housing provider (ECHO) and explore ways to expand		
	services and mutually pursue additional funding resources for that expansion. Schedule of Action:		
	ongoing.		
6.	Consider and develop financial and regulatory incentives to non-profit housing corporations, private		
	developers, and public agencies to increase affordable housing for identified groups. Incentives may		
	include:		
	 Reduced parking for studio and one-bedroom units with affordable multifamily projects (considered on a case-by-case basis), 		
	b. Waive covered parking requirements for affordable developments, opportunity for deferred or		
	reduced fees for affordable units (beyond inclusionary housing requirements), and		
	c. Development impact fee reductions for 100% affordable housing projects.		
	Schedule of Action: Oengoing.		
1			

8.1.4 Goal H-4: Removal of Governmental Constraints

Minimize the impact of potential governmental constraints on the maintenance, improvement, and development of housing.

Policies

- **H-4.1:** The City shall provide regulatory and/or financial incentives where appropriate to offset or reduce the costs of affordable housing development, including density bonuses and flexibility in site development standards.
- **H-4.2:** The City shall continue to facilitate the review of development applications, encourage pre-application meetings with planning and building staff, and streamline the overall planning application and building process for all residential development.
- H-4.<u>3</u>5: The City shall review and modify any development standards that pose a constraint to development.
- H-4.<u>46</u>: The City shall amend the City's Zoning Ordinance to comply with current State laws regarding emergency shelters, transitional and supportive housing, group care facilities, and other housing types.
- H-4.<u>5</u>7: The City shall reduce barriers to the development of emergency, transitional, and permanent supportive housing.

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-4: Removing Governmental Constraints		
H-4.A. Exemptions of Transit Priority Projects from Environmental Review The City shall implement the provisions of SB 375 by 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. <u>Schedule of Action:</u> As projects are proposed.	None required	Community Development Department
H-4.B. <u>Reduce Parking Requirements</u>		
The City shall complete the parking study currently underway and <u>use the findings as a basis to amend the</u> Zoning Ordinance to reduce minimum parking requirements for multifamily and mixed-use projects. The amendments will meet the requirements of AB 2097 (2022) and achieve further adjustments in other areas based on study results to ensure that parking requirements do not constrain a housing development including but not limited to development costs that arise from excessive parking requirements and from achieving the maximum allowed density.	No additional funding is necessary – this will be performed as part of City staff's regular work plan.	Community Development Department
 <u>Schedule of Action:</u> <u>Complete the parking study currently underway to support ordinance amendments by Fall of 2023.</u> <u>Adopt Zoning Ordinance amendments by Fall of 2024.</u> 		
H-4.C. Update Special Needs Zoning. the City's Zoning Ordinance and Policies Related to Emergency Shelters, Low-Barrier Navigation Centers, Transitional and Supportive Housing, Group Care Facilities, the Housing Accountability Act, and the Housing Crisis Act of 2019 to Comply with Current Laws + The City will review and update the Zoning Ordinance and related policies pertaining to emergency shelters, Low-Barrier Navigation Centers (LBNCs), transitional and supportive housing, and group care facilities to conform to State requirements, as established by AB 101 (2019), AB 139 (2019), and AB 2162 (2019), and AB 2339 (2022). Generally, this update would allow these land uses in the City's multi-family residential zones and/or mixed use or commercial zones, and with fewer conditions. Specifically, the Zoning Ordinance would be amended to modify parking requirements for emergency shelters to be limited to staff working at the facility, to allow LBNCs in mixed use zones and commercial zones which permit multi-family development, and to allow permanent supportive housing in all zones where multi-family development is permitted. Amendments to implement the Housing Accountability Act (HAA) would codify existing local practices that comply with state law. In addition, the City shall codify the related Housing Crisis Act (Senate Bill 330) process, which limits a jurisdiction's ability to reduce or delay the development of new housing. Consistent with Government Code section 65583 as amended by AB 2339, the City will amend the definition of "emergency shelters" to align with statutory definitions, identify zoning districts where residential and/or mixed uses are allowed to also allow emergency shelters as a permitted use without a conditional use permit or other discretionary permit, craft objective standards consistent with Government Code section 65583(a)(4) and related applicable state law, and continue to ensure adequacy of sites to accommodate the need for emergency shelters. Schedule of Action: End <u></u>	N/A	Community Development Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
H-4.D. Adopt SB 35 Streamlining Written Procedures		Community
The City shall adopt written procedures for the SB35 Streamlined Ministerial Approval process to provide	None required	Development
information in a manner readily accessible to the general public. Schedule of Action: End of FY 2023–24.		Department
H-4.E. Update Employee Housing the City's-Zoning Ordinance and Policies Related to Employee Housing to Comply with Current Laws The City will review and update the Zoning Ordinance and related policies pertaining to employee housing to conform to state requirements, as established by the California Employee Housing Act (HSC Section 1700). Generally, this update will adjust definitions and allowances of uses for -employee housing to be consistent with the law, including but not limited to HSC Section 17021.6, and allow employee housing for six or fewer persons, including farmworkers, to be treated as a regular residential use, subject to the same regulations as single-family dwellings. Schedule of Action: Fall of 2024.	N/A	Community Development Department
H-4.F. Update the City's Zoning Ordinance and Policies Related to the Accessory Dwelling Units OrdinanceZoning -to Comply with Current Laws The City will review and update the Zoning Ordinance and related policies pertaining to accessory dwelling units to conform to state requirements, as established by Government Code Section 65852.2. Generally, this update will modify any requirement that does not comply with state law, such as to allow both detached and internal conversion ADUs with multi-family development and reducing setbacks on corner-side yards. Additionally, the City shall continue to enforce superseding state law, rather than the Zoning Ordinance, when there is a difference between the two. Schedule of Action: Winter of 2024.	N/A	Community Development Department
 H-4.G. Amend the General Plan to Remove Policy 9.3, Related to the Growth Limitation Plan. The City will amend the General Plan to remove the inoperative residential growth limitation policy that has been invalidated by state lawSpecifically, the City will remove Policy 9.3, "Establish a housing cap consistent with the Regional Housing Needs Determination allocation assigned to the City of Walnut Creek and exempt affordable units and density units from the capReview the cap every 5 years for adequacy in meeting the City's regional housing needs allocation." Schedule of Action: End of FY 2024-25. Until the amendment of the General Plan, the City shall consider Policy 9.3 null and void, and shall continue to comply with state legislation. Schedule of Action: Ongoing, until General Plan amendment is complete. 	N/A	Community Development Department
H-4.H. Definition of "Family" The City shall amend the Zoning Ordinance to revise the definition of "Family." Currently, the definition of "Family" stipulates that a family shall be characterized by shared household expenses and shared responsibility of household work, among other thingsBoth of these requirements can pose a constraint for persons with disabilities who are unable to contribute to household work and expenses. Schedule of Action: End of FY 2024-2025	N/A	Community Development Department

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Program H-4.Cl. Planned Development Permits The City shall amend the Zoning Ordinance to remove the requirement for a separate Planned Development Permit (PDP) in the M-U and M-H-D zones for residential development, subject only to the Objective Design Standards design review process. As a part of carrying out such zoning amendment, the City will also evaluate and amend as necessary discretionary CUP, PDP and Design Review findings used for residential developments that do not otherwise qualify for streamlined or ministerial review to address potential impacts on housing supply, cost, approval certainty, timing and feasibility. Schedule of Action: Fall of 2025	No additional funding is necessary – this will be performed as part of City staff's regular work plan.	City Manager's Office & City Council, and Community Development Department
Program-H-4.J Measure A Outreach and Review As explained in Section 3.3.3.7 of the Housing Element, Measure A does not create a constraint to housing development because the height limit generally aligns with commercially and structurally feasible heights for multifamily projects. The height limits under Measure A fosters developments at heights ranging from 50 to 89 feet (54 to 93 feet with pitched roofs), while the single-family and "missing middle" density areas within the rest of the City have Measure A height limits ranging from 25 to 30 feet (29 to 34 feet with pitched roofs). Furthermore, these Measure A height limits have been exceeded through the use of waivers and concessions for density bonus projects. Although Measure A does not constitute or present a constraint on housing development, the City will conduct an education and public outreach and receive public comments on potential impacts of Measure A as a potential constraint on development and on the City's ability to provide new housing consistent with the new housing units identified heights limitations to be an additional constraint on housing production, and assuming available funding for election costs, staff will prepare for City Council consideration and action a ballot measure amending Measure A Height limits for properties that allow multifamily development under the General Plan to allow for additional residential units or pursue and implement other strategies as appropriate to address identified constraints See also Program H-2.U.	No additional funding is necessary – this will be performed as part of City staff's regular work plan.	<u>Community</u> <u>Development</u> <u>Department, City</u> <u>Manager's Office,</u> <u>City Council, and</u> <u>Public Information</u> <u>Office</u>
Program H-4.K. Building Envelope Analysis Conduct a building envelope analysis needs assessment to determine the maximum amount of residential development capacity on individual parcels citywide and understand the gap between existing and maximum capacity. Will include analysis of: Existing Building Heights Existing Building Footprints Existing Number of Residential Units 	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> <u>part of City staff's</u> <u>regular work plan.</u>	<u>City Manager's</u> <u>Office & City</u> <u>Council, and</u> <u>Community</u> <u>Development</u> <u>Department</u>

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Maximum Allowable Building Heights		
 Setback Standards 		
Maximum Lot Coverage		
Maximum Floor Area Ratio		
Allowable General Plan Land Use density range		
This includes reviewing development regulations in specific plan areas., If study results show that existing		
zoning standards are a constraint to achieving General Plan densities, the City will prepare and implement		
Zoning Ordinance amendments to address the identified constraints.		
Schedule of Action: Fall of 2026		

8.1.5 Goal H-5: Housing Preservation

To protect and conserve the existing housing stock where possible and appropriate.

Policies

- **H-5.1:** The City shall strive to conserve the existing housing stock, including existing rental housing that is affordable to lower- and moderate-income households.
- **H-5.2:** For structurally sound, historic housing units scheduled for demolition, the City shall encourage their relocation to compatible neighborhoods when appropriate land can be found.
- **H-5.<u>3</u>4**: The City shall continue to regulate the conversion of condominiums from rental units as required in Article 7 of the Walnut Creek Subdivision Ordinance, which pertains to condominium conversion.
- H-5.45: The City shall require new multifamily residential projects involving demolition of residential units less than 30 years old and that are affordable to lower- and/or moderateincome households to include an equivalent number of affordable housing units. (This policy applies to residential units affordable for one year prior to demolition, pursuant to the inclusionary ordinance.)
- **H-5.56**: If preservation is not possible, the City shall ensure that renters of 1) at-risk units opting out of low-income use restrictions and 2) homes acquired for public improvement projects, are properly noticed and informed of resources available to them for assistance.
- H-5.67: The City shall work with property owners of existing assisted housing developments for lower-income households to determine methods to extend affordability and preserve affordable units.
- H-5.<u>7</u>8: The City shall work with nonprofit organizations that may acquire at-risk projects to extend affordability of existing assisted housing developments for lower-income households.
- H-5.89: Pursuant to Government Code, Section 65915, the City shall provide replacement housing for any non-vacant residential units that are currently occupied or have been occupied in the prior 5 years by, or subject to, an affordability requirement for, lowerincome households.

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-5: Housing Preservation		
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. <u>Schedule of Action</u> : Fund annually.	CDBG and Housing Successor	Community Development Department <u>and</u> , Contra Costa
In addition, program information will continue to be provided on the City website and at public counters, as well as the City's Code Enforcement Department. <u>Schedule of Action</u> : Ongoing with an annual update.		County
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, such as ECHO Housing and Senior Legal Services. <u>Schedule of Action</u> : Annually.	CDBG	Community Development Department
 H-5.C. Code Enforcement The City shall continue to collaborate with ECHO Housing and host a minimum of one (1) annual workshop to educate Walnut Creek residents on safe housing conditions and equip them with the necessary tools to report such conditions to code enforcement officials. Schedule of Action: Annually by December 31. Additionally, the City will continue funding ECHO Housing and referring renters for repairs and habitability issues. Schedule of Action: Fund annually and refer renterstenants as needed. Finally, the City shall provide information on the City's website with an annual update and publish informational materials on the City's social media accounts. Schedule of Action: Publish on website by the end of FY 2023–24 and update annually. Publish on social media accounts annually by December 31. 	None required	Community Development Department, Building Division
 H-5.D. Continue the Preservation and Monitoring of Existing and Future Affordable Units The City shall continue to monitor and preserve the affordability of all publicly assisted housing units on an ongoing basis (timing is dependent on property owners and development community) and: Developer Outreach: Outreach to developers with expiring deeds to consider options to extend affordability. Schedule of Action: Ongoing, as appropriate; Funding Applications: Support applications by nonprofits for funding to purchase at-risk units. Schedule of Action: Ongoing; Nonprofit Outreach: Find local nonprofits and reach out to strengthen relationships and develop a plan or strategy for quickly moving forward in the case units are noticed to convert to market-rate uses in the planning period. Schedule of Action: December 2023; Funding: Consider pursuing funding on at least an annual basis. Schedule of Action: Annually by December 31; Preservation Strategy: Contact nonprofits to develop a preservation strategy and be ready to quickly act when notice of conversion is received. Schedule of Action: End of FY 2023–24; and 	None required	Community Development Department

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-5: Housing Preservation		
 Monitoring: Monitor the units to ensure renters receive proper notifications, education, and support. <u>Schedule of Action</u>: Annually by December 31. 		
 H-5.E. Replacement Housing The Sites Inventory includes 36 non-vacant and underutilized sites with existing residential uses totaling 166 units: Site 121, located at 1148–1152 Alpine Road and 1204 Alpine Road contains 61 of these existing units and has capacity for a total of 98 units. The other 35 sites contain between one and 15 units and have a capacity for a total of between two and 238 units. The capacity of these sites is generally double or more the current number of units, providing an opportunity for the financial return needed to cover the cost of replacement housing. For instance: Eight of the sites with existing residential uses are proposed or in-process developments, replacing 16 existing units with 77 total new units (61 net new units). To ensure that any demolished units are replaced, the City will review all available information for the property, reach out to existing renters to determine their income levels, calculate the number of units with lower-income households, and determine if the proposed units are sufficient for replacement. The City will coordinate with developers to ensure the appropriate numbers of affordable units are built to replace existing units with lower-income households, pursuant to California Government Code, Section 65915, Schedule of Action: As projects are proposed (timing dependent on development community).	None required	Community Development Department
H-5.F. Housing Rehabilitation. Participate in the Contra Costa County Neighborhood Preservation Program (NPP) housing rehabilitation program and publicize the availability of the County's low-interest loan programs for lower income seniors and other households.	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> part of City staff's	<u>Community</u> <u>Development</u> <u>Department and</u> <u>4City Manager's</u>
<u>Coordinate with County staff to confirm program requirements and eligibility annually. Advertise the program on the City's website and in its newsletter, and distribute information on the program in areas of concentrated need. Schedule of Action: ongoing</u>	regular work plan.	Office

8.1.6 Goal H-6: Fair Housing

To ensure equal housing opportunities for all Walnut Creek residents regardless <u>of</u> race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, disability, or source of income.

Policies

- **H-6.1:** The City shall promote fair housing opportunities for all people regardless of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, disability, or source of income.
- **H-6.2:** The City shall assist in the enforcement of fair housing laws by funding organizations that provide fair housing services, including the investigation of fair housing allegations and monitoring the compliance with fair housing laws₁; and by providing information and referrals to the public.
- **H-6.3:** The City shall collaborate with community advocates to share information on the status of displacement risk in the community and work together to mitigate displacement in Walnut Creek.
- **H-6.4:** The City shall increase access to fair housing services to residents of all cultural and economic backgrounds.
- **H-6.5:** The City shall increase housing opportunity and mobility outside of the Core Area.

Fair housing programs are presented below, and also described in Appendix B, Table B-24, which is incorporated by reference into this Housing Plan. —Table B-24 presents a comprehensive assessment of programs in the context of the fair housing factors they are designed to address. -It draws from programs in multiple goal areas.

Implementation Program/Schedule of Action **Potential Funding Responsible Party** Goal H-6: Fair Housing H-6.A. Funding to Support Fair Housing The City shall continue to allocate funds to support local nonprofit organizations for fair housing counseling Community CDBG and CSG and education and outreach efforts and shall provide information on fair housing services at City Hall, the Development funds library, City website, and other community facilities on an ongoing basis with an annual update. Schedule Department of Actions: Ongoing information with an annual update by December 31-every year. Community H-6.B. Analysis of Impediments to Fair Housing Development The City shall continue to implement the actions included in the Contra Costa Consortium's Analysis of CDBG, Affordable Department, City Impediments to Fair Housing Choice (AI). The 2020 AI identified a lack of funding for fair housing Housing funds, Manager's Office, organizations in the County for Walnut Creek residents and therefore, further implementing the goals of the among others and Public Al. Schedule of Action: End of FY 2023-24. Information Officer H-6.C. Collaboration with Community-Based Organizations Compile a list of local organizations and reach out to inquire about possible collaborations for housing programs. The City will hold a meeting with all local organizations once per year to provide information on existing affordable housing legislation, and existing programs and resources and obtain input from Community organizations on needs and potential opportunities to create additional affordable housing units. Schedule None required Development of Action: Compile list within six (6) months of Housing Element certification by HCD and meet annually, Department beginning in FY 2023-24. This will help the City cooperate with community-based organizations that provide services or information about services to any special needs groups. H-6.D. Displacement Prevention As stated in the AFFH section of this Housing Element, Census data indicates that there are no census tracts in the City identified as susceptible to displacement. The City's primary effort in displacement prevention is facilitating the development of affordable housing in the community, as referenced in the AFFH section of this HEU. This Housing Plan contains twenty (20) programs to encourage and facilitate the development of affordable housing. Affordable housing development will reduce the risk of resident displacement due to an inability to afford their home. Community None required Development Displacement prevention activities will also include connecting residents to resources to minimize the Department displacement of households with lower-incomes and special needs whenever possible and where necessary to ensure that relocation is conducted in an equitable manner. The City will perovide information on its website to help connect households in need to anti-displacement organizations in the Bay Area, such as SPUR and United Front Against Displacement. In addition, the City will promote the use of Housing Choice Vouchers-in the city by expanding outreach and education to landlords about the state's new source of income protection laws that went into effect in 2020 (SB 329 and SB 222)

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-6: Fair Housing	,	
Schedule of Action: By the end of 2023, include source of income protection and anti-displacement		
information on the <u>Ce</u> ity's website.		
H-6.E. Legal Assistance for Renters		
The City will continue to contract with ECHO Housing and provide information on housing services provided by ECHO Housing and other nonprofits, such as Centro Legal and Senior Legal ServicesInformation will be provided on the City's website, social media outlets, and to community organizations that work with different populations through targeted emailsSchedule of Action: Ongoing with an annual review.	CDBG	Community Development Department
Additionally, the City shall meet with ECHO Housing to discuss funding need for fair housing services. <u>Schedule of Action:</u> End of FY 2023–24.		
H-6.FFair Housing-Enforcement-, Information and Education-		
Provide information and education to residents in the City's website <u>and through social media</u> . The City shall continue to provide links to ECHO Housing (a nonprofit the City currently contracts with) to provide Walnut Creek residents with information regarding fair housing law, tenant and landlord rights (including information on mediation services); Appendix B, Affirmatively Furthering Fair Housing Analysis, of this Housing Element; and information and resources for the reporting suspected violations and obtaining remedies on the City's website <u>.</u> Schedule of Action: Within six (6) months of Housing Element certification by HCD.	CDBG	Community Development Department
H-6.C. Codify Senate Bill 9. The City shall adopt a permanent ordinance to codify Senate Bill 9 (SB 9) with allowances that go beyond state law. SB 9 facilitates the creation of up to four housing units in the lot area typically used for one single- family home. Additional allowances may include: allowing larger square foot SB 9 dwelling units, -and permitting homeowners to develop both an ADU and JADU in SB9 lot splits beyond the current requirements of state law, provided that a deed restriction for affordability provisions is recorded for 55 years Further, the City will add geographic targeting to the ADU and SB-9 programs, to increase education, marketing, incentives for specific areas of the City that are RCAAs and have larger lots. <u>As stated in Program H-6.H, the</u> <u>City will include a Fair Housing Fact Sheet as a part of SB 9 and ADU application packages. Schedule of</u> <u>Action</u> : Fall of 2023 and ongoing.	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> part of City staff's <u>regular work plan.</u>	<u>Community</u> <u>Development</u> <u>Department</u>
 H-6.H. Missing-Middle Housing and Housing Mobility Education The City will generate virtual and printed materials to educate property owners in single-family residential areas of the City on the benefits of Accessory Dwelling Units, and SB 9 subdivisions,The City will also generate educational materials to landlords regarding SB 329 (2019). SB 329 classifies voucher income as a "source of income" under the California Fair Employment and Housing Act, which prohibits housing discrimination based on sources of income. Schedule of Action: December Fall of 2023. Following the creation of educational content and materials, the City will post information on its Housing Programs webpage. Additionally, the City will utilize alternative methods, such as the City's quarterly printed newsletter, that is distributed to all households, to further publicize the information. Schedule of Action: June Spring of 2024. 	No additional funding is necessary – this will be performed as part of City staff's regular work plan	Community Development Department, City Manager's Office, and Public Information Officer

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-6: Fair Housing		
In addition to publishing such materials, the City shall utilize its public information campaign to educate and engage single-family property owners-and educate them on the opportunities available for housing developmentAs a part of this campaign, the City shall utilize the presentations proposed in Program H-2.E to spread awareness and present this information to a minimum of one community group meeting per year. Schedule of Action: Annually by December 31.		
access to a public elementary school (Bancroft) and a public high school in the City of Concord that serves a portion of Walnut Creek (Ygnacio Valley)Additionally, the City has a Bicycle Plan to guide the development of bicycle facilities citywide, and the City has two new facilities in the Core Area that are currently in design (a new Class II bike lane on Trinity Avenue, and a new Class IV separated bikeway on N	No additional funding is necessary – this will be performed as part of City staff's regular work plan	Community Development Department, Public Works Department / Transportation and Engineering Services
 H-6.J. Housing Mobility In addition to the available sites that the City has identified to satisfy the RHNA units as discussed in Chapter 7, the City will implement a suite of actions to improve housing mobility and affordability within single-family zones and in concentrated areas of affluence through some or all of the following actions: Create overlay zones in portions of R-8 through the R-12 zones, reduce minimum lot areas from between 8,000 to 12,000 sq. ft. to 7,260 sq. ft. and in R-15, through R-40 zones from between 15, 000 and 40,000 sq. ft. to 14, 250 sq. ft to contribute to meeting at least 50 units of the 200-unit goal in single-family zones. Schedule of Action: December -Fall-of 2025 Create overlay zones in portions of R-8 through R-12 zones that allow duplex, tri-plex or four plex developments as permitted uses to diversify housing types in single-family zones and contribute to meeting at least 50 units of the 200-unit goal in single-family zones. Schedule of Action: December Fall of 2025 	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> <u>part of City staff's</u> <u>regular work plan.</u>	<u>City Manager's</u> <u>Office & City</u> <u>Council, and</u> <u>Community</u> <u>Development</u> <u>Department</u>

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-6: Fair Housing		
 2.3. Amend the General Plan and related zoning to modify minimum allowable lot size for residential units within some areas currently designated as R-8 to R-12. Schedule of Action: Fall of 2025 3.4. Amend the Zoning Ordinance to allow additional affordable housing units in some existing P-D zones, without a separate need for a P-D rezoning, if the new development complies with the General Plan density. Schedule of Action: December Fall of 2025 5. Amend the Zoning Ordinance to allow duplexes/triplexes/fourplexes on larger lots in single-family zones which currently contain non-residential uses (i.e. churches, etc.), at density consistent with the General Plan. Ensure that appropriate development standards are in place to facilitate maximum densities and transitions in scale including but not limited to: lot size requirements, setbacks, FAR and unit size requirements. The action would affect approximately 30-40 lots and would contribute to the 200-unit goal in single-family zones. Schedule of Action: December Fall-of 2025 4.6. Evaluate and consider an amendment to the Zoning Code to increase heights in multi-family residential districts (outside of North Downtown Specific Plan and West Downtown Specific Plan areas) to the maximum height authorized under Measure A to increase density. Schedule of Action: December Fall of 2027 5.7. Identify potential sites outside of the downtown Core Area that meet the statutory requirements for transitrich areas and urban infill sites requirements for considering ation pursuant to SB-10 in order to facilitate development applications in these areas. Schedule of Action: December of 2028. 		
<u>H-6.K Mid-Cycle Review.</u> Conduct a mid-cycle review program -to examine progress of housing unit production for lower, moderate, above-moderate income and special needs housing, and evaluate status, schedule and timing of accomplishing some or all of the actions stated above. <u>If unit production is not</u> achieving anticipated progress identified in program goals, programs are ineffective or constraints are identified, the City shall take action to develop alternative strategies, including amending development standards and initiating a rezoning program to identify additional sites as necessary to achieve the anticipated progress. Schedule of Action: Conduct review by December 2027. Adopt alternative strategies as needed by December 2028.	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> <u>part of City staff's</u> <u>regular work plan.</u>	<u>City Manager's</u> <u>Office and</u> <u>Community</u> <u>Development</u> <u>Department</u>
H-6.L Metrics and Goals. Work collaboratively with a mix of residents, business owners, and local non-profits to create data-centered evaluation metrics and establish ongoing City goals and actions. Seek participation from diverse participants representative of the regional population. Schedule of Action: meet with ECHO housing by end of FY 23-2024	<u>No additional</u> <u>funding is</u> <u>necessary – this will</u> <u>be performed as</u> <u>part of City staff's</u> <u>regular work plan.</u>	<u>Community</u> <u>Development</u> <u>Department</u>
Program-H-6.M. Capital Improvement Program	Projects are included in the	Public Works Department fand

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-6: Fair Housing		
1. Multi-Modal Mobility. Through CIP projects, improve multi-modal mobility to increase access from lower	<u>Capital</u>	<u>Community</u>
income housing opportunity sites, higher poverty level block groups, higher renter overpayment areas, and	Improvement	Development
higher disabled population areas to jobs, education and amenities. Implements strategies from the City's	Program, many of	<u>Department</u>
Rethinking Mobility initiative. Projects include:	which are eligible	
	for State and	
 Locust Street Streetscape reconstruction to improve ADA accessibility and provide enhancements 	federal grant	
to address increased intensity of downtown development.	funding, along with	
 Pedestrian improvements at non-signalized intersections. 	<u>local match</u>	
 Parkside Dr. Sidewalk Gap Closure to improve connectivity between the residential areas to the 		
west and the Walnut Creek BART station. Shadelands Multimodal Improvements to support recent		
rezoning for livable communities.		
 Lincoln Ave Ped-Bike Path to provide safe access from the Iron Horse Trail to the Library and into the 		
traditional downtown.		
 School Area Active Transportation and Traffic Calming. 		
 Citywide Bicycle Amenities and projects. 		
 Walnut Boulevard Sidewalk at Walnut Heights Elementary. 		
 Olympic Corridor Trail Connector Study and Improvements to connect the Iron Horse Trail to the 		
Lafayette/Moraga Trail.		
 Ygnacio Valley Road Safe and Smart Corridor Study. 		
 Pursue "complete street" CIP projects for Oakland Boulevard and Mt. Diablo Corridor. transportation 		
improvements per West Downtown Specific Plan.		
2. Parks and Recreation. Implement the 2025 Parks Vision Plan to help meet the recreational needs		
generated by new - residential development.		
Continue to maintain the City's 22 parks and 5 designated open space areas		
 Complete the design process for replacement of the Heather Farm (Clarke) Swim Center 		
 Complete the design process to replacement of the field the ratin (Clarke) swith Center Complete Arbolado Park Improvements Planning & Outreach 		
Provide All-Weather Sports Fields at HFP Provide Tice Sports Field Lighting and sand valleyball courts to support youth sport loggues		
Provide Tice Sports Field Lighting and sand volleyball courts to support youth sport leagues-		
Improve Old Oak Park		
 Complete various park and open space facility projects. 		
Schedule of Action: Ongoing. Project dates are determined through the CIP Program.		

8.1.7 Goal H-7: Energy Conservation and Sustainable Development

To encourage energy conservation and green building policies and practices in residential development.

Policies

- **H-7.1:** The City shall encourage the incorporation of energy conservation design features in existing and future residential development.
- **H-7.2:** The City shall continue to promote sustainable housing practices that incorporate a "whole system" approach to siting, designing and constructing housing that is integrated into the building site, consume less energy, water, and other resources, and are healthier, safer, more comfortable, and durable.
- H-7.<u>3</u>4: The City shall continue to implement climate policies to reduce pollutants and greenhouse emissions, prepare for a climate resilient future, and further environmental justice in Walnut Creek.

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party	
Goal H-7: Energy Conservation, Sustainable Development, <u>a</u> And Environmental Mitigation			
H-7.A. Residential Energy Conservation Program The City shall implement the Climate Action Plan to reduce energy consumption in residential buildings <u>.</u> <u>Schedule of Action:</u> Ongoing.	None required	Community Development Department <u>and</u> , Public Works	
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). The City shall provide four (4) loans per year subject to funding availability. Schedule of Action: Annually by December 31.	BayREN and available grants	Community Development Department <u>and</u> , Contra Costa County	
H-7.C. Energy Upgrade California The City shall continue to support regional efforts to implement the Energy Upgrade California Program, which offers incentives for single-family homeowners to retrofit homes for energy efficiency. To support, the City shall publish information on the City's social media platforms, the City's newsletter, and through targeted emails once a year. Schedule of Action: Annually by December 31.	None required	Community Development Department, Public Works, Economic Development, City Manager's Office & City Council	
 H-7.D. Energy Efficiency and Conservation The City shall continue and expand existing partnerships with the East Bay Municipal Utility District (EBMUD), PG&E, the Bay Area Regional Energy Network (BayREN), and the Contra Costa Water District (CCWD) to educate residents and business owners about resources and opportunities for increased energy efficiencies. Through this partnership, the City shall identify incentives for developers who design energy-efficient homes and improve the energy efficiency of new construction. Schedule of Action: Within one (1) year of Housing Element certification by HCD. After identifying incentives, the City shall publish the information on the menu of incentives proposed in Program H-1.DH of this Housing Element. Schedule of Action: Ongoing information with an annual update 	None required	Community Development Department <u>and</u> , Public Works	
Furthermore, the City will track available grant funding to further promote and create more initiatives that promote energy-efficient behaviors and programs, water saving programs, and greenhouse gas (GHG) reducing programs. The City shall research available grants on an annual basis and apply to a minimum of one (1) grant per year, if available. Schedule of Action: Annually by December 31.		PUDIIC WORKS	
 H-7.E. Reduce Exposure to Environmental Pollution The City continues to implement climate planning initiatives to mitigate climate impacts, reduce pollutants and greenhouse gas emissions (GHG), and prepare for a climate resilient future by completing the following: The City formed the Enjoy Cleaner Options (ECO) program to preserve a high quality of life through environmental protection and climate change mitigation. The ECO Department provides programs that incentivize residents to take rebates and credits for using sustainable energy options, climate 	General Fund	Community Development Department	

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-7: Energy Conservation, Sustainable Development, <u>a</u> And Environmental Mitigation		
action, energy innovation, air and water protection, transportation aimed at reducing carbon		
emissions, environmentally better green building practices, and reducing overall waste.		
• The City adopted its first Climate Action Plan (CAP) in 2012 and has been actively working to reduce its		
greenhouse gas (GHG) emissions that cause climate change by at least 15% below 2005 levels by 2020.		
The City partnered with Marin Clean Energy (MCE) as a community-based electricity provider to		
provide increased access to affordable and 100% renewable electricity to residents and reduce greenhouse gas (GHG) emissionsIn addition, all City-owned facilities now use 100% renewable		
energy.		
 The City continues to implement measures identified in the Contra Costa County Local Hazard Mitigation Plan adopted in 2018. 		
In addition, the City shall adopt a Sustainability Action Plan (SAP) based on the current CAPThe SAP shall continue citywide efforts to GHG emissions to address climate change in the short-term, through the year		
2030, and in the long-term, through the year 2050. <u>Schedule of Actions</u> : Fall 2023.		

8.1.8 Goal H-8: Administration and Implementation

To ensure that Housing Element programs are implemented on a timely basis and progress of each program is monitored and evaluated annually.

Policies

• **H-8.1:** The City shall review and hold a public meeting annually to report on the City's progress to implement the Housing Element.

2023–2031 Housing Element

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Implementation Program/Schedule of Action	Potential Funding	Funding/Responsible	
Goal H-8: Administration aAnd Implementation			
H-8.A. Housing Element 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 hearing before submitting the annual report to the California Department of Housing and Community Development (HCD) and the Office of Planning and Research (OPR). Schedule of Actions: Annually by April 1.	None required	Community Development Department	

8.2 Quantified Objectives

California Government Code, Section 65583(b)(2), requires jurisdictions to identify the maximum number of housing units by income category (including extremely low-income) that can be constructed, rehabilitated, and preserved over a 5-year time period. The City has two sets of numerical housing goals:

- Walnut Creek's portion of the Association of Bay Area Governments Regional Housing Needs Assessment goals
- Quantified objectives for affordable housing production

State law recognizes that housing needs may (and do) exceed available resources and, therefore, does not require that the City's quantified objectives be identical to the identified housing needs (or RHNA). More specifically, the California Government Code, Section 65583(b)(2), states the following:

It is recognized that the total housing needs . . . may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements...Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low-income that can be constructed, rehabilitated, and conserved.

The acknowledgment of the funding limitations is extremely important—cities and counties are required to prepare Housing Elements every 8 years to identify needs and actions to provide for housing at all income levels and for all populations despite a severe shortage in local, State, and federal funding that makes many of the actions needed and planned financially infeasible. It is important to recognize that State law requires cities to plan for housing, but almost all housing is developed by the private sector.

Although cities must establish quantified objectives for the actual creation of affordable housing opportunities and provision of other housing assistance (based on realistic assumptions), these objectives need not be identical to the total housing needs (i.e., RHNA). The quantified objectives, or number of affordable units that will realistically be created, as shown in Table 8-1. Summary of Quantified Objectives for City Housing Programs (2023–2031), provide a projection for the entire 8-year 6th Cycle Housing Element period.

Program/Activity/Action	Extremely Low	Very-Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	1,735		1,136	1,504	3,790	8,165
New Construction	0	17	128	21	1,340	1,506
Rehabilitation	0	0	40	32	0	72
Preservation (At Risk Housing)	90	0	33	79	0	202
Rental Assistance (Section 8)	40	10	0	0	0	50
Homeowner Assistance	0	0	0	16	0	16
TOTAL	1:	57	201	148	1,340	1,774

Table 8-1. Summary of Quantified Objectives for City Housing Programs (2023–2031)

2023–2031 Housing Element

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