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City Council
DAVID T. SHUEY, MAYOR
HOWARD GELLER, VICE MAYOR
JOSEPH A. MEDRANO
JULIE K. PIERCE
HANK STRATFORD

March 23, 2011

HOUSING POLICY
DEVELOPMENT, HCD
MAR 25 2011

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

✓ HCD - Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

Re: Housing Element Annual Progress Report (APR) 2010 – City of Clayton

To Whom It May Concern:

In accordance with Government Code Section 65400, please receive the attached City of Clayton Housing Element Annual Progress Report (APR) for the year 2010. This report was submitted to and reviewed by the City of Clayton City Council at its meeting of March 15, 2010. After reviewing this APR, the City Council accepted this report for filing to both the Governor's Office of Planning and Research and HCD – Division of Housing Policy Development (see Attached City Clerk Certification).

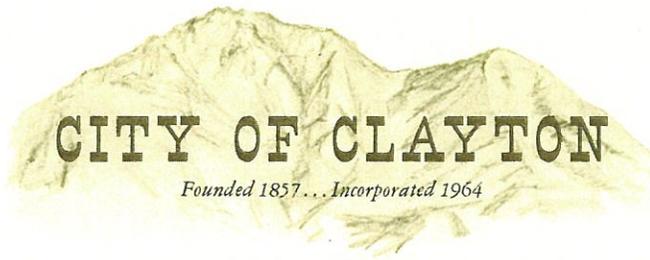
Should you have any questions regarding this report, please do not hesitate to contact me.

Sincerely,

David Woltering, AICP
Community Development Director
City of Clayton

Attachments:

1. City Clerk Certification
2. Housing Element Annual Progress Report (APR) 2010

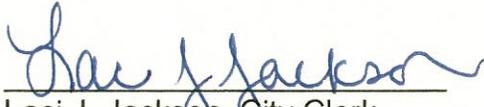


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I hereby certify that by minute action on March 15, 2011 the City Council of the City of Clayton accepted the Housing Element Annual Progress Report (APR) to be filed with the State of California Housing and Community Development (HCD) on City Housing Element progress.



Laci J. Jackson, City Clerk

**Department of Housing and
Community Development**

ANNUAL HOUSING ELEMENT PROGRESS REPORT

City or County Name: City of Clayton

Mailing Address: 6000 Heritage Trail, Clayton, CA 94517

Contact Person: David Woltering, AICP Title: Community Development Director

Phone: 925-673-7343 FAX: 925-672-4917 E-mail: dwoltering@ci.clayton.ca.us

Reporting Period by Calendar Year: from 1/1/2010 to 12/31/2010

These forms and tables, (see sample - next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year for the prior calendar year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

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

Jurisdiction City of Clayton
Reporting Period 1/1/2010 - 12/31/2010

**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant
to GC Section 65583.1(c)(1)**

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

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				3	The City of Clayton Redevelopment Agency purchased three at risk moderate-income single-family residential units and then resold them to three low-income category households with 45-year deed restrictions.
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	0	3	

* Note: This field is voluntary

**Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate						0	
No. of Units Permitted for Above Moderate	1					1	1

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Clayton
Reporting Period 1/1/2010 - 12/31/2010

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Income Level	RHNA Allocation by Income Level	2007 - 2010									Total Units to Date (all years)	Total Remaining RHNA by Income Level		
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9				
Very Low	Deed Restricted Non-deed restricted	0	0	0	0	0	0	0	0	0	0	0	49	
Low	Deed Restricted Non-deed restricted	0	0	0	0	0	0	0	0	0	0	0	35	
Moderate	Deed Restricted Non-deed restricted	0	0	0	0	0	0	0	0	0	0	1	32	
Above Moderate		9	11	0	1	1	0	0	0	0	0	21	13	
Total RHNA by COG, Enter allocation number:		10									11	1	22	129
Total Units		9									11	1	22	129
Remaining Need for RHNA Period		▲									▲	▲	▲	▲

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

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

Jurisdiction City of Clayton
Reporting Period 1/1/2010 - 12/31/2010

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
		Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Manufactured Housing		Allow manufactured housing in residential zones.	Dec. 2009	Completed w/ adoption of Ord. 425 in Dec. 2009
Density Bonus		Allow Density Bonuses in accordance with State law.	Dec. 2009	Completed w/ adoption of Ord. 426 in Dec. 2009
Affordable Housing Shortfall Accommodation		Rezone properties to facilitate addressing afford. Shortfall	Mar. 2011	In process - Consultant hired in Feb. 2011 (See Attached)
Affordable Housing Plan		Require affordable units as part of new res. dev. projects	Ongoing	Guidelines established
RDA shall use LMI funds to subsidize the construction of affordable housing units		Facilitate the development of affordable housing	Ongoing	City/Agency staff has met/is scheduled to meet with interested non-profit builders who might undertake these projects
Use RDA funds to encourage the development of second units		Facilitate the development of affordable housing	Dec. 2012	Not yet initiated
Encourage mixed-use projects in the Town Center Specific Plan area		Facilitate the development of affordable housing	Ongoing	Creekside Terrace Mixed-use Project (7 res. Units and 7,200 sq. ft.) approved on July 6, 2010
Emergency Shelter		Facilitate emergency shelters(s) to serve City residents	Mar. 2011	In process - Consultant hired in Feb. 2011 (See Attached)
Transitional and Supportive Housing		Update Zoning Ord. to allow both types in all res. districts	Mar. 2011	In process - Consultant hired in Feb. 2011 (See Attached)
Single-room Occupancy Units		Update Zoning Ord. to allow w/ Conditional Use Permit SROs	Mar. 2011	In process - Consultant hired in Feb. 2011 (See Attached)
Encourage Multi-family development in Multi-family Zoned Districts		Update Zoning Ord. to require a CUP for SF in a MF Zone	Dec. 2011	In process - Consultant hired in Feb. 2011 (See Attached)
Remove Number of Persons per Household Limit		Remove possible barrier to affordable housing	Oct. 2010	In process - Consultant hired in Feb. 2011 (See Attached)
Preserve Affordable Units "At Risk"		Retain Affordable Housing	Annual	RDA purchased and resold three SF units in 2010, protecting and extending for 45 years low-income afford. covenants
Regional Planning		Facilitate the development of affordable housing	Ongoing	Ongoing Councilmembers, Appointed Officials, Staff participation with agencies including MTC, ABAG, AND CCTA, re. housing

ANNUAL ELEMENT PROGRESS REPORT *Housing Element Implementation*

(CCR Title 25 §6202)

Jurisdiction	City of Clayton
Reporting Period	1/1/2010 - 12/31/2010

General Comments:

The City of Clayton has made a substantial commitment toward implementing its 2009-2014 Housing Element by contracting with the professional planning and consulting firm of Raney Planning & Management to provide specific services over the next 12-18 months to implement a broad-range of programs and measures listed in the City's Housing Element Goals and Policies section. These services are referred to in Table C above and described in more detail in the firm's proposal, dated February 9, 2011, which was accepted by the City (see Attached). Raney Planning & Management is now under contract with the City to do this work. This work will be directed by the Clayton Community Development Director and will require a substantial commitment of his time. The Clayton Community Development Department has only the full time Director and a part time Assistant Planner. Accordingly, it is evident from the Raney scope of work that this effort will constitute a substantial commitment to facilitate affordable housing within the City of Clayton. While this scope of work will be the focus of the City's effort in the area of affordable housing over the next 12-18 months, the City will continue to support the Diamond Terrace Development during the period in accordance with the terms of the related agreement in the amount of \$200,000.00 annually as Redevelopment Agency funds are available as well as continue its ongoing effort to satisfy other ongoing program requirements in the City's Housing Element. It should be noted that there are limiting factors with respect to staff resources and the availability of funding, particularly with the possible loss of Redevelopment Agency funding.



WWW.RANEYMANAGEMENT.COM

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SOUTHERN CALIFORNIA

2280 MARKET STREET, SUITE 220
RIVERSIDE, CA 92501
TEL: 951.328.0300 • FAX: 951.328.0401

February 9, 2011

Mr. David Woltering
Community Development Director
City of Clayton
6000 Heritage Trail
Clayton, CA 94517

Re: Housing Element Implementation Scope of Work

Dear Mr. Woltering:

On behalf of Raney Planning & Management, Inc. (Raney), I am pleased to submit the following proposal for various implementation measures outlined in the City of Clayton 2009-2014 Housing Element.

Project Understanding

The implementation of the Housing Element includes three components: an amendment to the General Plan, several amendments to the Zoning Ordinance, and a Rezone to High Density Residential in order to accommodate 50 additional units. These various implementation actions will be grouped into two segments and are detailed below.

- I. Creation of a High Density designation, Zoning Ordinance Amendments clarifying definitions and permitted uses, and creating the Kirker Corridor Overlay Zone.
 - A. General Plan Amendment to create a Multi-Family High Density designation allowing 15.1-20 dwelling units per acre.
 - B. Zoning Ordinance Amendment to create a Multi-Family Residential High (M-R-H) designation allowing up to 20 dwelling units per acre.
 - C. Zoning Ordinance Amendment to allow emergency shelter by right in a zoning designation (to be determined).
 - D. Zoning Ordinance Amendment to add separate definitions for supporting and transitional housing and allowing supportive and transitional housing as a permitted use subject to the residential standards of the zoning district.
 - E. Zoning Ordinance Amendment to allow SRO's in the Limited Commercial zone subject to a Conditional Use Permit.
 - F. Zoning Ordinance Amendment to only allow single family homes in the Multi-Family residential zoning districts with a Conditional Use Permit.
 - G. Zoning Ordinance Amendment to remove the number of persons per household limit.

- H. Zoning Ordinance Amendment to create an overlay zone for the 5 acres identified as Kirker Corridor to allow SRO's with specific development standards.
 - I. Zoning Ordinance Amendment to create an overlay zone for the 5 acres identified as Kirker Corridor to allow emergency shelters with specific development standards.
- II. Rezone(s) to accommodate an additional 50 residential units.
- A. Rezone a site to M-R-H in order to accommodate an additional 50 residential units. This involves revisiting opportunity sites, but could likely include rezoning 3.5 acres of the Easley Ranch.

Approach

The following outlines Raney's proposed approach to each of the three components of the implementation of the Housing Element.

- 1. Creation of High Density Residential Designations, Zoning Ordinance Text Amendments, and Kirker Corridor Overlay Zone
 Raney will prepare the General Plan Text Amendment and Zoning Ordinance Text Amendment which provides the necessary language to create the High Density Residential designation. The City currently has a Residential Medium Density General Plan designation which allows up to 15 units per acre. The proposed designation will be Residential High Density which will allow up to 20 units per acre in accordance with requirements of HCD. The City currently does not have a Multi-Family designation in the Zoning Ordinance. Raney will create a Multi-Family High designation and all the associated development standards that need to be included. In addition, Raney will prepare the language for the Zoning Ordinance Amendments clarifying definitions and permitted uses as described above, as well as the Kirker Corridor Overlay Zone and the associated development standards for SROs and emergency shelters.

Raney will review the approved Housing Element, existing General Plan, and existing Zoning Ordinance in order to identify the best approach to implementation of the Housing Element policies. Raney will research other cities' approaches to similar issues to identify options for the City of Clayton. Raney will coordinate with staff on the approach and prepare the appropriate text for the General Plan and Zoning Ordinance to implement the policies.

Raney will prepare an Initial Environmental Study (see tasks below) to address the amendments prior to the public hearings. In addition, Raney will prepare the staff reports for use by City staff in holding the hearings for Planning Commission and City Council. Based on discussions with staff, Raney assumes that staff will present the amendments and attendance at public hearings will not be necessary. However, should staff determine that attendance would be helpful, Raney will be available to attend and charge on a time and materials basis.

Products:

- Review of the project information.
- Coordination with Staff.

- General Plan and Zoning Ordinance Text.
- Staff Reports to Planning Commission and City Council.

Preparation of the Initial Environmental Study

Raney will prepare the Initial Environmental Study (IES) for the proposed General Plan and Zoning Ordinance Amendments. Raney assumes that the amendments will be at a policy level that will not have direct physical impacts of the environment. The IES will note that any future projects consistent with the amended General Plan and Zoning Ordinance will require separate environmental review.

The preparation of the IES will include the following tasks:

- Prepare an administrative draft version of the IES for review by City of Clayton staff.
- Revise the Administrative Draft IES, based on comments provided by staff.
- Prepare a Mitigation Monitoring Program (MMP).
- Provide a written response to any comments received during the public review period of the IES.

Products:

- One electronic copy of the Administrative Draft IES to the City of Clayton.
- Twenty copies of the final version of the IES and one electronic file in PDF format to the City of Clayton.
- Delivery of Notice of Completion and fifteen copies of the IES to the State Clearinghouse.
- One electronic copy of the Administrative Draft MMP to the City of Clayton.
- One copy of the MMP and one electronic file in PDF format to the City of Clayton.
- Preparation of the Notice of Intent to Adopt a Negative Declaration.
- Responses to comments received from public review of the Initial Study, if any.
- Errata sheet detailing any changes to the Initial Study text based on the public comments received, as necessary.
- Preparation of Notice of Determination.

II. Rezone to Accommodate 50 additional Units

The Housing Element outlines the need for 50 additional units within the City of Clayton. Implementing this policy requires a General Plan Amendment and Rezone of a site or sites to the new High Density Residential designation created as part of the first task described above. Raney will revisit the opportunity sites identified as part of the Housing Element preparation; however, it is likely that the site identified in the Housing Element at Easley Ranch will be the appropriate location.

Rezoning a 3.5 acre portion of the Easley Ranch will be a highly controversial process. Raney will facilitate community outreach meetings that revisit the other opportunity sites as well as the Easley Ranch site. Raney will coordinate with City staff on the number and content of each community meeting, but assumes approximately four meetings. Unlike

the two other tasks described above, on this rezone, Raney will take the lead and play an active role in the process. Raney will, however, coordinate extensively with staff to ensure the outcome meets the needs of the City.

Preliminarily, Raney has the following suggestions for the format of the meetings. The first meetings will be with stakeholders. The stakeholders include property owners and others who may have a stake in the outcome. Raney anticipates two meetings with the stakeholders. The second type of meeting will be with a committee of decision-makers. This could include members of the Planning Commission and City Council with members of the public invited to attend. These workshops would include a discussion of the Housing Element laws as well as the purpose and outcome of the stakeholder meetings. The first such workshop could even include a discussion of the creation of the High Density Residential zone and some of the Ordinance Amendments to help set the stage for the need for the rezone. Raney anticipates two meetings of this committee.

Following the community meetings, Raney will prepare the necessary staff reports, including ordinances for the rezone site. Raney will also attend and present at the Planning Commission and City Council hearings on the proposed rezone.

Raney suggests the environmental document be scoped at the conclusion of the public outreach process in order to ensure the issues raised by the community are addressed. Given the controversial nature of the rezone, Raney would anticipate the preparation of an EIR as part of the rezone process. An EIR could include technical studies to address traffic, air quality, and noise, as well as other issues which might arise during the public outreach. Should the project outreach result in a non-controversial project with project impacts that can be mitigated to a less-than-significant level, consideration could be given to the preparation of a Negative Declaration.

Products:

- Review of the project information.
- Coordination with Staff.
- Facilitate up to Four Community Meetings.
- Staff Reports to Planning Commission and City Council.
- Attendance and presentations at Planning Commission and City Council.

Project Management

The preparation of the amendments to the General Plan and Zoning Ordinance, as well as the Kirker Corridor Overlay Zone will be overseen by Cindy Gnos, Raney Vice President. Ms. Gnos will be assisted by Tim Raney, President, Nick Pappani, Special Project Manager, and Associate staff as needed. Ms. Gnos will also participate in the Rezone to accommodate 50 units; however, the public outreach and facilitation will be conducted by Mr. Raney.

It should also be noted that Laurin Associates, a division of Raney, has been involved in the housing and community development field for nearly 30 years. Laurin has prepared numerous housing elements and has a relationship with HCD staff. Raney will consult with Laurin staff as

needed during the preparation of the documents in order to ensure that the goals of HCD are accommodated appropriately.

Schedule

Raney will process the creation of the High Density Residential designation, clean-up Zoning Ordinance Amendments, and the Kirker Corridor Overlay Zone first. Raney anticipates that these amendments can be complete within six to nine months, but can be adjusted to meet the needs of the City of Clayton. The Rezone of the site could also take approximately six months in order to allow the community outreach. This schedule, however, can also be adjusted to meet the needs of the City.

Cost Estimate

The cost for completion of the Housing Element implementation is \$37,350. These costs are based on the estimates of time for each task provided in the spreadsheet below.

CITY OF CLAYTON HOUSING ELEMENT IMPLEMENTATION COST ESTIMATE						
		Tim Raney, AICP President	Cindy Gnos, AICP Vice President	Nick Pappani Special Projects Manager	Associate	Cost Per Task
Task I	Creation of High Density Residential Designations		8	4	18	\$ 3,440
	Prepare Clean-up Zoning Ordinance Amendments		10	4	18	\$ 3,760
	Prepare Kirker Corridor Overlay Zone		12	6	20	\$ 4,530
	Prepare IES		6	14	40	\$ 6,450
	Prepare Staff Reports		6	12	10	\$ 3,480
	Subtotal					\$ 21,660
Task II	Revisit Opportunity Sites	6	6	4		\$ 2,640
	Facilitate Public Outreach	24	12		8	\$ 7,200
	Prepare Staff Reports	2	4	12	10	\$ 3,540
	Attend Hearings	12				\$ 2,280
	Subtotal					\$ 15,660
	Total Hours	44	64	56	106	
	Hourly Rate	\$ 190	\$ 160	\$ 135	\$ 90	
	Total Labor	\$ 8,360	\$ 10,240	\$ 7,560	\$ 9,540	\$ 35,700
Expenses						
	Copying/Printing/Travel/Postage/Etc.					\$ 1,500
	10% administrative fee					\$ 150
	Total Expenses					\$ 1,650
	Total Budget					\$ 37,350

Raney's company philosophy is to serve as an extension of City staff and provide those services that help our clients to the greatest degree. Raney's has extensive experience in preparing environmental documents for the City of Clayton and is familiar with the regulations, requirements, and procedures of the City. Given our familiarity with the City and its processes, we believe that our firm has the knowledge and expertise to efficiently deliver high quality products to you and the City on time and within budget. Raney provides each client with the highest level of professionalism, while structuring tailor-made services for every project. It is our commitment to provide you with the highest quality and legally defensible document, to share our experience and expertise throughout the processing of projects, and to meet the proposed budget and schedule. If you have any questions regarding this schedule and cost estimate, please feel free to contact me. We are pleased to have the opportunity to submit our proposal for your consideration and look forward to a continued successful relationship with you and the City of Clayton.

Thank you,



Cindy Gnos, AICP
Vice President
Raney Planning & Management, Inc.