

V. HOUSING ACCOMPLISHMENTS

A. EVALUATION OF ACCOMPLISHMENTS UNDER THE 2007-2014 HOUSING ELEMENT

This section assesses the achievements of the adopted 2007-2014 Housing Element, in accordance with State housing law. These results are quantified where appropriate and compared to what was projected in the adopted Element. **Appendix C** provides an expanded, policy-by-policy discussion of the housing programs and their implementation.

B. COMPARISON OF THE 2007-2014 RHNA ALLOCATION WITH UNITS BUILT

The Association of Bay Area Governments (ABAG) assigned 583 residential units to the Town of Danville as Danville's Regional Housing Needs Allocation (RHNA) for the 2007-2014 Housing Element planning period. This allocation included 196 very low income household units, 130 low income units, 196 moderate income units and 111 above moderate income units. Housing developed or issued certificates of occupancy between January 1, 2007 and December 31, 2014 are applied to the 2007-2014 RHNA. Residential units developed or issued with certificates of occupancy after January 1, 2014 will be applied to Danville's 2014-2022 RHNA.

Between 2007 and 2014, there was a net production of 366 housing units (after accounting for 49 demolitions) within the corporate limits of Danville. **(Refer to Tables 40 and 41 and Appendix B)** Reflective of ABAG's methodology for determining housing production credit for the 2007-2014 RHNA planning period, no credit towards Danville's RHNA was given for housing developed outside the Town boundary but within the Town's sphere of influence.

While no credit is provided towards Danville's RHNA, the development of an affordable housing project within Danville's sphere of influence (i.e., the Meadow Wood at Alamo Creek a senior rental project) is available to serve residents of Danville and surrounding communities. The project was built during the 2007-2014 planning period and consists of 120 one- and two-bedroom apartments, ranging in size from 603 to 830 square feet serving a mix of very low, low and moderate income households. The project provides preference in the rental of units to nurses, public school teachers, peace officers as defined by Penal Code section 830.1(a), and persons employed as firefighters by city fire departments or fire protection agencies of a county, city, city and county, or fire protection district, who qualify for participation in this program.

Of the 366 net units produced, none were extremely low income units, two were very low income units, 82 were low income units, 96 were moderate income units, and 235 were above moderate income units. (Refer to Tables 28 and 41)

The very low, low and moderate income units that were constructed were developed as a result of implementation of either the Town's inclusionary housing policies or redevelopment agency inclusionary housing policies. Table 41 and Figure B provide information on the 40 residential development projects acted on since the Town's adoption of an inclusionary housing ordinance in 1999. Seven of the projects subject to inclusionary requirements (i.e., Entries 34 through 40 on Table 41) secured their planning entitlement approval during the planning period of the Danville 2007-2014 Housing Element.

C. APPROPRIATENESS OF GOALS, POLICIES, AND IMPLEMENTATION MEASURES

There is no substantive difference between the overarching goals set forth in the 2007-2014 Housing Element and the 2014-2022 Housing Element. As indicated in the prior section, and as measured by housing production figures for the past planning period, Danville had mixed results in meeting the goals and objectives for the past planning period. The elimination of redevelopment agencies, when coupled with the reduction of federal funding in the CDBG and HOME programs, served to limit opportunities for new affordable housing construction throughout Contra Costa County. The entire Bay Area Region was severely impacted by the housing market collapse during the Great Recession. Countywide, 11,679 homes (or three percent of the total number of housing units) were lost to foreclosure in 2008 with foreclosure recovery beginning in 2012. In 2013, foreclosure levels were still three times the pre-recession levels.

Many of the policies set forth in the 2007-2014 Housing Element are being carried forward as policies for the 2014-2022 Housing Element. Where a policy has been retained, adjustments have been made to reflect changes in baseline conditions between the two planning periods, to reflect progress made (or lack of progress) in the implementation of programs during the planning period, and/or to reflect changes in State law.

Table 39
Housing Production 1/1/07 through 12/31/13 by Residential Product Type (October 2014)
- Town of Danville

[Amends and replaces Table 35 of the Danville 2007-2014 Housing Element]

Housing Category / Year of Building Final	Completed Units Between 1/1/07 and 12/31/13	Average Annual Production 2007 - 2013	Units Under Construction as of 12/31/13	Units in Plan Check for Bldg. Permit as of 12/31/13	Approved Planning Entitlement Plan Check Not Initiated	Combined Totals Between 1/1/07 and 12/31/13
Replacement SFR Detached - Above Mod.	63	≈9	4	-	-	67
New SFR Detached - Above Moderate	150	≈21	26	32	115	323
New SFR Detached - Moderate Income	1	<1	-	-	-	1
New SFR Attached - Above Moderate	9	≈1	-	9	-	18
New SFR Attached - Moderate Income	2	<1	-	-	-	2
New Multifamily - Above Moderate	13	≈2	-	16	-	29
New Multifamily - Moderate Income	84	≈12	6	5	-	95
New Multifamily - Low Income	1	<1	-	-	-	1
New Multifamily - Very Low Income	-	<1	7	-	-	7
Second Dwelling Units - Moderate Income	9	≈1	2	2	-	13
Second Dwelling Units - Low Income	81	≈12	5	4	9	99
Second Dwelling Units - Very Low Income	2	<1	-	-	-	2
Total Units	415	≈59	50	68	124	657
Demolitions	(50)	(≈7)	(5)	(-)	(3)	(58)
Net New Additional Units	365	≈52	45	68	121	599

Source: Town of Danville Community Development Department - Planning Division. October, 2014.

Table 40
Housing Unit Production 1/1/07 through 12/31/13 by Income Level (October 2014)
- Town of Danville

[Amends and replaces Table 36 of the Danville 2007-2014 Housing Element]

Income Level	Units Assigned by 2007-2014 RHNA	Completed Units Between 1/1/07 and 12/31/13	Units Under Construction as of 12/31/13	Units in Plan Check for Bldg. Permit as of 12/31/13	Units Approved Planning Entitlement Plan Check Not Initiated	Combined Totals Units Constructed Between 1/1/07 and 12/31/13
Extremely Low	92	None	None	None	None	None
Very Low	104	2	7	None	None	9
Low	130	82	5	4	9	100
Moderate	146	96	8	7	None	111
Above Moderate	111	235	30	57	115	437
Subtotals	583	415	50	68	124	657
Demolitions	n/a	50	5	None	3	58
Totals	583	365	45	68	121	599

Source: Town of Danville Community Development Department - Planning Division. October, 2014.

Table 41
Summary of Inclusionary Housing Efforts (October 2014)
- Town of Danville

[Amends and replaces Table 37 of the Danville 2007-2014 Housing Element]

#	PROJECT NAME	NAME OF DEVELOPER	TOTAL BMRS	TOTAL UNITS	APPROVAL DATE
1	Bas II	Bas Homes, Inc.	14(a)	72	December, 1990
2	Cottages	Laurel Cottages Partners	1(b)	6	November, 1991
3	Redwoods	Braddock & Logan Group	2(a)	18	August, 1993
4	Shadowhawk	Kaufman & Broad of No. Ca.	20(b)	196	January, 1994
5	Tassajara Ridge	Pinn Brothers	14(a)	143	November, 1994
6	Lawrence Estates	Pulte Home Corporation	4(a)	33	December, 1995
7	Culet Estates	Pulte Home Corporation	1(a)	14	December, 1995
8	Creekview	Mardell, LLC	2(a)	19	May, 1996
9	Autumn Creek	Standard Pacific of No. Ca.	2(a)	13	November, 1996
10	Creekside Commons	Danville Land & Develop. Co.	1(a)	14	May, 1995
11	Oakmont of Danville	Oakmont of Danville, LLC	15(e)	76	January, 1997
12	Valerosa	Braddock & Logan Group	4(d)	20	November, 1997
13	Victoria Place	Davidon Homes	4(d)	23	January, 1998
14	Old Blackhawk Vill.	Richmond American	3(a)	35	January, 1998
15	Laurel Court	Laurel Drive Associates, LLC	2(b)	6	June, 1998
16	Lawrence Estates II	Pulte Home Corporation	2(a)	21	July, 1998
17	Sequoia Grove Apts	Castle Construction Company	38(e)	38	October, 1998
18	Crossings	Davidon Homes	3(d)	16	October, 1998
19	San Michelle	Braddock & Logan Group	10(d)	49	September, 1998
20	Ryland Cottages	Ryland Homes	8(a)	39	December, 1998
21	Old Town	Taylor Woodrow Homes, Inc.	1(a)	16	October, 1999
22	Quail Gardens	Castle Construction Company	2(a) 2(f)	40	February, 2000
23	Sycamore Oaks	Lenox Homes, Inc.	2(d)	12	March, 2000
24	Pintado Point	Affinity Land & Construction, Inc.	1(g) 2(h)	9	September, 2000
25	Laurel Senior Apts.	Danville/Bridge Housing Corp	74(g)	74	June, 2001
26	Laurel Grove	Cinco Casas, LLC	2(b)	7	October, 2002
27	Smith/Bonnell	Castle Construction Companies	5(d)	9	March, 2003
28	Tassajara Lane	Braddock & Logan Group	10(d)	32	June, 2003
29	Willow Commons	Morris Land Co., LLC/Storer	22(g)	22	June, 2003
30	Tassajara Cottages	Standard Pacific of Northern Ca.	2(a)	21	July, 2003
31	Rose Garden	BHV/Castle Companies	55(e)	55	March, 2005
32	Hansen Lane	Clarum Homes	3(d)	13	August, 2006
33	The Preserve @ IHT	Castle Companies	27(h)	34	February, 2007
34	Weber Property	Davidon Homes	5(d)	22	May, 2007
35	Elworthy Ranch	Elworthy Family Trust, Trustees	7(g) 6(i)	96	July, 2008
36	80 Laurel Drive	Garcia Family Trust UTA	1(g) 9(i)	10	July, 2008
37	Camino Ramon	Glennmont, LLC	1(a)	9	February, 2010
38	Danville Hotel	Danville Hotel Holdings, Ltd.	2(f)	18	March, 2011
39	Magee	Summerhill Homes	7(d)	69	June, 2013
40	Podva	Ponderosa Homes	2(d)	20	April, 2014
Totals			400	1,439	

Source: Town of Danville Development Services Department. October, 2014.

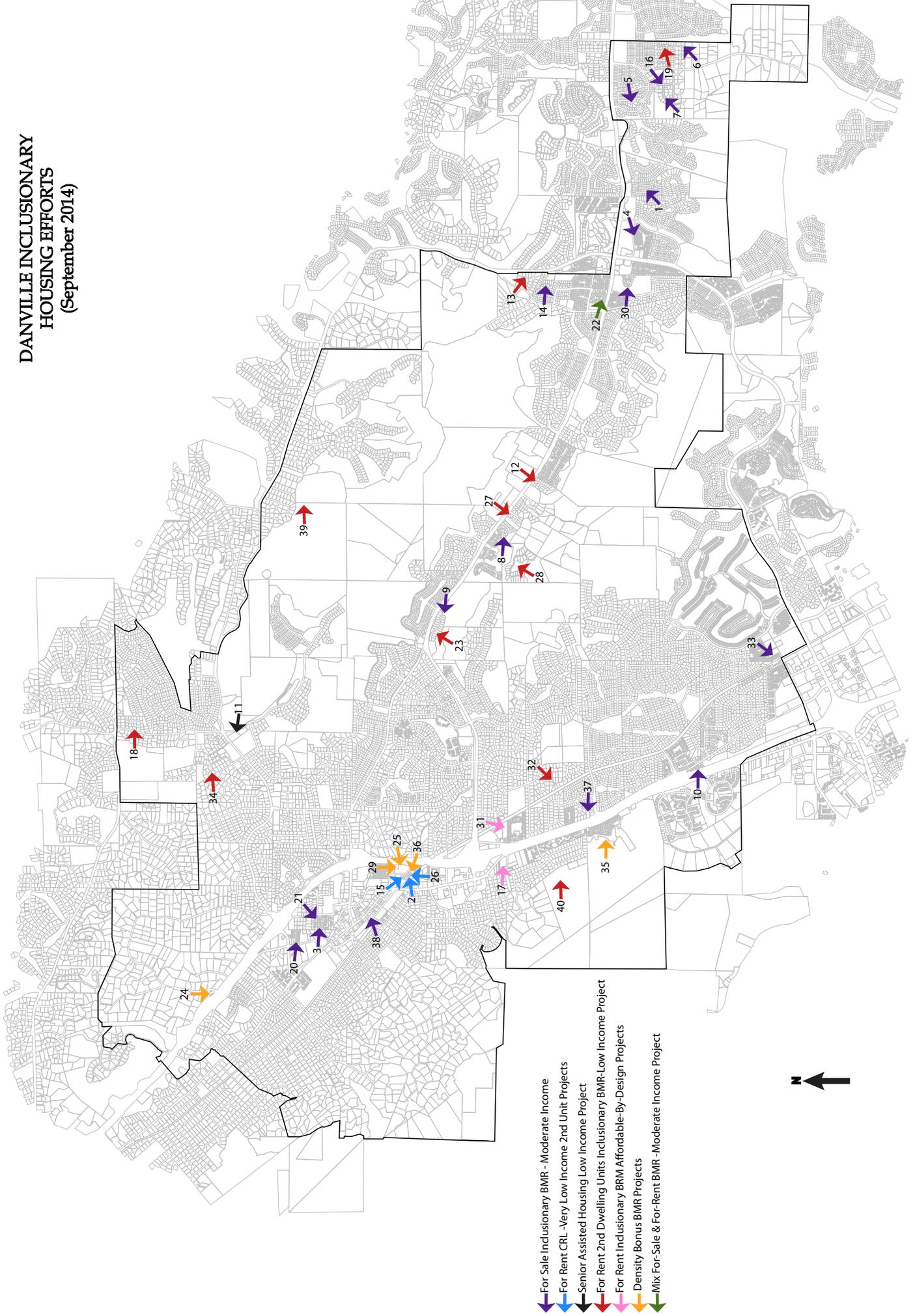
Notes:

- a. A Below-Market-Rate (BMR) unit is a unit that is priced to be affordable to households that are moderate income or below. Moderate income is defined as an annual income of 120% or less of the Area Median Income (AMI) for the Alameda County and Contra Costa County Area, and varies depending on the number of people in the household. AMI is adjusted every year. Usually, the BMR price is lower than the prices of other units in the same development that are being sold on the open market. Sometimes BMR

units are priced for, and restricted to, households that are low income (80% or less of AMI) or very low income (50% or less of AMI). Below market rate units in these projects were made available as for-sale units and were units that were sized to accommodate four-person Moderate Income Households earning up to 110% of median income. Units are deed restricted to control resale values and requiring future buyers to meet income restrictions for a period of twenty years.

- b. Below market rate units in these projects were made available as for-rent secondary units for one- or two-person Very Low Income Households. The project locations were within Danville's Redevelopment Area and the projects were developed consistent with the provisions of California Redevelopment Law inclusionary housing requirements.
- c. Below market rate units in this project were made available as for-rent senior assisted living units. The project developer secured tax exempt funding that required a minimum of 20% of the units to be made available to Low Income Households. The requirement to provide 15 of 76 units as Low Income units was more restrictive than would have been required through imposition of the Town's Inclusionary Housing Ordinance (which would have required seven units be made available for Moderate Income Households).
- d. Below market rate units in these projects were made available as for-rent second dwelling units built on selected lots within the project (minimum of 25% of the lots per the Inclusionary Housing Ordinance). Where the property owners receive rental income for the units, the affordable housing agreement stipulates that owners rent to qualifying Low Income Households (i.e., households earning below $\leq 80\%$ of median income). In practice, the units developed in these projects are assumed to be affordable "by-design" by way of their relative size (most in the 450 to 600 square foot range) and their physical relationship to the primary residence (consciously set to make it cost prohibitive to "absorb" the area of the second unit into the primary residence).
- e. Below market rate units in these projects were made available as for-rent units with a year-by-year accounting to assure the rent schedule in place for the entire project makes all units affordable to Moderate Income Households earning $\leq 100\%$ median income (i.e., a 10% "deeper" affordability standard than otherwise dictated by the Town's Inclusionary Housing Ordinance). With this arrangement, the projects are deemed to be affordable "by-design" projects, consistent with provisions set forth in the Town's Inclusionary Housing Ordinance. If and when market rate rents rise to the point that the project rent schedule no longer makes units affordable to households earning $\leq 100\%$ of median income, the projects are obligated to identify 15% of the project units as designated below market rate units and to screen tenants for eligibility as households earning $\leq 110\%$ of median income.
- f. Town Council authorization was secured by the developer to have two of the four below market rate units in the project retained in builder ownership and made available to qualifying moderate income households as for-rent housing - with rental levels set at 35% of actual household income of qualifying households.
- g. Below market rate units in these projects were developed as a result of a density bonus process. For the Pintado Point project, the unit is a for-sale unit with a purchase price making it affordable to Low Income Households. For the Laurel Senior Housing project, the units are senior for-rent units affordable to Extremely Low and Very Low Income Households. For the Willow Commons project, the units are mixed for-rent units with either one senior Very Low Income or two senior Low Income units; up to six units for the Developmentally Disabled (which would be managed as Section 8 - Very Low Income units) and the remainder as senior for-rent Moderate Income units. For the Elworthy project, the below market rate units are to be for-rent very low income units.
- h. The timing of delivery of these for-sale units into the market, the project densities, and the range of unit sizes in the projects collectively worked to make both projects affordable "by-design" projects. The vast majority of the 196 units in the Shadowhawk project had initial sales prices making them affordable to moderate income households, with more than half having initial sale prices affordable to median income households. Over two-thirds of the units in the Preserves @ Iron Horse Trail (IHT) project (i.e., 27 of 34 units) had initial sale prices making them affordable to median income households. In recognition of the affordable "by-design" status, the project sponsors were not required to deed restrict any of the units in the projects with resale restrictions to require a review of income qualifications.
- i. The timing of delivery of these for-rent units into the market, the project densities, and the range of unit sizes in the projects collectively worked to make the non-deed restricted units in the projects affordable "by-design" to moderate income households.

Figure B
DANVILLE INCLUSIONARY HOUSING EFFORTS
(September 2014)



Some of the programs set forth in the 2007-2014 planning period were not completed or, in some cases, not initiated due to staffing limitations. Focus during the past planning period by necessity went to larger scale efforts (e.g., the update of the Danville General Plan) rather than on the initiation, or furtherance, of comparatively minor programs. Given the improving state of the economy, and in recognition that the Town completed the scheduled update to its General Plan, it is envisioned that relatively more time will be available to be put towards implementation of programs called for in the 2014-2022 Housing Element. Staffing limitations, difficulties encountered during the general plan update effort, and/or a change in the number and scope of planning entitlements (an economy-driven change) will have a direct impact on the achievement of the new housing programs.

The primary focus of the 2014-2022 Housing Element will be to implement housing-related measures placed into the Municipal Code by various zoning text amendments that occurred in response to implementation measures in the 2007-2014 Housing Element (e.g., amendment to the Density Bonus Ordinance and establishment of a Condominium Conversion Ordinance).