



**TO: Mayor and Town Council**

**April 7, 2015**

**SUBJECT: Resolution No. 35-2015, approving a Negative Declaration of Environmental Significance and approving General Plan Amendment request GPA 14-01, the update to the Housing Element of the Danville 2030 General Plan**

## **SUMMARY**

Every city and county in California must adopt a Housing Element as a part of its General Plan, as outlined in Section 65580 to 65589.9 of the California Government Code. The underlying premise and statewide policy of Housing Element law is to ensure local governments adopt land use plans that provide opportunities for, and do not unduly constrain, housing development.

It is important to note that state law does not require cities to build housing nor to regulate the cost of housing. Rather, a city must only provide adequate housing sites with land use and zoning designations that allow appropriate densities to accommodate the designated affordability levels. The private market determines if it's feasible to build housing.

For the 2014-2022 planning cycle, the Town has determined it already has sufficient acreage of appropriately designated sites to accommodate all units among the state-mandated affordability levels. Therefore, no new sites are required to be identified for re-designation or rezoning as a part of the 2014-2022 Housing Element update.

## **BACKGROUND AND DESCRIPTION**

State law requires that the Housing Element be updated every eight years. During each update, each municipality must demonstrate the ability to accommodate its "fair share" of the region's housing needs for state-defined affordability levels with lands designated at specific minimum densities.

For the 2014-2022 planning cycle, the California Department of Housing and Community Development (HCD) determined that the Bay Area region's housing need is 187,990 new housing units. The Council of Governments (COG) for the Bay Area allocates this housing need among the cities and counties within the region through the Regional Housing Need Allocation (RHNA) process. Danville's "fair share" for this

cycle is 557 units (see Table A). The 557 unit RHNA assignment to Danville for the 2014-2022 planning cycle is slightly lower than Danville’s RHNA for the last planning cycle (i.e., 583 units for the 2007-2014 planning cycle).

**Table A - Danville’s “Fair Share” Housing Assignment for 2014-2022**

Affordability Levels	SF Bay Area	CC County	Tri-Valley Cities	Danville		
				Assigned Units	% of CC County	% of Tri-Valley
% of County Median Income	Assigned Units	Assigned Units	Assigned Units	Assigned Units	% of CC County	% of Tri-Valley
Very Low (31-50%)	46,680	5,264	3,063	196	3.7%	6.4%
Low (51-80%)	28,940	3,086	1,701	111	3.6%	6.5%
Moderate (81-120%)	33,420	3,496	1,734	124	3.5%	7.2%
Above Mod. (120%)	78,950	8,784	2,557	126	1.4%	4.9%
<b>Total Units:</b>	<b>187,990</b>	<b>20,630</b>	<b>9,055</b>	<b>557</b>	<b>2.7%</b>	<b>6.2%</b>

CC County = Contra Costa County

Tri-Valley Cities = Cities of Livermore, Pleasanton, Dublin, San Ramon and Danville

**SUMMARY OF DRAFT DANVILLE 2014-2022 HOUSING ELEMENT**

Because the Town is able to carry forward sites designated by the 2030 General Plan to meet the prior Housing Element’s RHNA assignment, this Housing Element update effort does not need to identify any additional new housing sites. Therefore, this update effort consists primarily of factually updating three main areas of the prior housing element:

- **New Demographic Data:** A significant component of each housing element is an analysis of current and future housing needs, which relies on data from the U.S. Census. Demographic data for the prior Housing Element was based on the 2000 Census. The corresponding data for the 2014-2022 Housing Element will rely on the 2010 Census, supplemented by information from the American Communities Survey (a statistical survey that samples a small percentage of the population every year) because the decennial census no longer offers the same level of detail that was previously provided.
- **Updated Land Inventory:** Another key component of each Housing Element is an analysis of sites available for housing for each affordability level. While the Town is able to count housing sites identified in the prior Housing Element that are currently “available for housing” development, the inventory must reflect the current condition of each site, which may have changed subsequent to the prior

adopted Housing Element. In addition, the inventory will now reflect the land use changes made as a result of the 2030 General Plan update.

- **Evaluation of Programs:** Lastly, the new Housing Element requires a qualitative review of the prior element to report on the progress of the housing goals and programs, and determine the extent to which identified objectives were achieved.

These factual updates are incorporated into the following sections of the Draft Danville 2014-2022 Housing Element, as summarized below:

- I. Introduction:** Explains the purpose, process and content of the document.
- II. Housing Needs Assessment:** Describes the demographic, economic and housing characteristics of Danville as well as existing and future needs.

In summary, Danville's population has reached 42,039 persons (2010 Census) and is projected to grow another 3.4% by 2020. The population is trending older and slightly more ethnically diverse. The 2010 Census counted 15,420 households in Danville, most of which are characterized as family households, with a slight drop in the average household size to 2.74 persons in 2010. The number of housing units has grown 3.8% over the past decade to 15,962 by 2013, and the housing stock continues to be primarily owner-occupied housing.

- III. Housing Constraints:** Analyzes the actual and potential governmental and non-governmental constraints to the maintenance, improvement and development of housing.

Market-related (non-governmental) constraints to housing production continue to be high land values, high construction costs and limited availability of sites for residential development. In addition, community concerns regarding medium and higher density housing is a factor.

Governmental constraints include the cost of development and utility connection fees, as well as site improvement requirements. Development standards and permit procedures have been determined to not be a significant constraint and have been shown to be comparable to standards and procedures utilized by other Bay Area jurisdictions.

- IV. Housing Resources:** Describes the resources available for development, rehabilitation and preservation of housing in Danville. This includes an inventory of land available for future housing development, to determine

whether the Town has sufficient sites with the appropriate land use and zoning designations, which jointly determine development capacity, to accommodate its “fair share” assignment of 557 units in the 2014-2022 planning cycle.

The challenge for many municipalities is the availability of appropriate sites that would accommodate housing appropriate for very low and low income households. Table B demonstrates Danville’s ability to accommodate these affordability levels.

**Table B. Sites that would accommodate housing appropriate for very low and low income households for the 2014-2022 Planning Period**

Sites with Suitable Development Capacity <sup>1</sup>	Net Acres	Low <sup>2</sup> (20-25 du/ac)	Very Low <sup>2</sup> (25-30 du/ac)
B-2 (“GMMR, LLC”) <sup>3</sup>	1.59	32 units	-
B-8 (“Diablo Office Partners”) <sup>4</sup>	3.75	-	94 units
B-17 (“Danville Hotel Holdings”)	0.80	18 units	-
G-2 (“Borel / EBRPD”) <sup>4</sup>	2.00	40 units	-
G-3 (“Borel / EBRPD”) <sup>4</sup>	5.00	-	125 units
2 <sup>nd</sup> Dwelling Units	varies	30 units	-
<b>Demonstrated Development Capacity:</b>		<b>120 units</b>	<b>219 units</b>
2014-22 “Fair Share” RHNA Assignment:		111 units	196 units

Notes:

1. References Table 32, Danville 2014-2022 Housing Element
2. The development potential of the site, represented as units and calculated at minimum densities
3. Property is now a qualifying site due density range recalibration (part of 2030 General Plan)
4. Land use designation was amended a part of 2030 General Plan (and subsequently rezoned)

**V. Housing Accomplishments:** Contains a summary of the goals, policies and programs of the previous Housing Element and an evaluation of the progress made during the prior cycle. Specifically, between 2007 and 2014, there was a net production of 599 housing units in Danville, as illustrated in Tables 39 and 40 of the Draft Danville 2014-2022 Housing Element.

**VI. Housing Plans:** Outlines changes to the goals, policies and programs of the prior Housing Element, based on recent progress and updated Town initiatives. With the exception of a few minor adjustments, the goals of the Draft Danville 2014-2022 Housing Element are consistent with the prior element.

## **ENVIRONMENTAL REVIEW / PUBLIC HEARINGS / HCD REVIEW**

In preparation of the Draft Danville 2014-2022 Housing Element, the general public was provided an opportunity to review and comment on the draft document and the associated environmental documents. Notice of the availability of the 2014-2022 Housing Element for review and the intent to adopt a Negative Declaration of Environmental Significance was posted on the Town's website; posted at community locations; posted by the Contra Costa County Clerk; and published in the San Ramon Valley Times.

Over 600 groups and individuals were notified of the public hearing for the 2014-2022 Housing Element before the Town Council. In addition, mailed notification of the public hearings for the 2014-2022 Housing Element update were sent to all agencies and organizations copied on the Housing and Community Development (HCD) agency comment letter for the Danville 2007-2014 Housing Element.

At the Planning Commission's public hearing of December 17, 2014, the Commission adopted Resolution No. 2014-19 which served to recommend that the Danville Town Council adopt the Negative Declaration of Environmental Significance prepared for the project (as revised to reflect the changes depicted in Appendix F - Part 3 of the Draft Housing Element) and approve the Draft Danville 2014-2022 Housing Element after the Housing Element secured the requisite review and approval by the California Department of Housing and Community Development (HCD).

HCD reviewed the Draft Danville 2014-2022 Housing Element between the period of December 26, 2014 and February 24, 2015. In their letter dated February 24, 2015 HCD indicated the Draft Housing Element, with revisions made over the course of the review period, met the statutory requirements of State Housing Element law (See Attachment C).

## **FISCAL IMPACT**

Town expenditures associated with the preparation of the Draft Housing Element were limited to cost of staff time associated with the update effort, costs associated with public noticing/outreach efforts, and costs associated with the preparation and printing of related mapping and reports. These expenditures were anticipated and provided for by the Danville 2014-15 Financial Plan, through allocations for the Community Development Department.

## RECOMMENDATION

Adopt Resolution No. 35-2015, approving a Negative Declaration of Environmental Significance and approving General Plan Amendment request GPA 14-01, the update to the Housing Element of the Danville 2030 General Plan.

Prepared by:



Tai Williams  
Community Development Director



Kevin J. Gailey  
Chief of Planning

~~Attachments: A: Resolution No. 35-2015~~  
~~B: Danville 2014-2022 Housing Element responding to HCD comments~~  
~~C: February 24, 2015 HCD comment letter~~  
~~D: Comment letter received after 12-17-14 Planning Commission public hearing~~

Note: A paper copy of Attachment B was supplied only to the Town Council. The document may be viewed in its entirety either at the Town Offices at 510 La Gonda Way, Danville, CA during regular business hours or in electronic format at the Town's website <http://www.danville.ca.gov/Services/Planning-Services/General-Plan/Housing-Element-2014-2022/>



# MEMORANDUM

DATE: March 19, 2015 (Updated March 31, 2015)

TO: General Public

FROM: Tai J. Williams, Community Development Director  
Kevin J. Gailey, Chief of Planning

SUBJECT: Summary of the Draft Danville 2014-2022 Housing Element

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The Draft Danville 2014-2022 Housing Element is scheduled to be considered by the Town Council at a public hearing on April 7, 2015.

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