CITY OF
WALNUT
CREEK

HOUSING POLICY
DEVELOPMENT, HCD

JAN 24 2011

January 21, 2011

Cathy Creswell
Deputy Director, Housing Policy Development
1800 3rd Street
P.O. Box 952053
Sacramento CA 94252-2053

Subject: Annual Report on the Implementation of the Housing Element

Dear Ms. Creswell:

Attached is the Annual Report on the Implementation of the Housing Element for the City of Walnut Creek for calendar year 2010. If you have any questions or comments regarding the attached report, or have a need for any additional information, please don't hesitate to contact me at (925) 943-5899 x2236 or simpson@walnut-creek.org.

Sincerely,

Laura Simpson
Housing Program Manager

Attachment

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printed on recycled paper

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

Jurisdiction Walnut Creek

Reporting Period Jan. 2010 31-Dec-10

Table A

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

Housing Development Information									Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8
Project identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes: Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development: See Instructions	Deed Restricted Units: See Instructions	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
new SFR		O				4	4	4	NA		
in-law unit B		R			2		2	2	NA		studio rents are $1200, moderate income-$1,658
Windsor Apts.		R		13	112		125	125	NA	13	13 low-income rents- $1220 - 2br, and $1085- 1-br
2 duplexes		R			4		4	4	NA		1-br $1600-$1900, 2-br 1800-2200
7 townhouses		O				7	7	7	NA		
(9) Total of **Moderate and Above Moderate** from Table A3 ►											
(10) Total by income Table A/A3 ► ►				13	118	11	142	142			
(11) Total **Extremely Low-Income** Units*			0								

* Note: These fields are voluntary

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

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA whichmeet 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			6	6	Rehab Loan program provided to low-income home owners to rehabilitate for average loan of $35,500
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	6	6	

* 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**		4	112	2	0	118	118
No. of Units Permitted for **Above Moderate**	4		7		0	11	11

* Note: This field is voluntary

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Table B

Regional Housing Needs Allocation Progress

Permitted Units Finaled by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.			2007	2008	2009	2010	2011	2012	2013	2014	2015	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted				33							33	423
	Non-deed restricted												
Low	Deed Restricted				5	13						18	284
	Non-deed restricted												
Moderate	Deed Restricted												253
	Non-deed restricted				3	118						121	
Above Moderate			25	90	7	11						133	693
Total RHNA by COG. Enter allocation number:			25	90	48	142						305	1,653
Total Units ► ► ►													
Remaining Need for RHNA Period ► ► ► ► ►													

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

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Table C

Program Implementation Status

Program Description (By Housing Element Program Names)	**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.		
Name of Program	**Objective**	**Timeframe in H.E.**	**Status of Program Implementation**
3.1 Develop new zoing designations that are consistent with the newly established Mixed Use Land Use Categories and require that new development includes a residential component in the Mixed Use/Residental Emphasis land use categories.	Policy 3 - 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.	31-Dec-10	This project is in the early stages and timing has been moved back due to the Long Range Planner being called to work on current planning and other priority economic development projects. Project will resume in 2011.
4.1 In the Preliminary Review Team process, encourage developers to utilize the planned development process to develop residential projects on smaller lots.	Policy 4 - Continue to allow the designation of the residential land use category, Single Family High, 6 to 9 dua, in certain areas to increase the supply of housing, consistent with the character and integrity of existing neighborhoods.	ongoing	During 2009 several new development applications came to PRT and developers, such as Habitat, were encouraged to use PD-rezoning to develop residential units on smaller lots.
7.1 Continue to implement the city's Second Family Unit Ordinance. Review these regulations to address concentration issues which would provide more flexibility aimed at increasing the supply of second family units.	Policy 7 - Allow second family units in appropriate locations.	ongoing	The City has approved 2 second family units in 2010.
8.1 Use PD process to allow innovative approaches, facilitate maximum allowable density and good design by Density Bonus ordinance and flexibility of parking standards	Policy 8 - Encourage innovative housing approaches in the design and ownership of of units to increase the availability of affordable housing.	ongoing	The Habitat project will use PD rezoning to facilitate maximum units on a .62 acre site. Other high density developments have been such as Walden Park, the Village. Third Avenue Apartments utilizes the Density Bonus Ordinance to increase density.

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Program 10.1 Identify CDBG funds, RDA Housing Fund, City revolving bond funds, and other sources of funding to assist	Policy 10 - Provide an adequate supply of residentially zoned land at sufficient densities to accommodate existing and future housing needs.	ongoing	City has used CDBG and Agency funds to assist in acquisition of land on Third Avenue and Barkley for affordable housing development. A total of approximately $4.6 million was used for land acquisition and predevelopment.
Program 10.2 Make available to developers a list of sites potentially suitable for affordable housing by posting the list on the City's website and providing copies of the sites and Housing Element to developers in one-on-one meetings.	Policy 10 - Provide an adequate supply of residentially zoned land at sufficient densities to accommodate existing and future housing needs.	ongoing	Staff has met with several nonprofit housing developers, including BRIDGE Housing, Amcal Housing from southern California, Eden Housing and EAH regarding potential sites for new construction or rehabilitation of affordable housing.
12.1 Have RDA support Very Low and Extremely Low income rental development through the additional allocation of RDA funds beyond beyond the 20% set-aside.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	ongoing	The Agency has allocated an additional $122,000 for housing personnel and $150,000 for new affordable construction in 2010-2011.
12.2 Support the development of Extremely Low Income rental housing by seeking additional funds from state and federal resources, such as participating in applying for development funding from the new National Housing Trust Fund.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	ongoing	The National Housing Trust fund NOFA did not come out in 2010, but developments will apply in 2011.
12.3 Continue to set aside a portion of CDBG annual allocation for housing programs	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	annually	Council allocated 50% of CDBG funds for 2010-11 for affordable ownership public infrastructure, which will be used for a Habitat 10-unit ownership development.
12.4 Continue to allocate 20% redevelopment funds for low and moderate income housing, including new construction, acquisition, and rehab of affordable housing, and first-time homebuyer assistance	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	annually	In 2010-2011, $1,066,000 has been allocated for affordable housing programs from 20% set-aside funds.
12.6 Continue to allocate commercial linkage and inclusionary housing in-lieu fees for low and moderate-income housing for City affordable housing programs.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	July 2010	City has budgeted commercial linkage and in-lieu fees for 2010-2011 toward projects in the amount of $200,000. In-lieu fees have decreased with changes in residential market but City is seeing new residential applications coming in.

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12.7 Continue to implement the inclusionary housing ordinance that requires new residential development to proivde 10% low-income housing	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	ongoing	City revised inclusionary ordinance in October 2010 to allow all ownership projects to provide 10% or pay an in-lieu fee, and to require rental projects to pay an impact fee of $15/sf.
12.8 Compare the efficacy of collection of in-lieu fees with the requirement for inclusionary affordable housing toward the goals of affordable housing.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	October 2010	In October 2010, the Council voted to allow payment of in-lieu and impact fees, in part due to court cases, and partly as a recessionary relief measure to spread out payments for developers.
12.9 Encourage sweat equity programs for the construction of homes for first-time buyers through a DDA and site acquisition for development of 10 units by Habitat for Humanity.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	July 2010	In July 2010, Council approved a DDA with Habitat for development of 10 affordable ownership units on Barkley Avenue.
12.11 Continue to explore opportunities for additional local, state, or federal resources to fund City Housing programs.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	1-Jul-10	Applied for $500,000 in BEGIN program funds from the State HCD for the Habitat Pleasant Creek project.
12.12. As part of the 5-year Redevelopment Plan for 2009-2014, consider continuing to allocate Redevelopment funds to City Housing programs.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	2009 and 2010	The Agency has allocated an additional $122,000 for housing personnel and $150,000 for new affordable construction in 2010-2011.
12.14 Inform developers about and allow density bonuses consistent with State law and the City's Density Bonus Ordinance adopted in 2009.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	2009	Third Avenue Apartments and Barkley Avenue project are both utilizing the City's Density Bonus ordinance to maximize affordable units in these projects.
12.17 To the extent financially feasible, assist in the development of very low, low and moderate income housing units.	Policy 12 - Give high priority to housing that is affordable to WC workers, first-time buyers and renters.	ongoing	Both Third Avenue Apartments and Pleasant Creek by Habitat will create worforce housing.
14.7 Coordinate with the County and other entitlement cities to develop the 5-year Consolidated Plan for 2010-2015 to address in housing and social service needs of the homeless.	Policy 14- Support efforts to provide temporary and permanent shelter and transitional housing for homeless persons	1-Dec-10	In May 2010, the City approved the joint consortium 5-year Consolidated Plan and Analysis of Impediments to Fair Housing.

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16.1 Continue to work with nonprofit organizations that provide counseling housing services to senior citizens and low-income families throughout the City.	Policy 16 - Continue to provide information to senior citizens regarding available senior housing programs.	ongoing	The City provided $75,000 in General Funds as well as 15% of CDBG grant to fund social services in the City.
17.1 Continue to allocate funds to support local nonprofit organizations for fair housing counseling and education and outreach efforts.	Policy 17 - Promote fair housing opportunities for all people.	ongoing	The City contracted with Housing Rights, Inc. and HEPA organization to provide housing counseling services and outreach in FY 2010-2011.
17.2 Take necessary actions to address impediments to fair housing choice identified in the Contra Costa Consortium's Analysis of Impediments to Fair Housing	Policy 17 - Promote fair housing opportunities for all people.	ongoing	City is working with Housing Rights to perform fair housing audits on certain multifamily complexes in Walnut Creek.
18.1 Continue to enforce the State Energy Conservation Standards for new residential construction and additions to existing structures.	Policy 18 - Encourage the incorporation of energy conservation design features in existing and future residential development.	ongoing	Building Dept. is enforcing State standards for new construction.
19.1 Develop policies consistent with AB32 and SB375 to reduce greenhouse gas emissions and work with other agencies in the region	Policy 19 - Encourage the use of sustainable and green building design in new and existing housing in compliance with the legislation in AB32 and SB375	ongoing	City is working on a Climate Action Plan with consultant PMC.
19.2 Provide information about LEED guidelines and greenbuilding checklists on the City's website.	Policy 19 - Encourage the use of sustainable and green building design in new and existing housing in compliance with the legislation in AB32 and SB375	1-Oct-10	The City has a sustainable city webpage with links to LEED guidelines and greenbuilding checklists. Data compiled by summer intern in 2010.
20.1 Work to attempt to produce 1958 dwelling units between January 1, 2007 and June 30, 2014, the City's share of the region's housing need.	Policy 20 - Strive to meet Walnut Creek's share of regional housing needs.	1-Dec-10	City committed funding and began entitlement process for two new affordable developments, Third Avenue Apts. And Pleasant Creek
21.1 Report to the Planning Commission and City Council annually on the Housing Element programs and the City's progress toward meeting its affordable housing goals.	Policy 21 - Assure that the goals, implementation measure and specific housing program in this document are pursued within the established timeframe to the extent possible and continue to be compatible with the General Plan.	ongoing	Staff prepared Annual Report to Council on October 18, 2010 describing all housing accomplishments in FY 2009-2010.

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23.1 Implement the City's Density Bonus Ordinance which offer density bonuses and regulatory incentives/concessions to developers of affordable and/or senior housing.	Policy 23 - 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.	ongoing	Both Third Avenue Apartments and Pleasant Creek by Habitat will utilize the City's Density Bonus ordinance to create new affordable housing.
24.1 Revise the City's Inclusionary ordinance to allow larger projects to pay an in-lieu fee.	Policy 24 - Increase flexibility to developers in the inclusionary zoning ordinance	1-Dec-10	On October 18, 2010 the City revised the inclusionary housing ordinance to require rental projects to pay an impact fee (10 or more units pay $15/sf). Ownership projects of any size can provide inclusionary units or pay a fee ($15/sf).
27.5 Continue the residential rehabilitation loan program to proivde loans, using CDBG funds or other sources for single-family housing rehabilitation and maintenance.	Policy 27 - Conserve the City's existing housing stock including existing rental housing that is affordable to low and moderate income households.	1-Dec-10	The City provided 6 rehab loans in 2009-2010, and has 8 loans underway for FY 2010-11.
27.6 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. Clarify language to correct ambiguous language in the ordinance.	Policy 27 - Conserve the City's existing housing stock including existing rental housing that is affordable to low and moderate income households.	1-Dec-10	Project to revise condo conversion ordinance has been moved back to later in 2011.

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General Comments:

The City of Walnut Creek has made progress in its RHNA goals in 2010. In the Low income category, 13 units were finaled, in the Above Moderate category 11 units were finaled; and in the Moderate category, 118 units were finaled.