

## SUMMARY

This summary provides key information contained in the body of the Danville 2007 - 2014 Housing Element. The figures are based on information from the 1990 Census, the 2000 Census, the *2005 - 2007 American Community Survey 3-Year Estimates* (published by the Bureau of the Census), various *ABAG Projections* publications, from information compiled by the California Department of Finance, and from information compiled by the Danville Development Services Department.

### Population

Danville's 2000 population was established by the 2000 Census to be 41,715 persons (exclusive of persons located in Danville's sphere of influence area). The Town's population increased by 10,515 persons (a 33.7% increase) between 1985 and 2000. The Town's population is projected to increase by an additional 2,685 persons (a 6.4% increase) between 2000 and 2015, taking the total to 44,400 persons. To put these increases in context, *ABAG's Projections 2000* indicated the population increase for the entire Tri-Valley region was 98,852 persons (a 51.6% increase) from 1985 to 2000, taking population in the area from 191,748 to 290,600. *ABAG's Projections 2007* forecasted that the population for the Tri-Valley region would increase by an additional 66,500 persons (a 22.9% increase) between 2000 and 2015, taking the total to 357,100 persons.

### Housing Units

The number of housing units in Danville was established by the 2000 Census to be 15,130 units (total excludes households in Danville's sphere of influence area). The number of housing units in Danville increased by 4,590 (a 43.5% increase) between 1985 and 2000. The number of housing units in Danville is projected to increase by an additional 880 units (a 5.8% increase) between 2000 and 2015, taking the number to 16,010 housing units. To put these increases in context, *ABAG's Projections 2000* indicated the increase of housing units for the entire Tri-Valley region was 39,350 units (a 65.6% increase) from 1985 to 2000, taking the number of housing units in the area from 60,220 to 99,750 units. *ABAG's Projections 2007* forecasted the number of housing units in the Tri-Valley region would increase by an additional 30,930 units (a 31.0% increase) between 2000 and 2015, taking the total to 130,680 housing units.

Average household size for Danville is assumed to have declined between 1990 and 2008, dropping at a relatively steady rate from 2.817 persons per household to 2.739 persons per household. Vacancy rate for Danville housing was estimated by the Department of Finance to be 2.07% in 2008.

## **Income and Housing Costs**

ABAG's *Projections 2007* estimated the mean household income in the Danville Area in 2000 (inclusive of incomes for households in Danville's sphere of influence area) to have been \$170,100. The countywide mean household income for Contra Costa County was estimated to be \$100,500 in 2000. The Danville Area mean household income is projected to increase to \$183,700 by 2015 (an increase of 8.0%). The countywide mean household income is projected to increase to \$109,000 by 2015 (an increase of 8.5%). (Note: All calculations are measured in constant 2005 dollars.)

In 2000, the median sales price for single family residential units sold in Danville was \$908,000. In 2008, the median sales price for single family residential units sold in Danville was \$1,037,000 (an increase of 14.2%).

## **Employment**

ABAG's *Projections* publications indicate that the total number of jobs in the Danville Area (inclusive of Danville's sphere of influence area) rose from 8,800 jobs in 1990 to 14,740 jobs in 2000 (an increase of 67.5% - largely reflective of changes in methodology used to estimate job totals involving inclusion of home-base jobs). ABAG's *Projections 2007* estimated that an additional 1,800 new jobs would be generated in the Danville Area between 2000 and 2015 (an increase of 12.2%), taking the number to 16,540 total jobs. *Projections 2007* forecasted the largest area of additional jobs for the Danville Area as being in the subcategory of health, educational, and recreational service jobs (projected to see a 1,200 increase in jobs). For comparisons, *Projections* publications indicated that the number of jobs in the entire Tri-Valley region increased by 53,790 jobs (an increase of 42.9%) from 1990 to 2000, taking the number of jobs in the area from 125,360 to 179,150. ABAG's *Projections 2007* estimated that an additional 42,430 jobs would be generated in the area between 2000 and 2015 (an increase of 23.7%), taking the number to 221,580 total jobs. *Projections 2007* forecasted the largest area of additional jobs for the Tri-Valley region would be in the subcategories of financial and professional service jobs (adding 13,660 jobs); health, educational, and recreational service jobs (adding 12,600 jobs); and retail jobs (adding 5,500 jobs).

The Danville area continues to be a net supplier of housing as regards jobs-housing balance. In 2000, there were 21,791 employed residents in the Danville area, which aligned with the presence of 14,470 local jobs (equating to a ratio of 1.51 employed residents for each local job). It is projected that the Danville area will continue to supply more employed residents than there are local jobs for the immediate future. It is projected that, by 2015, a ratio of 1.39 employed residents for each local job projected will exist. For comparisons, *Projections* publications indicated that the Tri-Valley region as a whole did not supply sufficient housing relative the number of jobs present in the area, with only 0.81 employed residents

present for each local job in 2000 (i.e., 149,301 employed residents aligned with 184,540 local jobs). The “gap” between employed residents and local jobs is forecasted to only slightly close by 2015. *Projections 2007* forecasted that there would be 0.82 employed residents for each local job by 2015, with 182,720 forecasted employed residents aligned with 221,580 local jobs.

**Regional Housing Needs Allocation**

The Regional Housing Needs Allocation for Danville for the 2007 - 2014 planning period (which looks to housing units delivered between January 1, 2007 and December 31, 2014), as assigned by the Association for Bay Area Governments (ABAG), is as follows:

|                       |                                    |
|-----------------------|------------------------------------|
| Very low income       | 196                                |
| Low income            | 130                                |
| Moderate Income       | <u>146</u>                         |
| Subtotal              | 472                                |
| Above Moderate Income | <u>111</u>                         |
| Total Need            | 583 (average of 73 units per year) |

**Housing Supply and Mix**

The State Department of Finance figures for January 1, 2008 indicated that, as of January 1, 2008, there were 15,713 housing units in Danville (counting both occupied and non-occupied units). The mix of units was estimated to be 12,077 detached single family (77.0%), 2,570 attached single family (16.4%), 288 multiple family 2 to 4 units per building group (1.8%), and 774 multiple family 5-plus units per building group (4.8%). A total of 325 of the units were estimated to be vacant units (2.07%).

Housing in Danville has been determined to be in excellent condition.

**Progress Made to Meet Danville’s Regional Housing Needs Allocation**

The sites in Danville available for residential development (i.e., sites that have the appropriate land use designation and zoning currently in place to accommodate residential development) have a demonstrated capacity to accommodate 763 new units for the 2007 - 2014 planning period. These sites are supplemented by the presence of 93 lots of record available for single family residential development, taking the development capacity to 856 units.

For the period of January 1, 2007 through December 31, 2008 (i.e., the first two years of the 2007 - 2014 planning period), Danville issued certificates of occupancy for 171 new housing units in Danville. In addition to these units, another 53 housing units were under construction and three more units had issued

building permits (but did not see construction commence) as of December 31, 2008. This subset of 227 units had the following household income distribution: no extremely low units; two very low income units; 25 low income units; 62 moderate income units; and 138 above moderate income units. This subset of 228 units is above and beyond the 763 unit development capacity cited above.

As of January 1, 2009, there were building permits in for plan check review for four residential units and there were 121 additional units authorized through approved planning entitlements that had no building permit submittal. This subset of 125 units are projected to have the following household income distribution: no extremely low units; six very low income units; nine low income units; six moderate income units; and 104 above moderate income units. The 121 units authorized through planning entitlements are above and beyond the 763 unit development capacity cited above.

As of January 1, 2009, there were 156 proposed residential units linked to pending planning entitlement requests. In addition to these units, and based on recent development trends, it is reasonable to anticipate 42 second units will be constructed between January 1, 2009 and the end of the 2014, providing an annualized yield of seven second dwelling units per year for the final six year portion of the 2007 - 2014 planning period. A conservative projection of development associated with the 93 lots of record available for single family residential use would be that 50 residences would be constructed on the lots over the final six year portion of the planning period. Residential development on this subset of 248 units is projected to have the following household income distribution upon occupancy: no extremely low units; no very low income units; 48 low income units; 88 moderate income units; and 112 above moderate income units. The 42 projected second dwelling units and the 50 units associated with existing single family lots of record are above and beyond the above-cited 763 unit development potential. The remaining 156 units pending planning entitlement review are a subset of the above-cited 763 unit development potential.

The next subset of residential development anticipated to occur during the 2007 - 2014 planning period involves that portion of the above-cited 763 units that are above and beyond the cited 156 units associated with pending planning entitlement requests. After accounting for those units, there are 607 units of development potential remaining out of the 763 units. For purposes of these housing projections, it is assumed for these housing projection purposes that 100 units of those 607 units will be completed by the end of the 2007 - 2014 planning period. Residential development of this subset of 100 units is projected to have the following household income distribution upon occupancy (extrapolating from the mix for the prior units in this analysis): no extremely low income units; one very low income units; 14 low income units; 26 moderate income units; and 59 above moderate income units.

Taking each of the subsets cited above into account, the aggregate residential development projected during the 2007 - 2014 planning period totals 701 units

which is projected to have the following household income distribution upon occupancy: no extremely low income units; nine very low income units; 96 low income units; 182 moderate income units; and 414 above moderate income units.

Comparing this projected residential development to Danville's 2007 - 2014 RHNA indicates a shortfall of 187 of the allocated extremely low or very low income units, a shortfall of 34 of the allocated low income units, an excess of 36 units beyond the allocation for moderate income units, and an excess of 303 units beyond the allocation for above moderate income units.

The projected 187 unit RHNA shortfall in the extremely low and very low income categories and the projected 34 unit RHNA shortfall in the low income category creates an obligation for Danville to identify and implement programs to assure the provision of adequate sites to address the shortfalls, with such actions required to occur early in the 2007 - 2014 planning period. Danville will need to amend its general plan and zoning regulations, and make corresponding changes to general plan land use and zoning designations, to provide adequate sites to meet the State's minimum sites test for the identified RHNA shortfalls for lower income housing.

The following key work programs will be put into motion with the adoption of the 2007 - 2014 Housing Element:

- (1) Recalibration of the density ranges of the current multiple family residential land use designations to move the Residential - Multiple Family - High/Medium density range from 18 - 22 units per acre density range to a 20 - 25 units per acre density range to establish a 20-unit per acre minimum density standard for this land use designation - thereby allowing it to meet the requisite standard to serve the projected 34 unit low income shortfall.
- (2) Amendment of the general plan to create a new multiple family residential land use category providing for a density range of 25 - 35 units per acre (i.e., establish a "Residential - Multiple Family - High 25 - 35 units per acre" category in the general plan) with a 25-unit per acre minimum density - thereby creating a land use designation that meets the requisite standard to serve the projected 187 unit extremely low and very low income shortfall.
- (3) As part of the scheduled general plan update, designation of a minimum of 7.9 acres of land to a newly created Residential - Multiple Family - High 25 - 35 units per acre land use designation to address the adequate sites "gap" associated with the 187 unit extremely low and very low income shortfall, permitting such lands to develop in this density range with owner occupied and/or rental multiple family uses by right (i.e., no conditional use permit, planned unit development application, or other discretionary

review or approval will be required to secure the right to pursue a development entitlement at this density range).

- (4) As part of the scheduled general plan update, designation of a minimum of 1.7 acres of land to the recalibrated Residential - Multiple Family - High/Medium 20 - 25 units per acre land use designation to address the adequate sites “gap” associated with the 34 unit low income shortfall, permitting such lands to develop in this density range with owner occupied and/or rental multiple family uses by right (i.e., no conditional use permit, planned unit development application, or other discretionary review or approval will be required to secure the right to pursue a development entitlement at this density range).

To help frame and direct the discussion and action that will need to occur as part of the scheduled general plan update to address the adequate sites “gap”, a listing of sites that shall be reviewed for possible densification has been prepared. The site listing contains more sites than would, at a minimum, be needed to address the projected RHNA shortfalls, allowing for a qualified analysis of the merits of the respective sites through the scheduled general plan update (and the associated requisite environmental review). Without presupposing the precise mix of sites selected from this site listing for possible change or presupposing the site-specific alternate land use designations that might be applied, the Town is committing through the adoption of the 2007 - 2014 Housing Element to housing programs that will supply a minimum of 7.9 acres of land for the 25 - 35 units per acre land density range for the 187 unit extremely low and very low income RHNA adequate site shortfall and a minimum of 1.7 acres of land for the 20 - 25 units per acre land density range for the 34 unit low income RHNA adequate site shortfall.

### **Special Needs Populations**

Seniors (persons  $\geq 65$  years in age) represented an estimated 10.3 percent (4,300 persons) of the Danville’s 2000 population. Danville’s population appears to be aging as persons  $\geq 65$  in 1990 constituted 8.4% of the total population (2,616 persons) and in 1980 constituted only 4.9% of the total population (1,450 persons).

Extrapolating from the 1990 Census, it is estimated that 1,525 persons 16 of age or older with work disabilities resided in Danville (4.9% of the working age population). Further, it is estimated that 498 persons 16 of age or older with mobility disabilities resided in Danville (1.6% of the working age population).

In 1990, 9.2% of all households in Danville were headed by a single parent (1,017 households). The largest subset of this group was the 746 households where the single parent was female. In 2000, 7.1% percent of all households in Danville were single parent households headed by a female parent (1,049 households). Of

the households headed by women, 59.4% (623 households) had related children present in the household in 2000.

The 1990 Census reported that 1,069 Danville households included five or more people (9.7% of all households). This subset of households grew to 10.2% of all Danville households by 2000, being 1,506 households. The 1990 Census reported overcrowding in only 66 of 11,064 occupied units (less than one half of one percent of the households in Danville). In addition, 83% of the housing units in the Town were reported to have six or more rooms. Extrapolating into the 2000 Census information, would indicate that 88 of the 14,816 occupied units had an overcrowding condition.

The 1990 Census indicated that 2.1% of Danville's residents (651 persons), for whom poverty status was determined, were living below the poverty line, with one-third of that total being children  $\leq 17$  years in age. An extrapolation of that data indicates that approximately 893 of the residents in 2000 could have been expected to be living below the poverty line. Some number of these residents can be considered to be particularly at risk of becoming homeless as they are very likely to be overpaying for housing and struggling to make ends meet.

### **Opportunities for Energy Conservation**

Danville enforces California's energy regulations (i.e., Title 24 of the California Administrative Code) through its plan checking and building inspection process.

Energy conservation is also addressed through the Town's environmental and development review and permitting process.

### **Governmental Constraints**

Land slated for residential development in Danville currently carries development densities in the range of one unit per five acres to 22 units per acre. Minimum development density regulations are in place for all three of Danville's current multiple family residential land use designations. Housing Element goals and policies, as supplemented by a detailed work plan, will lead to the creation of a fourth multiple family residential land use designation (providing for a range of 25 - 35 units per acre) and the recalibration of existing multiple family residential land use designations to stretch the maximum allowable density from 22 units per acre to 25 units per acre.

The State's density bonus law, having been significantly modified in 2004 by SB1818, can be considered a voluntary inclusionary housing ordinance providing large incentives to developers who include specified amounts of affordable housing in their projects. SB1818 requires cities and counties to grant developers both density bonuses of 20 to 35 percent, depending on the amount and type of affordable housing provided, and "concessions" - exceptions from normally

applicable zoning and other development standards. Qualifying projects would be projects of five or more units where at least one of the following occupancy characteristics is present: a minimum of 5 percent of the units are for very low income households; a minimum of 10 percent of the units are for low income households; 10 percent of the units are for moderate income households and the project is a qualifying common interest, for-sale project; or 100 percent of the units are in a senior citizen project (with no corresponding standard for affordability).

A variety of development impact fees are often assessed upon new residential projects, including both Town-controlled fees (such as child care fees and park land in-lieu fees) and non-Danville fees (such as regional traffic mitigation fees and school impact fees). Another component of project costs is utility service connection fees (e.g., sewer and water connection fees).

Town-controlled development and impact fees total approximately \$27,700 per single family unit, \$10,600 per apartment unit and \$5,200 per second dwelling unit that are constructed. Non-Danville development and impact fees total approximately \$76,400 per single family unit, \$22,400 per apartment unit and \$15,800 per second dwelling unit that are constructed.

Development standards and permit procedures are not a significant constraint to housing development in Danville and are comparable with the standards and procedures of other jurisdictions in the region.

### **Non-Governmental Constraints**

High land values and construction costs continue to constrain the development of affordable housing in Danville and the region. A comparative reduction of sites that are available for residential development is becoming a constraint as the Town moves towards a built out condition.

Community opposition to projects pursuing medium to high density housing has been expressed when development is proposed adjoining, or within, established single family neighborhoods.

### **Housing Goals, Policies, and Implementation Measures**

The following goals will serve to direct Danville's actions relative its housing efforts. Each goal matched with supporting policies and implementation measures.

GOAL 1 Increase the supply of housing with a priority on the development of affordable housing.

GOAL 2 Improve housing affordability for both renters and homeowners.

- GOAL 3 Increase the supply of appropriate supportive housing for special needs populations.
- GOAL 4 Conserve and improve the quality of existing housing stock and residential neighborhoods.
- GOAL 5 Mitigate governmental constraints to housing development and affordability.
- GOAL 6 Promote equal opportunity for all residents to reside in the housing of their choice.
- GOAL 7 Preserve the existing affordable housing stock in Danville.

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