



2023-2031

HOUSING ELEMENT

Town of Danville

Base Document



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1. Executive Summary

The Town of Danville’s 2023-2031 Housing Element is a plan to help address the region’s housing crisis, a blueprint for supporting all forms of housing, and a demonstration of the Town’s commitment to achieving greater housing equity and access for all residents. The Housing Element identifies existing housing conditions and community needs, describes where new housing can be developed, establishes goals and creates a plan for supporting the production of housing to meet the needs of the Town’s current and future residents.

This Executive Summary provides a high-level summary of each section, and its findings and conclusions. The Sites Inventory is in Section 3, the Affirmatively Furthering Fair Housing Assessment is in Section 6 and the Housing Plan, with a complete breakdown of the goals, policies and programs, included in Section 6. Detailed technical information and documentation to support the Housing Element’s findings and conclusions are included in the appendices.

Introduction & Background

Danville began as a small rural village formed in the 1850s to serve commercial and cultural needs of the surrounding agricultural areas. With the construction of the Bay Bridge in 1936 and the Caldecott Tunnel in 1937, Central Contra Costa County became accessible to the large and growing employment centers in San Francisco and other parts of the Bay Area. A significant amount of residential development began to occur in the San Ramon Valley during the late 1940s. The first large residential subdivisions in Danville occurred during this period.

During the 1950s and 1960s, Danville evolved into a desirable residential community. The completion of I-680 in 1968 greatly improved access to the area and led to increased amounts of residential development activity throughout the San Ramon Valley. During the 1970s, major changes began to occur in the San Ramon Valley. Large new developments were proposed, and construction began, including the residential community of Blackhawk to the northeast of Danville and the Bishop Ranch Business Park in San Ramon.

Danville was one of three Tri-Valley Region communities (covering the communities of Danville, San Ramon, Dublin, Pleasanton, and Livermore and occupying the valley areas identified as San Ramon, Livermore and Amador Valleys) to incorporate in the early 1980s. During the 1980s and 1990s, the San Ramon Valley, the northernmost of the three valley areas constituting the Tri-Valley Region, became a focus of major development activity. Once a predominantly residential and rural area, the San Ramon Valley has experienced major residential, commercial and office growth, which has altered its historic rural character.

The Housing Element is an integral part of the General Plan, which guides the policies of Danville, and is the only element that requires review and approval by the state. California has also established a significant number of new housing related laws to address the state’s housing crisis and this section provides an overview of the applicable legislation that the Housing Element is required to address and comply with. The State Department of Housing and Community Development (HCD) is tasked with reviewing housing elements for compliance and adequacy and is responsible for certifying the Town’s Housing Element.

All new housing units need to have access to adequate infrastructure and municipal services, and in particular, sewage disposal and water capacity must be demonstrated.

Housing Needs and Sites Inventory

For this upcoming eight-year housing cycle, HCD has identified the nine-county Bay Area region’s housing need to be 441,176 units; with this number broken down into four income categories that cover housing types for all income levels, from extremely low-income households to market rate housing. This Regional Housing Needs Determination (RHND) is based on population projections produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region’s existing housing need. The Town of Danville’s Regional Housing Needs Allocation (RHNA) for this cycle is 2,241 new housing units, spread across the four income categories.

A summary of facts about Danville’s demographic data is provided to establish a basis for the Town’s housing needs and issues. A full version of the Town’s demographic report can be found in Appendix A. A key fact identified in this data is that the number of homes in Danville increased 3.6% from 2010 to 2020, which is *below* the growth rate for Contra Costa County and *below* the growth rate of the region’s housing stock during this time period. And, during this period, home prices increased by 115.6% and rental prices increased by 74.2%. Overall, this demographic data supports the finding that the Town does not have sufficient housing units to meet the needs of its residents and that housing affordability is a significant barrier for many middle and lower-income residents.

An analysis of existing affordable housing units that are at risk of conversion/reversion to market rate, rendering them no longer affordable to the people living in them, did not find developments that would have expiring restrictions during the ten-year period. The potential loss of existing affordable housing units is an important issue to the Town due to displacement of lower-income tenants and the limited alternative housing for such persons. Preservation of these units can be achieved in a variety of ways and policies and programs have been included in the Housing Plan to explore options to retain the units as affordable, replace the units elsewhere, or relocate tenants into alternative housing that is affordable to them.

To demonstrate how Danville can accommodate its RHNA of 2,241 new housing units, the Housing Element must identify adequate sites for housing (Sites Inventory), including rental housing, factory-built housing, and other housing types, and make adequate provision for the existing and projected needs of all economic segments of the community. The Sites Inventory is required to include an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and analyze the development capacity that can realistically be achieved for each site.

The purpose of the Sites Inventory is to evaluate whether there are sufficient sites with appropriate zoning capacity to meet the Town’s RHNA goal. The Sites Inventory includes an analysis of the development feasibility of specific sites (Appendix C). However, based on previous Housing Elements, it is anticipated that some of the sites on the list will be developed with new housing, some will not, and some housing will be built on sites not listed in the inventory. The methodology used to estimate the development potential of each property included on the Sites Inventory was developed based on the criteria established by State law, development/redevelopment feasibility, site constraints, zoned capacity versus real capacity and prior project history. To ensure a higher likelihood of new developments exceeding the estimates in the Sites Inventory, conservative assumptions were employed. Overall, the Sites Inventory identified sites spread around the Town with capacity to develop up to 2,153 units, which is 117% of the Town’s RHNA. The following table provides a summary breakdown of the Sites Inventory by income category.

TABLE 1. DANVILLE SITES INVENTORY BREAKDOWN

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA	652	376	338	875	2,241
Approved/Permitted/Under Construction	0	7	5	151	163
Projected ADUs	72	72	72	24	240
Remaining RHNA	580	297	261	700	1,838
Available Sites					
Vacant	25		0	259	284
Nonvacant	1134		294	441	1869
Total Sites Capacity	1159		294	700	2153
Surplus/(Shortfall)	282		33	0	315
% Buffer Over Remaining RHNA	32		13	0	17

Other Required Housing Element Components

This section provides a summary and evaluation of housing production constraints, an overview of the funding opportunities and housing resources provided by the Town, and the applicable energy conservation and climate change policies and requirements for new housing developments.

The constraints section analyzes potential and actual governmental and nongovernmental constraints to the maintenance, improvement, or development of housing that hinder a jurisdiction from meeting its housing goals. Governmental constraints to housing include zoning regulations, development standards, infrastructure requirements, development impact fees, and the development review and permitting processes. Nongovernmental constraints include availability of financing, the price of land, the cost of construction, and the length of time to design and construct new housing.

Nongovernmental constraints are largely determined by market conditions or other factors, over which the Town has little control. However, there are still opportunities to influence market conditions and their associated costs indirectly, which can help reduce these constraints.

The Housing Resources of the Town are grouped by the various funding sources that the Town is able to leverage for affordable housing production, preservation, and protection, as well as administrative support the Town and the County can provide for housing efforts. The third is the inventory of sites that are adequate for development to meet projected housing needs.

Home energy efficiency has become an increasingly significant factor in housing construction, particularly in the past few years with the increasing demand to build energy efficient and sustainable buildings in California. The California Energy Code and the California Green Building Code in State Title 24 establish uniform energy efficiency and green building standards to which all construction must adhere. The Town's 2012 Sustainability Action Plan (SAP) sets standards to reduce greenhouse gas (GHG) emissions for housing and construction by exceeding minimum state requirements, providing education and outreach on benefits and financial incentives associated with energy upgrades, and continuing support for energy efficiency and electrification retrofits.

Housing Plan

The Town of Danville's primary objective is to maintain and provide a diversity of housing opportunities for current and future residents. There should be a variety of housing types and sizes, a mixture of rental and ownership housing, and housing that supports special needs populations, including farmworkers, single female heads of household, people with disabilities, and those who are unhoused. This variety of housing opportunities should accommodate a diverse population, leading to a variety of household sizes and types at all income levels.

In addition, the Town needs to maintain its housing supply to meet the housing demand caused by current and future job growth. The types of new housing created should accommodate all income levels consistent with the Town's RHNA. The goals, policies, and actions contained in this Housing Plan support these overarching objectives while also ensuring that the Town will meet its statutory obligations to affirmatively further fair housing and facilitate housing production at all income levels.

Quantified Objectives

In addition to the sites inventory and the Housing Plan, the Town needs to provide an estimate of actual housing units that can be preserved and produced given available resources, permits issued and projected pipeline developments expected to be completed within the next housing cycle. State law recognizes that the Town's total housing needs exceed available resources and the community's ability to satisfy this need within the content of the general plan. The total development cost for the RHNA allocation would be nearly \$1.6 billion dollars, of which about \$956 million would be required to develop the lower-income units. Thus, the quantified objectives do not need to completely account for Danville's RHNA but should establish the maximum number of housing units that can be constructed, rehabilitated, and conserved in the Town over an eight-year timeframe.

For the upcoming housing cycle, the Town’s quantified objectives for construction are 1,480 units, with 480 being affordable units. For a full breakdown of units by affordability level and by project or category, see Table 6 – Quantified Objectives for Cycle 6 (2023–2031).

Review of Prior Housing Element

The final section provides a summary of the key accomplishments, challenges, and opportunities learned from the Town’s previous Housing Element. The Town’s RHNA for the fifth housing cycle was 557 units. The Town was able to achieve many its goals through successful implementation of most of its policies and programs but fell short of its affordable housing goals. Key accomplishments include increased accessory dwelling unit (ADU) production, including the Town’s development of the “Garden Cottage” program, exploration of new funding sources, protecting existing affordable housing units, and using new technology and processes to speed up development. Significant progress was also made with the development of the Alexon Riverwalk 144 unit (40 units per acre) apartment development. Overall, through the first seven years of this cycle, the city has been able to achieve a total of 530 new housing units and exceed its market rate housing target; however, the Town was unable to meet its goals related to very low, low, and moderate income housing production. A variety of factors have contributed to this production shortfall, including high land and construction costs, outdated policies, and community division overgrowth and building heights. The lessons learned over this past cycle have been used to help inform the Housing Plan in this Housing Element.





2. Introduction & Background

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has not kept pace, contributing to the housing shortage that communities around the Bay Area are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people, particularly those in the middle- and lower-income tiers, being able to purchase homes or meet surging rents.

The Housing Element is part of the Town's General Plan and sets forth the policies and programs to address the housing needs for Danville. It is the Town's eight-year housing strategy from the period of 2023-2031 for how it will meet the community's housing needs. State law (Government Code §§65580-65589.8) requires that every city and county in California adopt a Housing Element, subject to State approval, as part of its General Plan. Per SB 375 (Statutes of 2008), the planning period for the Housing Element is 8 years.

Since 1969, State law requires that jurisdictions throughout California complete a Housing Element. The Town itself is not responsible for building or producing this housing, but it must demonstrate that it has policies and programs in place to support housing construction for all income levels, as well as available land appropriately zoned to accommodate new housing. The Housing Element must include a variety of statistics on housing needs, constraints to development, and policies and programs to implement a variety of housing-related land use actions, and a detailed inventory of "opportunity sites" on which future housing may be built.

The Housing Element is the only element of a locality's General Plan that must be approved ("certified") by the State, through its Department of Housing and Community Development (HCD) to ensure it meets all statutory requirements. Having a certified Housing Element is a prerequisite for many State grants and funding programs. This is the sixth cycle of the Housing Element and covers the 8-year period from 2023 to 2031.

Legislative Context

Since the Town's last Housing Element was adopted and certified on April 7, 2015, many pieces of housing legislation have been signed into law, resulting in substantive changes to State housing law and Housing Element requirements.

Affordable Housing Streamlined Approval Process. Senate Bill 35 (2017), Assembly Bill 168 (2020) and Assembly Bill 831 (2020). SB 35 created a streamlined, ministerial review process for qualifying multifamily, urban infill projects in jurisdictions that have failed to approve housing projects sufficient to meet their State-mandated RHNA. Among other requirements, to qualify for streamlining under SB 35, a project must incorporate one of two threshold levels of affordable housing: (1) 10 percent of the project's units in jurisdictions that have not approved housing projects sufficient to meet their RHNA for above moderate-income housing or have failed to submit an annual progress report as required under state law; or (2) 50 percent of the project's units in jurisdictions that have not approved housing projects sufficient to meet their RHNA for below moderate-income housing. AB 168 added a requirement to provide a formal notice to each California Native American tribe that is affiliated with the area of the proposed project. The Housing Element must describe the Town's processing procedures related to SB 35. This is discussed further in Appendix B.

Additional Housing Element Sites Analysis Requirements were established under Assembly Bill 879 (2017) and Assembly Bill 1397 (2017). These bills require additional analysis and justification of the sites included in the sites inventory of the Town's Housing Element. The Housing Element may only count non-vacant sites included in one previous housing element inventory and vacant sites included in two previous housing elements if the sites are subject to a program that allows affordable housing by right. Additionally, the bills require additional analysis of non-vacant sites and additional analysis of infrastructure capacity, and place size restrictions on all sites.

Affirmatively Furthering Fair Housing. Assembly Bill 686 (2017). AB 686 law ensures that public entities, including local governments, administer their programs relating to housing and urban development in a manner

affirmatively to further the purposes of the federal Fair Housing Act and do not take any action that is materially inconsistent with its obligation to affirmatively further fair housing. It also requires that housing elements of each city and county promote and affirmatively further fair housing opportunities throughout the community for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act, Government Code Section 65008, and any other state and federal fair housing and planning law. AB 686 requires jurisdictions to conduct an assessment of fair housing in the housing element, prepare the housing element site inventory through the lens of affirmatively furthering fair housing, and include program(s) to affirmatively further fair housing.

No-Net-Loss Zoning. Senate Bill 166 (2017). SB 166 amended the No-Net-Loss rule to require that the land inventory and site identification programs in the Housing Element include sufficient sites to accommodate the unmet RHNA. When a site identified in the Housing Element as available to accommodate the lower-income portion of the RHNA is actually developed for a higher income group, the Town must either (1) identify, and rezone, if necessary, an adequate substitute site or (2) demonstrate that the land inventory already contains an adequate substitute site.

Site Inventory Analysis. Assembly Bill 1397, (Chapter 375, Statutes of 2017). The law made several revisions to the site inventory analysis requirements of Housing Element Law. In particular, it requires stronger justification when nonvacant sites are used to meet housing needs, particularly for lower income housing, requires by right housing when sites are included in more than one housing element, and adds conditions around size of sites, among others.

Safety Element to Address Adaptation and Resiliency. Senate Bill 1035 (2018). SB 1035 requires the General Plan Safety Element to be reviewed and revised to include any new information on fire hazards, flood hazards, and climate adaptation and resiliency strategies with each revision of the housing element.

By Right Transitional and Permanent Supportive Housing. Assembly Bill 2162 (2018) and Assembly Bill 101 (2019). AB 2162 requires the Town to change its zoning to provide a “by right” process and expedited review for supportive housing. The bill prohibits the Town from applying a conditional use permit or other discretionary review to the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater. The change in the law applies to sites in zones where multifamily and mixed uses are permitted, including in nonresidential zones permitting multifamily use. Additionally, AB 101 requires that a Low Barrier Navigation Center development be a use by right in mixed-use zones and nonresidential zones permitting multifamily uses if it meets specified requirements.

Accessory Dwelling Units (ADUs). Assembly Bill 2299 (2016), Senate Bill 1069 (2016), Assembly Bill 494 (2017), Senate Bill 229 (2017), Assembly Bill 68 (2019), Assembly Bill 881 (2019), Assembly 587 (2019), Senate Bill 13 (2019), Assembly Bill 670 (2019), Assembly Bill 671 (2019), Assembly Bill 3182 (2020). In recent years, multiple bills have added requirements for local governments related to ADU ordinances. The 2016 and 2017 updates to State law included changes pertaining to the allowed size of ADUs, permitting ADUs by right in at least some areas of a jurisdiction, and limits on parking requirements related to ADUs. More recent bills reduce the time to review and approve ADU applications to 60 days, remove lot size requirements and replacement parking space requirements and require local jurisdictions to permit junior ADUs. AB 68 allows an ADU and a junior ADU to be built on a single-family lot, if certain conditions are met. The State has also removed owner-occupancy requirements for ADUs, created a tiered fee structure that charges ADUs based on their size and location, prohibits fees on units of less than 750 square feet, and permits ADUs at existing multi-family developments. AB 671 requires the Housing Element to include plans to incentivize and encourage affordable ADU rentals. AB 3182 prohibits homeowner’s associations from imposing rental restrictions on ADUs.

Density Bonus and Development Incentives. Assembly Bill 1763 (2019) and Assembly Bill 2345 (2020). AB 1763 amended California’s density bonus law to authorize significant development incentives to encourage 100 percent affordable housing projects, allowing developments with 100 percent affordable housing units to receive an 80 percent density bonus from the otherwise maximum allowable density on the site. If the project is within half a mile of a major transit stop, the Town may not apply any density limit to the project, and it can also receive a height increase of up to three additional stories (or 33 feet). In addition to the density bonus, qualifying projects

will receive up to four regulatory concessions. Additionally, the Town may not impose minimum parking requirements on projects with 100 percent affordable housing units that are dedicated to special needs or supportive housing. AB 2345 created additional density bonus incentives for affordable housing units provided in a housing development project. It also requires that the annual report include information regarding density bonuses that were granted.

Housing Crisis Act of 2019. Senate Bill 330 (2019). SB 330 enacts changes to local development policies, permitting, and processes that will be in effect through January 1, 2025. SB 330 places new criteria on the application requirements and processing times for housing developments; prevents localities from decreasing the housing capacity of any site, such as through downzoning or increasing open space requirements, if such a decrease would preclude the jurisdiction from meeting its RHNA housing targets; prohibits localities from imposing a moratorium or similar restriction or limitation on housing development; prevents localities from establishing non-objective standards; and requires that any proposed demolition of housing units be accompanied by a project that would replace or exceed the total number of units demolished. Additionally, any demolished units that were occupied by lower-income households must be replaced with new units affordable to households with those same income levels. The Town's processing procedures related to SB 330 are described further in Appendix B.

Surplus Land Act Amendments. Assembly Bill 1486 and AB 1255 (2019). AB 1486 refines the Surplus Land Act to provide clarity and further enforcement to increase the supply of affordable housing. The bill requires the Town to include specific information relating to surplus lands in the Housing Element and Housing Element Annual Progress Reports, and to provide a list of sites owned by the city or county that have been sold, leased, or otherwise disposed of in the prior year. AB 1255 requires the Town to create a central inventory of surplus and excess public land each year. The Town is required to transmit the inventory to HCD and to provide it to the public upon request. As of April 2022. The Town of Danville does not currently have any surplus sites. However, the Town's municipal office is relocating to a new office building in 2022. As a result, the Town's existing office location at 510 La Gonda Way will become a surplus site.

AB 1486, (Chapter 644, Statutes of 2019). The law expanded the definition of surplus land and added additional requirements on the disposal of surplus land. In addition, local agencies must send notices of availability to interested entities on a list maintained by HCD. This list and notices of availability are maintained on HCD's website. Local agencies must also send a description of the notice and subsequent negotiations for the sale of the land, which HCD must review, and within 30 days submit written finding of violations of law. Violations of the Surplus Land Act can be referred to the Attorney General. Finally, it adds a requirement in Housing Element Law for the jurisdiction to identify which of the sites included in the inventory are surplus property.

Housing Impact Fee Data. Assembly Bill 1483 (2019). AB 1483 requires the Town to publicly share information about zoning ordinances, development standards, fees, exactions, and affordability requirements. The Town is also required to update such information within 30 days of changes. This Housing Element describes governmental constraints on the production of housing, including a look at zoning requirements, development standards, fees, exactions, and affordability requirements. Changes in requirements made during the Housing Element planning period will also be reported as part of the Town's annual Housing Element Progress Report.

SB 6 (Chapter 667, Statutes of 2019). Jurisdictions are required to prepare the housing site inventory on forms developed by HCD and send an electronic version with their adopted housing element to HCD. HCD will then send those inventories to the Department of General Services by December 31 of each year.

Housing Opportunity and More Efficiency (HOME) Act. Senate Bill 9 (2022). Effective January 1, 2022, SB 9 requires the Town to allow up to two residential dwelling units and residential lot splits in single-family zones. SB 9 allows for reduced standards, such as setbacks, minimum parcel dimensions, and parking. The Town must apply objective zoning standards that do not preclude construction of up to two 800 square-foot units. To prevent displacement, the State does not allow SB 9 projects to demolish any affordable or rent controlled housing, or housing that has been occupied by a tenant within the last three years. Projects that meet the qualifying criteria and requirements must be ministerially approved and are not subject to CEQA review. The Town has completed code amendments in compliance with SB 9, as well as informational handouts and details on the Town's website.

Senate Bill 10 (2022). SB 10 authorizes cities to adopt an ordinance to zone for up to ten units of residential density on any parcel located within transit rich or urban infill areas. If adopted, the ordinance allows ministerial approval of up to ten units (not counting ADUs or JADUs) at a height specified by the Town. The intent of this bill is to streamline production of housing in urban infill neighborhoods with access to transit. SB 10 includes a sunset date of January 1, 2029; the Town has included Policies 6.1.g, 6.1.i and 6.1.n as a means to address “Missing Middle” housing policies consistent with SB 10 by 2024. Implementation of these policies will allow for moderate density multifamily housing to be constructed within an existing single family neighborhood and to partially serve as workforce housing for Community Presbyterian Church. It will also establish a maximum average unit size for new multifamily development, resulting in small and more affordable units. Finally, it will amend the Town Municipal Code for the Town’s D-1 (duet), M-8, and M-13 (and P-1 - M-8 and M-13) multifamily zoning districts to eliminate minimum lot size, and width and depth requirements. It will also reduce front, side, and rear yard setback requirements.

Consistency with the General Plan

To ensure internal consistency among all General Plan elements, the Housing Element Update must be coordinated with other Elements. Other elements of the General Plan that specifically require updates statutorily triggered by the Housing Element include:

- Flood Hazard and Management (Gov. Code § 65302 subs. (d)(3) and (g)(2)(B))
- Fire Hazard (Gov. Code § 65302 and 65302.5) (Safety Element updates)
- Environmental Justice (Gov. Code §65302 subd. (h))
- Climate Adaptation (sustainability throughout the General Plan Update)
- Land Use and Planning (related to the creation of higher density multiple family land use designations)





3. Housing Needs & Site Summary

The Plan Bay Area 2050 Final Blueprint⁴ forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year timeframe covered by this Housing Element, the Department of Housing and Community Development (HCD) has identified the region’s housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from extremely low-income households to market rate housing.

Every year, the U.S. Department of Housing and Urban Development (HUD), in conjunction with the State of California, establish income categories based on the median income in each county. Based on new requirements for the completion of the Housing Element, jurisdictions must now report on the following categories of income:

- Extremely Low Income: 0-30% of Area Median Income, or AMI
- Very Low Income: 30-50% AMI
- Low Income: 50-80% AMI
- Moderate Income: 80-120% AMI
- Above Moderate Income: 120%+ AMI

The following table illustrates the income categories for Contra Costa County in 2021. The median income for a family of four is \$125,600.

TABLE 2. INCOME LIMITS FOR CONTRA COSTA COUNTY, 2021

Number of Persons in Household:		1	2	3	4	5	6	7	8
Contra Costa County Area Median Income: \$149,600	Extremely Low	\$28,800	\$32,900	\$37,000	\$41,100	\$44,400	\$47,700	\$51,000	\$54,300
	Very Low Income	\$47,950	\$54,800	\$61,650	\$68,500	\$74,000	\$79,500	\$84,950	\$90,450
	Low Income	\$76,750	\$87,700	\$98,650	\$109,600	\$118,400	\$127,150	\$135,950	\$144,700
	Median Income	\$87,900	\$100,500	\$113,050	\$125,600	\$135,650	\$145,700	\$155,750	\$165,800
	Moderate Income	\$105,500	\$120,550	\$135,650	\$150,700	\$162,750	\$174,800	\$186,850	\$198,900

Source: State of California Department of Housing and Community Development, December 31, 2021. <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml>

The Regional Housing Needs Determination (RHND) is based on population projections produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region’s existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from the DOF, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region’s vacancy rate, level of overcrowding and the share of cost burdened households and seek to bring the region more in line with comparable ones.⁵ These new laws governing the methodology for how HCD calculates the RHND resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles.

All jurisdictions in the Bay Area received a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles.

Demographics

The following are key facts regarding the Town's demographic data and housing needs and issues from the demographic report, which can be found in Appendix A.

- **Population** – Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of Danville increased by 5.2% from 2000 to 2020, which is below the growth rate of the Bay Area.
- **Age** – In 2019, Danville's youth population under the age of 18 was 11,217 and senior population 65 and older was 8,222. These age groups represent 25.1% and 18.4%, respectively, of Danville's population.
- **Race/Ethnicity** – In 2020, 75.3% of Danville's population was White while 1.0% was African American, 13.3% was Asian, and 6.5% was Latinx. People of color in Danville comprise a proportion below the overall proportion in the Bay Area as a whole.¹
- **Employment** – Danville residents most commonly work in the *Financial & Professional Services* industry. From January 2010 to January 2021, the unemployment rate in Danville decreased by 4.0 percentage points. Since 2010, the number of jobs located in the jurisdiction increased by 370 (3.1%). Additionally, the jobs-household ratio in Danville has decreased from 0.82 in 2002 to 0.81 jobs per household in 2018.
- **Number of Homes** – The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in Danville increased 2.0% from 2010 to 2020, which is *below* the growth rate for Contra Costa County and *below* the growth rate of the region's housing stock during this time period.
- **Home Prices** – A diversity of homes at all income levels creates opportunities for all Danville residents to live and thrive in the community.
- **Ownership** The largest proportion of homes had a value in the range of \$1M-\$1.5M in 2019. Home prices increased by 73.6% from 2010 to 2020.
- **Rental Prices** – The typical contract rent for an apartment in Danville was \$2,320 in 2019. Rental prices increased by 25.6% from 2009 to 2019. To rent a typical apartment without cost burden, a household would need to make \$92,880 per year.²
- **Housing Type** – It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020, 75.7% of homes in Danville were single family detached, 18.0% were single family attached, 1.0% were small multifamily (2-4 units), and 5.1% were medium or large multifamily (5+ units). Between 2010 and 2020, the number of single-family units increased more than multi-family units. Generally, in Danville, the share of the housing stock that is detached single family homes is above that of other jurisdictions in the region.
- **Cost Burden** – The U.S. Department of Housing and Urban Development considers housing to be affordable for a household if the household spends less than 30% of its income on housing costs. A household is considered "cost-burdened" if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered "severely cost-burdened." In Danville, 18.1% of households spend 30%-50% of their income on housing, while 13.1% of households are severely cost burdened and use the majority of their income for housing.
- **Displacement/Gentrification** – According to research from The University of California, Berkeley, 0.0% of households in Danville live in neighborhoods that are susceptible to or experiencing displacement, and 0.0% live in areas at risk of or undergoing gentrification. 100.0% of households in Danville live in neighborhoods where low-income households are likely excluded due to prohibitive housing costs. There are various ways to address displacement including ensuring new housing at all income levels is built.

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- Neighborhood – 100.0% of residents in Danville live in neighborhoods identified as “Highest Resource” or “High Resource” areas by State-commissioned research, while 0.0% of residents live in areas identified by this research as “Low Resource” or “High Segregation and Poverty” areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.³
 - Special Housing Needs – Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances. In Danville, 7.9% of residents have a disability of any kind and may require accessible housing. Additionally, 9.2% of Danville households are larger households with five or more people, who likely need larger housing units with three bedrooms or more. 8.9% of households are female-headed families, which are often at greater risk of housing insecurity.

Units at Risk of Conversion to Market Rate

State law requires that each jurisdiction provide analysis and programs for preserving existing affordable multi-family rental housing units that were developed with public subsidies. Units at risk of conversion are those units in which the restrictions, agreements or contracts to maintain the affordability of the units expire or are otherwise terminated. At expiration, units may revert to market rate, rendering them no longer affordable to the people living in them. Loss of affordability can occur at the termination of bond funding, the expiration of density bonuses, and other similar local programs.

The potential loss of existing affordable housing units is an important issue to the Town due to displacement of lower-income tenants and the limited alternative housing for such persons. It is typically less expensive to preserve the affordability of these units than to subsidize construction of new affordable units due to the inflation of land and construction costs which has occurred since the original development of the affordable housing projects.

Various funding sources, including HUD funding sources, such as Community Development Block Grant (CDBG) funds and HOME Investment Partnerships Program (HOME) funds, Low-Income Housing Tax Credits (LIHTC), and other funds are used to create and preserve affordable housing in Danville. The information below presents the inventory of affordable developments in Danville. Assistance to help low-income households afford housing is also available through the Housing Authority of the County of Contra Costa’s Section 8 Housing Choice Voucher program.

Preservation of at-risk projects can be achieved in a variety of ways, with adequate funding availability. Alternatively, units that are converted to market rate may be replaced with new assisted multi-family units with specified affordability timeframes.

Rental Assistance

State, local, or other funding sources can be used to provide rental subsidies to maintain the affordability of at-risk projects. These subsidies can be structured to mirror the Housing Choice Voucher/Section 8 program, whereby the subsidy covers the cost of the unit above what is determined to be affordable for the tenant’s household income (including a utility allowance) up to the fair market value of the apartment. Unit sizes for the at-risk properties range from studios to two-bedroom units and are generally reserved for very low-income households. The total subsidy needed to maintain a unit is approximately \$20,000 per year.

Transfer of Ownership

If the current organizations managing the units at risk are no longer able to maintain the project, transferring ownership of the affordable units to a nonprofit housing organization is a viable way to preserve affordable housing for the long term. The estimated market value for affordable units that are potentially at high risk of converting to market rate is about \$350,000 per unit.

Construction of Replacement Units

The construction of new low-income housing can be a means to replace at-risk units, though extremely costly. The cost of developing new housing depends on a variety of factors including density, size of units, construction quality and type, location, land and development costs. Using the Turner Center's research on the cost to develop affordable housing around the Bay Area, the cost to replace the units could be as much as \$700,000 per unit.

Qualified Entities

An owner of a multi-family rental housing development with rental restrictions (i.e., is under agreement with federal, State, and local entities to receive subsidies for low-income tenants), may plan to sell their "at risk" property. The California Department of Housing and Community Development (HCD) has listed qualified entities that may be interested in participating in California's First Right of Refusal Program. If an owner decides to terminate a subsidy contract or prepay the mortgage or sell or otherwise dispose of the assisted housing development, or if the owner has an assisted housing development in which there will be the expiration of rental restrictions, the owner must first give notice of the opportunity to offer to purchase to a list of qualified entities provided to the owner.

HCD has identified a number of entities operating in Contra Costa County that may be interested in participating in California's First Right of Refusal Program. They are listed in the attached document. Of these entities, some have worked specifically in Danville, and others have completed projects in surrounding areas. If a development becomes at risk of conversion to market-rate housing, the Town will maintain contact with local organizations and housing providers who may have an interest in acquiring at-risk units and will assist other organizations in applying for funding to acquire at-risk units.

Funding Sources

A critical component for implementation of any of these preservation options is the availability of adequate funding, which can be difficult to secure. In general, Low-Income Housing Tax Credit funding is not readily available for rehabilitation and preservation, as the grant application process is highly competitive and prioritizes new construction. The Town's previous ongoing funding source, Low/Mod Housing Funds available through the Redevelopment Agency, no longer exists due to the dissolution of Redevelopment more than a decade ago. Available funding sources that can support affordable housing preservation include sources from the federal and state governments, as well as local and regional funding.

Federal Funding

- HOME Investment Partnerships (HOME) Program
- Project-Based Vouchers (Section 8)
- Section 811 Project Rental Assistance
- Veterans Affairs Supportive Housing (VASH) Vouchers

State Funding

- Affordable Housing and Sustainable Communities (AHSC) Program
- Golden State Acquisition Fund (GSAF)
- Project Homekey
- Housing for a Healthy California (HHC)

- Multifamily Housing Program (MHP)
- National Housing Trust Fund
- Predevelopment Loan Program (PDLP)

Preservation and Replacement Needs

Based on Town records and information from the California Housing Partnership Corporation, there are no units with expiring affordability covenants in Danville during the next ten years (2023-2033). Sycamore Place, a 74-unit senior development (73 affordable units), was developed by BRIDGE Housing and was primarily funded through the Low-Income Housing Tax Credit program. Although the tax credit affordability restrictions end in 2057, the risk level is considered low because the project is owned by a nonprofit developer whose mission it is to create and conserve housing affordable to lower income households.

RHNA Allocation Summary & Methodology

Legislative Context for the Housing Element's Inventory of Sites

Per State law, the State of California, in conjunction with Association of Bay Area Governments (ABAG), has projected future population figures for the nine Bay Areas counties which translates into the need for additional housing units. Each jurisdiction is then assigned a portion of the regional need based on factors such as growth of population and adjusted by factors including proximity to jobs, and high resource areas that have excellent access to amenities such as good school and employment centers. This assignment is known as the Regional Housing Needs Allocation (RHNA). Each jurisdiction must ensure that there is enough land at appropriate zoning densities to accommodate its RHNA in its Housing Element in four income categories (very low, low-, moderate- and above moderate-income). The RHNA for Town of Danville for the Housing Element 2023-2031 is 2,241 units, which are broken down by income category in Table 3.

TABLE 3. DANVILLE RHNA TARGETS SUMMARY

Income Category	Very Low 50% AMI	Low 80% AMI	Moderate 120% AM	Above Market Rate	Total
2023-31 Allocation	652	376	338	875	2,241

Source: Housing Element Cycle 6 RHNA Allocation

A key component of the Housing Element is a projection of a jurisdiction's housing supply. State law requires that the element identify adequate sites for housing, including rental housing, factory-built housing, and mobile homes, and make adequate provision for the existing and projected needs of all economic segments of the community. This sites list is required to include an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, including analysis of the development capacity that can realistically be achieved for each site.

The purpose of the Sites Inventory is to evaluate whether there are sufficient sites with appropriate zoning to meet the RHNA goal. It is based on the Town's current land use designations and zoning requirements and an analysis of the likelihood of redevelopment within the eight years of the Housing Element cycle. The analysis does not include the economic feasibility of specific sites, nor does it take into consideration the owner's intended use of the land now or in the future. It does not dictate where residential development will actually occur, and the decision whether or not to develop any particular site always remains with the owner of the property, not the Town. Based on previous Housing Elements, the Town anticipates that some of the sites on the list will be developed with new housing, some will not, and some housing will be built on sites not listed in the inventory.

The Sites Inventory is further outlined below, with a breakdown of the units in Table 5. The complete Sites Inventory is included as Appendix C.

Sites Inventory Methodology

Vacant and underutilized parcels in Danville were inventoried to determine what land is available for development at various levels of density and suitable to meet various income levels including very low, low, moderate and above moderate. A detailed summary of the Town's methodology for establishing the inventory of sites, and a full list of inventory sites, is contained within Appendix C.

Sites Inventory Approach. Staff conducted a site-by-site review of all potential development sites, Town-wide. As will be demonstrated in Appendix C, the Town's RHNA, plus a reasonable buffer, is currently accommodated under the Town's General Plan and zoning districts. Rezoning and General Plan amendment were completed concurrently with the adoption of the Housing Element in January 2023.

Zoned versus Realistic Capacity. When establishing realistic unit capacity calculations, the jurisdiction must consider current development trends of existing or approved residential developments at a similar affordability level in that jurisdiction, as well as the cumulative impact of standards such as maximum lot coverage, height, open space, parking, and floor area ratios. The capacity methodology must be adjusted to account for any limitation as a result of availability and accessibility of sufficient water, sewer, and dry utilities. . For this reason, the Town utilizes minimum density to estimate development capacity.

Distribution of Units by Affordability. Consistent with State guidance, individual sites less than 0.5 acres were assumed to be feasible for development of moderate- and above-moderate income units.

For sites in the pipeline, the actual proposed distribution of units by affordability was included. For example, the Borel development includes a total of 167 units, of which 25 will be moderate-income as a result of implementation of the Town's Inclusionary Housing Ordinance. These are the figures used in the spreadsheet.

For all other sites, since they are all designated with a minimum density of 30 units per acre (Danville's default density) the distribution of units by affordability was applied as necessary to meet the Town's RHNA for each income category.

In addition, because of new rules in the Housing Accountability Act's "No Net Loss" provisions (SB 166 of 2017), the land inventory and site identification programs in the Housing Element must always include sufficient sites to accommodate the unmet RHNA, in terms of the number of housing units, as well as the level of affordability. When a site identified in the Element as available for the development of housing to accommodate the lower-income portion of the RHNA is developed at a higher income level, the locality must either (1) identify and rezone, if necessary, an adequate substitute site, or (2) demonstrate that the land inventory already contains an adequate substitute site. By distributing units to sites according to the distribution of the RHNA allocation – including above moderate income – it will be easier to ensure ongoing compliance with the No Net Loss provisions.

Pipeline Projects

In addition to the sites potentially available for development or redevelopment, projects that have been approved, permitted, or received a certificate of occupancy since the beginning of the RHNA projected period may be credited toward meeting the RHNA allocation based on the affordability and unit count of the development. For these projects, affordability is based on the actual or projected sale prices, rent levels, or other mechanisms establishing affordability in the planning period of the units within the project. These sites are included in the Sites Inventory (Appendix C), as each will receive its Certificate of Occupancy (C of O) after June 30, 2022. All projects included as pipeline projects are already under construction as of November 2023.

Accessory Dwelling Units

The State now allows jurisdictions to count projected development of accessory dwelling units (ADUs) based on prior years' production averages. Substantial changes in State law pertaining to ADUs in the last several years have made it much easier for homeowners to create ADUs throughout Danville. In addition, the Town created an ADU (Garden Cottages) program, which offers free ADU building plans, with varying sizes and architectural styles, for free to the public. According to Town records, including the 2019, 2020, 2021, and 2022 Housing Element Annual

Progress Reports (APRs), 17 ADUs or JADUs received building permits in 2020, 46 ADUs or JADUs were permitted in 2021 and 35 ADUs or JADUs were permitted in 2022, demonstrating an increase in their development since the new State ADU laws went into effect and the Town amended its ADU Ordinance to comply with State law. For the last three calendar years, Danville has averaged 32.67 ADUs. Conservatively, and consistent with State Law, this inventory includes a projection of 30 ADUs and/or JADUs annually over the eight-year Housing Element period, resulting in 240 new ADUs and/or JADUs.

A study conducted by the Association of Bay Area Governments (ABAG) from September 2021 found that ADUs are rented at a variety of rates and often meet lower income affordability requirements based on the incomes of the occupants and/or their rental rates. Based on these findings, local jurisdictions are justified in using certain percentages to meet their affordable housing allocations. Although the State has not yet officially approved the conclusions of the study, it has agreed that jurisdictions can allocate ADUs towards a range of income levels.

The studies recommended affordability breakdown that a Bay Area jurisdiction can use for ADUs, which is noted as being conservative, is 30% very low, 30% low, 30% moderate and 10% above moderate.

Publicly Owned Sites

Housing Elements must include discussion to support the viability of development for RHNA sites that are publicly owned. The Town has included the sites located at 510 La Gonda Way and 699 Old Orchard Drive as RHNA sites.

The 2.27 acre 510 La Gonda Way site contains a 13,000 square foot office building which was used as the Town of Danville's Town administrative office from approximately 1986 until November 2022. The Town has moved its administrative office function next door, to 500 La Gonda Way, and the building is now vacant and in a state of deterioration.

In order to implement the Town's Housing Plan, prior to the statutory deadline in January 2023, the Town amended the 510 La Gonda Way site's General Plan Land Use Designation from Commercial – Limited Office to Residential – Multifamily – High Special, requiring a residential development density of 30-35 units per acre. At the same time, the Town rezoned the property from P-1; Planned Unit Development to M-35; Multifamily High Density Special.

The Town is currently working to complete the move of all facilities, including the existing solar array, which will be completed in 2024. At that point, the Town will utilize the Surplus Lands Act to reach out to housing sponsors on the on the HCD list and any other potential developers of low and moderate income housing for the site. The Town has had previous conversations with both Bridge Housing, Linc Housing and Related California Nor Cal Affordable Housing about potential viability of the property as an affordable housing site and both indicated it is viable and they will be interested in the site.

On July 11, 2023, the Danville Town Council held a study session to discuss the future use of this property. The unanimous direction from the Town Council is to offer the property at no cost to a non-profit builder and to include in the deal the full amount of the Town's Housing Fund (currently \$1,900.00) to ensure the deepest possible level of affordability.

The 3.77-acre site at 699 Old Orchard Drive contains the San Ramon Valley Unified School District (SRVUSD) administrative offices. The site is surrounded by existing residential neighborhoods with a mix of densities. The Town has had several conversations with SRVUSD staff regarding the inclusion of this property as a RHNA site. In a letter dated June 14, 2023, SRVUSD staff stated that "we believe that the zoning density of the site combined with the revised development standards result in a viable redevelopment opportunity for this property." "Ideally, the district would like to combine the district offices with those of the service center, located in San Ramon, onto one site. Given the new development rights we believe the value of our site has increased substantially and may afford us the opportunity to finally sell our property."

As a State agency, the SRVUSD will be subject to the Surplus Lands Act and will be required to offer the land to affordable home builders.

As described within Appendix G, Policy 6.1.h., for both the 510 La Gonda Way and 699 Old Orchard Drive sites, if by the end of 2028 there has not been a planning application submitted for one or both of the sites, the Town will take action to remove the site(s) from the RHNA inventory and designate additional properties to meet the RHNA requirement, as found necessary.

Sites Inventory

Based on the methodology and approach outlined above, the Sites Inventory includes a range of sites located Town-wide that could be developed with up to 2,153 new housing units. Table 5 provides a high-level summary of the Sites Inventory broken down by income. Figure 1 shows a map of where each site is located within the Town and the housing opportunity areas.

TABLE 4. SITES INVENTORY AFFORDABILITY BREAKDOWN

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA	652	376	338	875	2,241
Approved/Permitted/Under Construction	0	7	5	151	163
Projected ADUs	72	72	72	24	240
Remaining RHNA	580	297	261	700	1,838
Available Sites					
Vacant	25	0	259	284	
Nonvacant	1134	294	441	1869	
Total Sites Capacity	1159	294	700	2153	
Surplus/(Shortfall)	282	33	0	315	
% Buffer Over Remaining RHNA	32	13	0	17	

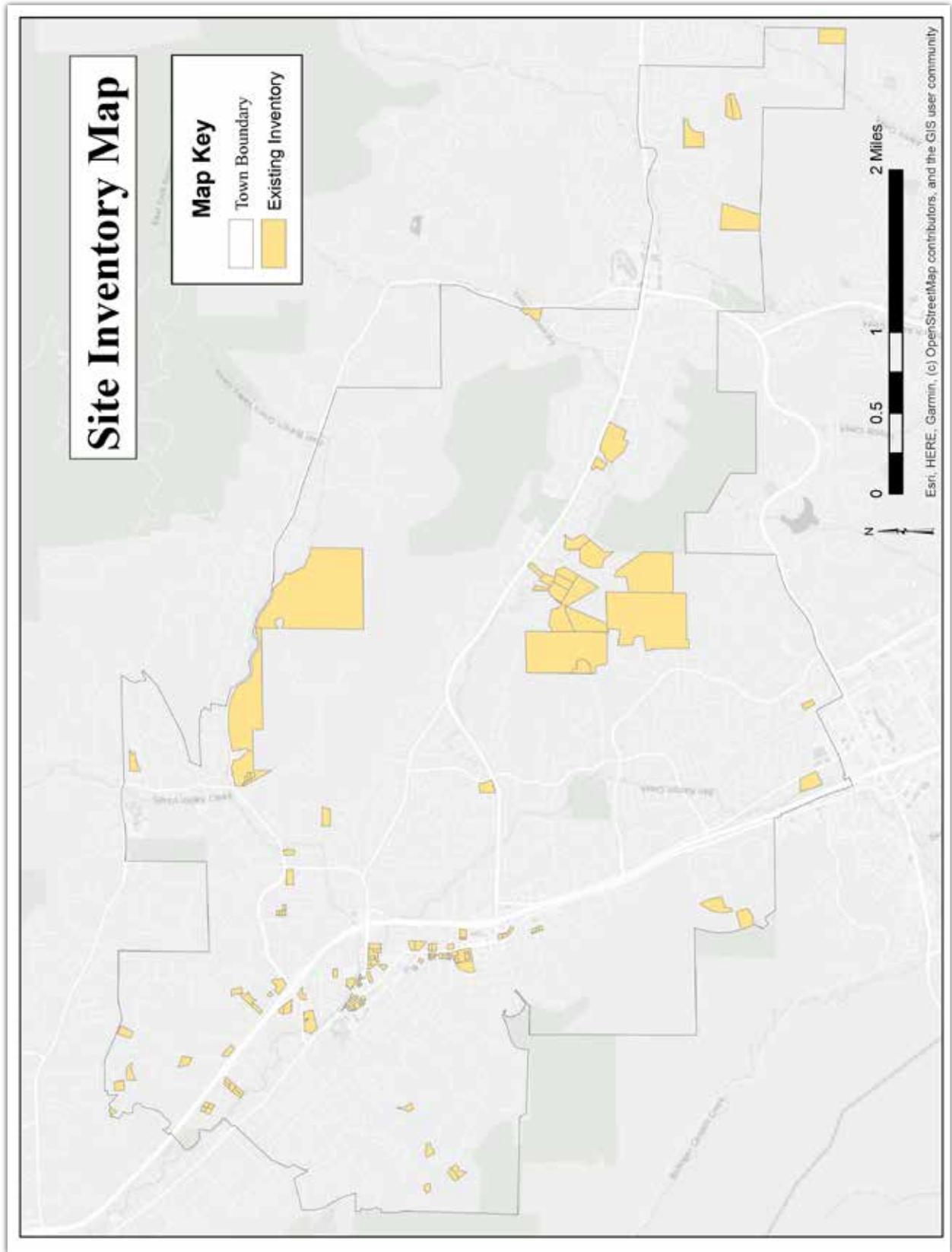
Source: Housing Resources Sites Inventory

The Sites Inventory was developed to meet all applicable statutory requirements and provide a realistic and achievable roadmap for the Town to meet and potentially exceed its RHNA. The Sites Inventory is summarized as follows:

- The housing sites are spread throughout the Town, with all located in high resource areas, to meet AFFH requirements.
- The housing projections utilize existing land use and zoning densities, and no general plan land use amendments or rezonings are necessary as rezoning and General Plan amendment were completed concurrently with Housing Element adoption in January 2023.
- It includes conservative production and density assumptions for the identified housing sites.
- The Town has a number of pipeline projects that are anticipated to be completed by the end of this housing cycle. All three projects (163 units) are currently under construction.
- The housing projections do not have any reliance on new units developed under SB9 and reasonable reliance on new ADU production.

The analytical process that went into creating the Sites Inventory and the justification for commercial site redevelopment are fully detailed within Appendix C.

FIGURE 1: SITES INVENTORY MAP



Universe. Sites Inventory Notes: The individual sites identified as suitable for housing redevelopment are marked XXXs. Site affordability breakdown by grouping is seen in Table 7.



4. Other Required Housing Element Components

Consistency with Other Elements of the General Plan

The Housing Element is the only chapter in a general plan with statutorily prescribed timelines for completion, so to ensure internal consistency among all General Plan elements, work on both any General Plan Update and the Housing Element Update will be coordinated. Other elements of the General Plan that specifically require updates statutorily triggered by the Housing Element include:

- Flood Hazard and Management (Gov. Code §65302 subs. (d)(3) and (g)(2)(B))
- Fire Hazard (Gov. Code §65302 and §65302.5) (Safety Element updates)
- Environmental Justice (Gov. Code §65302 subd. (h))
- Climate Adaptation (sustainability throughout the General Plan Update)

To ensure ongoing consistency among all elements of the General Plan, the Town tracks all General Plan amendments as they occur, and prepares revisions as needed. This will ensure ongoing consistency throughout the planning period.

Compliance with AB 725: To be in compliance, the element should demonstrate that at least 25 percent of moderate-income units will be in areas zoned for at least four units, but not more than 100 units per acre. And that at least 25 percent of above moderate-income units will be located in areas zoned for at least four units of housing per parcel.

As shown in the inventory, many of the housing sites are zoned to require a density range of 30–35 units per acre. As a result, approximately 1,800 of the 2,577 required RHNA units (including a 15% buffer), or 70% of the housing sites, would be within the required density range. All of these would include at least 25% of the units available for both moderate and above moderate income households.

Constraints Analysis Summary

The purpose of the constraints analysis section, per Government Code Section 65583(a)(5-6), is to identify and analyze potential and actual nongovernmental and governmental constraints to the maintenance, improvement, or development of housing that hinder a jurisdiction from meeting its share of the regional housing needs. A summary of governmental and non-governmental constraints is provided below, and a more detailed analysis is contained in Appendix B.

Governmental Constraints

State law (California Government Code Section (a)[5]) requires Housing Elements to contain an analysis of governmental policies and regulations that can result in both positive and negative effects on the availability and affordability of housing. Potential constraints to housing include zoning regulations, development standards, infrastructure requirements, development impact fees, and the development approval processes.

While government policies and regulations are intended to serve public objectives and further the public good, the Town of Danville recognizes that its actions can potentially constrain the availability and affordability of housing to meet the community's future needs. The Town has implemented several measures to reduce development costs and streamline the approval process and has identified additional opportunities for streamlining the Town's review process. The Town has identified outdated zoning code regulations in several areas that may pose as a barrier to housing development and have included Housing Element implementation

programs to review zoning code requirements and amend as necessary to remove these barriers. Further detail is provided in Appendix B.

Non-Governmental Constraints

State law (California Government Code Section 65583[a][6]) requires Housing Elements to contain an analysis of nongovernmental constraints to the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, and the length of time between receiving entitlement approval for a housing development and submittal of an application for building permits for that development. Potential nongovernmental constraints are largely determined by market conditions or other factors, over which local jurisdictions have little control. However, local governments can influence market conditions and their associated costs indirectly. Governmental interventions that affect nongovernmental constraints are explored in more detail in Appendix B.

Housing Resources Summary

The Housing Resources of the Town of Danville can be summarized into two parts. The first is the various funding sources the Town can pool together for affordable housing production, preservation, and protection, as well as outside funds from a variety of agencies, such as the County and the federal government. The second is an inventory of sites that are adequate for projected housing needs. A full description of each funding source and the opportunity sites inventory are included in Appendix C - Housing Resources.





5. Public Participation

Overview

The Town of Danville recognizes a thoroughly involved and engaged community is essential to drafting and implementing a strong Housing Element. A major strength of this draft Housing Element is the incorporation of key findings collected at more than 28 public community meetings and workshops, one pop-up event, as well as four surveys. A summary of public participation, community outreach activities, and key takeaways are included here. The collected public input received is included within Appendix F of this Housing Element.

Engaging all members of the community from a broad array of backgrounds was a central and vital goal to the public participation effort, driving the decisions made concerning community engagement activities and opportunities. To reach as many individuals as possible who live in or are a part of the Danville community, the Town developed and implemented a proactive outreach plan at the outset of the draft Housing Element development process. Its goals were to:

- Raise awareness among Danville residents of the importance of the Housing Element update on shaping the future of the community;
- Have robust and diverse community participation throughout the process that is representative of the full range of demographics, perspectives, and experiences in the Danville community, including those who are often underrepresented in community engagement because of systemic barriers including language, worktimes, lack of childcare, and limited mobility;
- Establish a level of public trust in the update process and support for the Housing Element that will lead to its successful implementation after adoption.

The Town proactively engaged community members including homeowners, renters, business owners, local business employees, non-English speakers, lower-income residents, local developers, and seniors, and sought specifically to engage people from all economic segments of the community. Community members were engaged and participated in the housing element update process through websites, social media posts, informational printed media, priorities surveys, live and virtual workshops, and interactive tools.

Public Participation and the Housing Element Update

Comments and input from the outreach activities and community meetings directly helped define and guide the Housing Element update goals, policies, programs, as well as direct the development of the site inventory.

There were 31 stakeholder meetings and 5 outreach activities that provided Town staff with specific guidance on the sites, housing types, and land use intensities that the community identified as appropriate to meet housing needs. For example, the Housing Site Suggestion Map outreach activity allowed community members to virtually place pins representing where they thought that more housing would be appropriate within the town. The sites identified by the community were evaluated by Town staff against HCD criteria and the most appropriate sites were then used in the subsequent Housing Density Balancing Act outreach activity. The Housing Density Balancing Act activity allowed community members to virtually assign housing densities to selected parcels to satisfy Danville's RHNA in a manner most appropriate for their community which was then reviewed by the Town staff. Town staff relied on the feedback gathered, sites identified, and density assignments made by the community members to develop the site inventory used in the housing element update.

Website, Social Media, and Printed Media

The Town of Danville provided a multifaceted effort to bring awareness and critical information about the housing element update and engagement opportunities to the community through a combination of digital and print media sources.

In March 2021, the Town of Danville launched the Danville Town Talks website, which functions as the hub of community engagement for the Housing Element and is the two-way communication tool between community members and Town staff. Through the website, community members participated in polls, engage in discussions regarding the process, ask questions, and review past virtual webinars.

Information about the Housing Element update was provided periodically in the Danville Quarterly Newsletter mailed out Town-wide. An introductory article included in the Summer 2021 edition of the Danville Quarterly Newsletter, and included an initial priorities survey for residents to complete. Updates regarding the Housing Element update and community engagement efforts were also featured in the Fall 2021, Winter 2022, Spring 2022 and Summer 2022 Danville Quarterly Newsletters. In addition to the newsletter, Danville has also taken advantage of marketing efforts through all social media platforms, utilizing press releases, and using E-news to reach community members.

Flyers detailing information and FAQs on the Housing Element update were displayed in kiosks located around the downtown area and available in Town facilities including the Town Offices, Danville Community Center and Veterans Memorial Building/Senior Center.

Community Meetings

To increase awareness of and participation in the Housing Element update process among all stakeholders, Town staff participated in community meetings and workshops with Town officials and community members to provide information about the Housing Element update, future opportunities for participation, and answer questions that community members and officials had concerning the process and Housing Element basics. Town staff gave presentations at ten public meetings:

- Town Council/Parks, Recreation and Arts Commission/Arts Advisory Board Joint Study Session (3/10/21)
- Town Council/Planning Commission/Design Review Board Joint Study Session (3/23/21)
- Town Council/Heritage Resource Commission Joint Study Session (4/12/21)
- Planning Commission Meeting (6/8/21)
- Town Council Study Session (9/15/21)
- Planning Commission Meeting (9/28/21)
- Planning Commission Meeting (10/26/21)
- Planning Commission Meeting (2/22/22)
- Town Council/Heritage Resource Commission Study Session (3/14/22)
- Town Council/Chamber of Commerce Liaison Meeting (10/7/21)

Town staff also launched a 3-part Housing Element Workshop series to provide information on the Housing Element process and the interactive engagement tools acquired for public participation. The workshops were structured in three different formats to provide information and updates on the housing element update process. These workshops were:

- **Housing Element 101:** The purpose of this workshop was to provide participants with an overview of the Regional Housing Needs Allocation, the Housing Element policy documents, and update process. Six separate workshops were offered, with a total of 216 participants.

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- June 12, 2021
 - June 29, 2021
 - July 8, 2021
 - August 19, 2021
 - August 31, 2021
 - September 18, 2021 (with the Chamber of Commerce)
- **Housing Element 201:** The purpose of this workshop was to provide an update on the Housing Element Update and introduce part one of the two part engagement strategy. Specifically, these workshops introduced participants to the Housing Site Suggestion Map. Three separate workshops were offered, with a total of 40 participants.
 - March 9, 2022
 - March 17, 2022
 - March 28, 2022 (with the Chamber of Commerce)
 - **Housing Element 301:** The purpose of this workshop was to provide an update on the Housing Element update, the results of the Housing Site Suggestion Map tool and to introduce part two of the engagement strategy. Specifically, these workshops introduced participants to the Housing Simulation Tool. Three separate workshops were offered, with a total of 35 participants.
- July 7, 2022
 - July 13, 2022
 - July 20, 2022

Town staff presented twice on Town Talks with the Mayor. This is a monthly streaming webinar hosted by the Danville Mayor and included discussions of Housing Element basics, participation opportunities for community members, and next steps in the process. These presentations took place on:

- May 25, 2021
- April 1, 2022

Town staff participated in seven community group meetings to provide information and updates on the Housing Element process as well as details about additional public participation opportunities:

- Danville/Sycamore Valley Rotary Club (4/4/21)
- Realtors Marketing Association (4/6/21)
- Danville Kiwanis Club (8/12/21)
- San Ramon Valley Exchange Club (9/8/21)
- American Legion Mt. Diablo Post (12/5/21)
- Realtors Marketing Association (3/17/22)
- Danville Senior Center Buzz Session (3/29/22)

Organizations Representing Low and Moderate Income and Special Needs Households

Town staff reached out to more than a dozen community based and special needs organizations by e-mail, phone, mailers, survey requests, and the Town's quarterly newsletter to participate in the Housing Element process. The inclusion of organizations representing low and moderate income and special needs, veterans, senior groups, and religious organizations provided an opportunity to not only share information about Housing Element basics, but to expand the discussion of housing needs within the community.

There were 13 organizations who joined Town staff in conversations about the Housing Element, and housing broadly:

- San Ramon Valley Rotary
- Danville Sycamore Rotary
- Kiwanis Club of the San Ramon Valley
- Exchange Club of the San Ramon Valley
- Down Syndrome Connection
- Beth Chaim Congregation
- Discovery Counseling Center
- The Rock Church
- First Church of Christ, Scientist
- Messiah Lutheran Church
- Rolling Hills Community Church
- St. Isidore Catholic Church
- St. Timothy's Episcopal Church



Community members were provided an opportunity to have their questions answered about the process, the ways that the Housing Element update would impact the community, and next steps in the process. The discussions provided insight into the need for and interest in additional housing development aimed at seniors and veterans.

Meeting with local community organizations expanded interest in the Housing Element update and resulted in the identification of an additional site suitable to accommodate housing that was added to the site inventory. The Community Presbyterian Church expressing written interest in developing multifamily housing on sites owned by the church. Their parcel was studied as a possible housing site and added to the site inventory as a result.

Other discussions highlighted community interest in senior housing and other supportive housing needs, such as veterans housing. Organizations were interested in hearing about the scale of lower income and special needs housing in Danville, and the differences between having such housing types available in Danville as opposed to other neighboring communities.

Outreach Activities

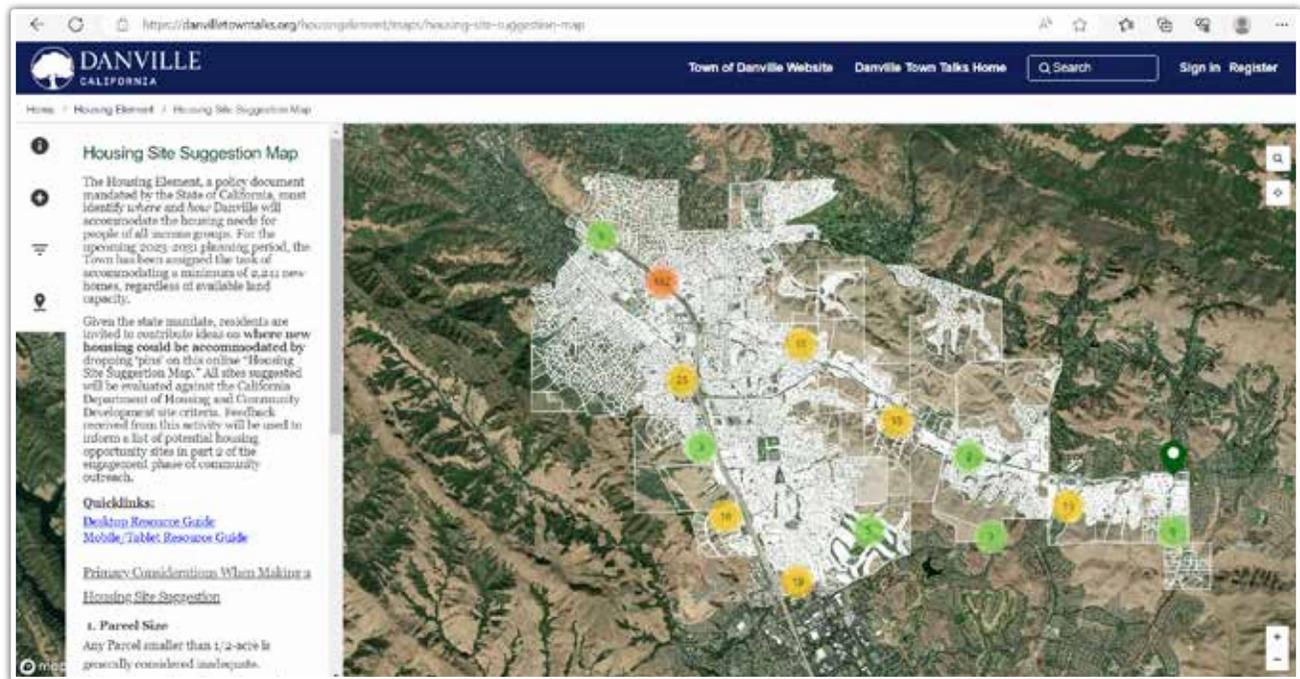
Town staff and consultants conducted an online priorities survey, two simulation surveys, one pop-up event and a community survey that included some Housing Element related questions. These efforts included:

- **Priorities Survey (7/8/21 - 9/28/21):** In the Fall of 2021, the Town introduced the Housing Element Update process to the community by featuring an article in the Fall Quarterly Newsletter, mailed to more than 40,000 residents. Included in the newsletter was a prepaid stamped postcard for residents to provide

feedback to help shape the 2023-2031 Housing Element and share what aspects of the community they would like to see preserved. The survey was also available on the Town's Danville Town Talks website, and its availability was advertised on the website as well as through social media (e.g., Twitter, Instagram, NextDoor). The Town received 116 responses from community members.

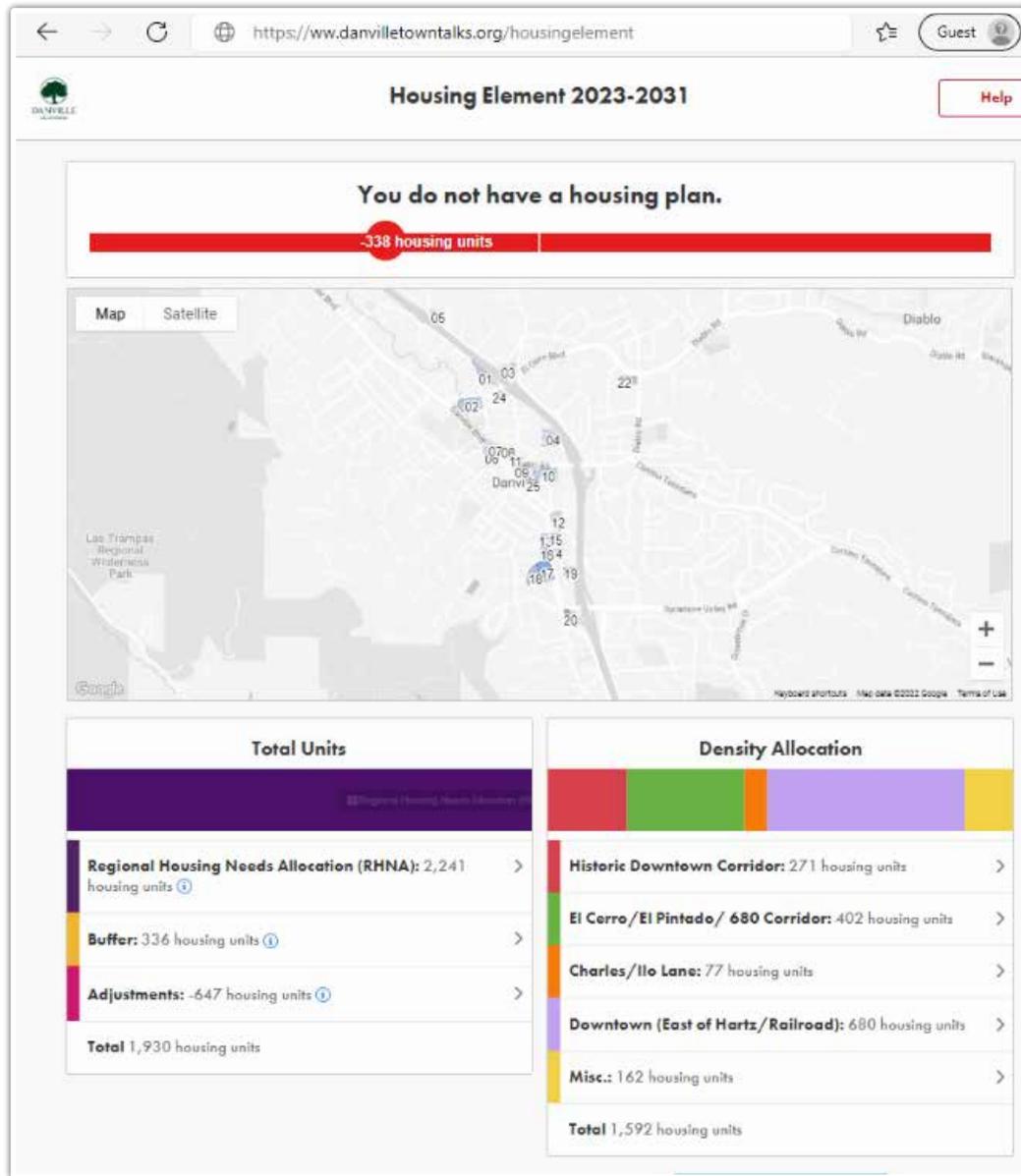
- **Housing Site Suggestion Map Tool (3/7/22-4/8/22):** Beginning in March 2022, residents were invited to help identify and suggest sites they believe should be considered for housing development using the interactive Housing Site Suggestion tool. This tool was featured on the Danville Town Talks website. At the conclusion of the activity, community members had dropped 281 'pins' or suggestions on 99 unique sites for consideration. Sites, or parcels, were evaluated by Town Staff according to HCD criteria.

FIGURE 2. HOUSING SITE SUGGESTION MAP TOOL WEBPAGE



- **Godbe Research Community Survey (3/9/22 - 3/16/22):** In March of 2022, the Town launched a Housing Element Poll/Survey, conducted on the Town's behalf by a professional research firm called Godbe Research Associates. The purpose of this survey was to help understand residents' current and future views pertaining to land use and housing. Responses were collected from 593 residents.
- **Danville Farmers Market/Veterans Memorial Building Pop-Up Event (3/26/22):** In March of 2022, a series of pop-up events were set up at the Danville Farmers Market and the Veterans Memorial Building and were an opportunity for residents to ask questions regarding the Housing Element update and Housing Site Suggestion Map.
- **Housing Density Balancing Act Tool (7/01/22 – 08/01/22):** In June of 2022, residents were invited back to participate in the Housing Plan Simulation Tool, an engagement tool for participants to submit their version of a Housing Element that achieved the minimum 2,241-unit target assigned to the Town of Danville. The potential housing sites shown on this tool were identified through the Housing Site Suggestion Map public input process and Town staff analysis. A total of 32 successful housing plans were submitted.

FIGURE 3. HOUSING DENSITY BALANCING ACT TOOL WEBPAGE



Key Accomplishments

The outreach and public participation efforts provided Town staff with opinions and guidance from community members, including lower income and special needs community members, on the direction of the Housing Element update as well as input on the location and intensity of sites in the site inventory. Feedback and insights from tenants, non-English speakers, lower-income residents, property owners and developers helped to highlight new policy opportunities and ways to strengthen and improve existing policies, with the overarching challenge of housing affordability and availability being a reoccurring topic. Themes that were incorporated into the Housing Plan included production of additional senior housing to better meet the housing needs of the local community. A complete documentation of efforts to reach the community can be found in Appendix F.

The informal discussion format of the virtual workshops allowed Town staff to answer questions community members and participants had concerning the reason for and penalties against non-compliance with Housing Element law. Virtual workshops offered an opportunity to discuss, in-depth, with the community why the Town needs to update the Housing Element, the general process of the Housing Element update, and the role of the Housing Element in housing allocation and production within the Town.

While the Town is not an active participant on NextDoor or other social media platforms, there are many Town staff members who are residents of Danville. Town staff identified that in conversations about the Housing Element and about housing generally in Danville on social media, residents often cited Town Talks or other outreach events in their comments that “corrected the record” on concerns about housing and affordable housing in Town. This demonstrated to Town staff how outreach was successful in establishing baseline expectations and an understanding of the process in the community.

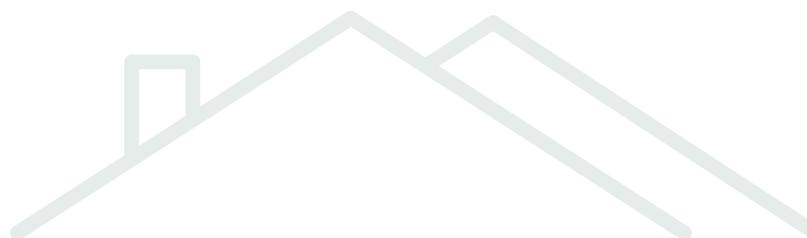
Responses to Public Comment

Although Town staff received community input for more than a one and a half years and, during the formal 30-day public review period of the Draft Housing Element, which ran from July 1, 2022, to August 1, 2022, two letters were received and are included in Appendix F. The comments received by the Town offered differing opinions and input on the Draft Housing Element. For example, comments were received regarding the Town’s densities and height limits, making suggestions to improve the financial feasibility of development by increasing height limits in certain areas. Other comments asserted that the assumptions about development potential in the inventory were inaccurate based on a variety of constraints, such as environmental features and owners’ lack of interest in development. Multiple comments reacted to the impact that over 2,000 new housing units at multifamily densities would have on the character of the community.

Town staff additionally received community input on the Final PEIR which was prepared to study potential environmental impacts related to the General Plan land use amendments to create additional residential development potential necessary to meet the RHNA. Input including 20 comment letters from individuals, businesses, and organizations within Danville. The comments received by the Town offered insights and concerns relating to greenhouse gas emissions from development, parcels selected for the site inventory, and infrastructure capabilities to handle the scale of the new development to be accommodated by the Housing Element update.

The extensive outreach and community engagement conducted over the past year played a significant role in the development of the goals, policies, and programs within the 2023-2031 Housing Element. The overarching challenge of housing affordability and availability was heard often. In addition to addressing concerns related to fair housing and ensuring compliance with new laws, and in response to the public comments made during and before the Public Review Period, multiple additional revisions, clarifying edits, and corrections were made to the Draft prior to submittal to HCD based on the comments made by members of the community. Those revisions and updates include:

- Sites inventory methodology was updated to provide more detailed information regarding the probability of development and rationale for inclusion in the inventory
- The density assumptions for sites were reduced to better reflect a realistic density yield
- Policies and programs were added to address a variety of constraints, including group housing for seven or more persons with disabilities including those with intellectual or developmental disabilities
- Policies and programs were updated to ensure compliance with AB 2162
- Policies and programs were updated to encourage development of housing on reused development sites from prior Elements





6. Affirmatively Furthering Fair Housing (AFFH) Summary

What Is Affirmatively Furthering Fair Housing?

California Assembly Bill 686, which was signed into law in 2018 requires that all public agencies in the state affirmatively further fair housing (AFFH) beginning January 1, 2019. Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take “meaningful actions” to address segregation and related barriers to fair housing choice.

AB 686 requires that all Housing Elements prepared on or after January 1, 2021, assess fair housing through the following components:

- An assessment of fair housing within the jurisdiction that includes the following components: a summary of fair housing issues and assessment of the Town’s fair housing enforcement and outreach capacity; an analysis of segregation patterns and disparities in access to opportunities; an assessment of contributing factors; and identification and prioritization of fair housing goals and actions.
- A sites inventory that accommodates all income levels of the Town’s share of the RHNA that also serves the purpose of furthering more integrated and balanced living patterns.
- Responsive housing programs that affirmatively further fair housing, promote housing opportunities throughout the community for protected classes, and address contributing factors identified in the assessment of fair housing.
- The analysis must address patterns at a regional and local level and trends in patterns over time. This analysis compares the locality at a county level for the purposes of promoting more inclusive communities.

AB 686 requires all public agencies to “administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing and take no action inconsistent with this obligation.” AB 686 also makes changes to Housing Element Law to incorporate requirements to AFFH as part of the housing element and general plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

A Fair Housing Assessment for several Contra Cost County jurisdictions was conducted by the Contra Costa County Collaborative, a joint venture of MIG Consultants and Veronica Tam and Associates, funding by ABAG. Root Policy provided additional analysis on both the top issues to be addressed and the relationship between the inventory and AFFH concerns. The Assessment describes fair housing enforcement and outreach capacity, integration and segregation, access to opportunity and disparate housing needs as contributing factors that should be addressed in the Town’s fair housing action plan. Some primary findings in the Fair Housing Assessment included:

- Between 2016 and 2021 two discrimination complaints were made to ECHO by Danville residents, one on the basis of national origin and one designated as “other.”
- Households of color living in Danville are disproportionately impacted by low household incomes, overcrowding, cost burden, home mortgage loan denials, homelessness, and lack of affordable housing options compared to non-Hispanic White residents. Specifically,
 - Other Race/Multiple Race and American Indian/Alaska Native households have the highest proportion of households making less than or equal to 50% AMI.

- Other Race/Multiple Race experience overcrowding at a significantly higher rate than households in Danville overall.
- Other Race/Multiple Race (53%), Hispanic (41%), and Black (34%) households have the highest rate of cost burden compared to non-Hispanic White (31%) and Asian (26%) households.
- Danville's residential permit and development patterns favor higher income homeowners and limit opportunities for low and moderate income households—who are most likely to be people of color.
- Mortgage denial rates are highest for American Indian/Alaska Native, Black, and Hispanic households.
- American Indian or Alaska Native and Black residents are overrepresented in the homeless population compared to their share of the overall population.
- Danville has a similar distribution of household types as neighboring high income and predominantly White communities - a high share of households that are married with children - and a smaller proportion of households that are single parents.
- Danville's housing market caters to higher income households. The city has approximately three times the number of homes valued over \$1 million compared to the county as a whole. Similarly, Danville has a concentration of high rent rentals with four times as many units priced above \$3,000 compared to the county overall.
- Lack of affordable and reasonably priced housing has contributed to Danville's relatively low share of low income households, people of color, and single parent households compared to the county overall.
- The areas west of I-680 in Danville have a higher share of LMI households, persons experiencing disabilities, cost burdened renters, and Housing Choice Voucher holders. The concentration of renters and low income households in areas west of I-680 is reflective of the relative density and affordability of the area.
 - While Danville has a smaller proportion of residents experiencing disabilities than the county (8% and 11%, respectively), the disability rate is highest among Black/African American (14.4%) and Other Race/Multiple Race (12.5%) households.
 - While Danville has the highest TCAC educational score (>0.75), indicating more positive educational outcomes, the lowest performing school in the town is located in this area.
 - The areas west of I-680 have relatively lower TCAC environmental scores compared to the rest of the town.

Contributing factors to these Primary Findings include:

- Fair housing issue: Households of color (Hispanic, Other/Multiple Race, American Indian or Alaskan Native, and Black/African American) have disproportionate housing needs. These needs are evident in high levels of cost burden, mortgage denial rates, and homelessness.
- Contributing factors:
 - Households of color are primarily concentrated in areas west of Interstate 680. According to HCD, these areas have the highest concentration of low to moderate income populations, cost burdened renters, and households utilizing housing choice vouchers.
 - Barriers to housing choice are largely related to the town's very high costs of housing and the very limited development of multifamily housing, which is typically more affordable.

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- Where affordable housing exists, it is concentrated in the areas west of I-680, resulting in segregation of lower income households in neighborhoods with lower opportunity scores.
 - Danville has approximately three times the number of homes valued over \$1 million compared to the county as a whole. Similarly, Danville has a concentration of high rent rentals with four times as many units priced above \$3,000 compared to the county overall.
 - While environmental opportunity scores for Danville are relatively high, the area with a higher percentage of non-White households has the lowest TCAC environmental score in the town.
 - It is well documented that before civil rights laws were enacted, persons of color – particularly African Americans – were denied loans to purchase homes, were not allowed to buy in many neighborhoods because of restrictive covenants and were harassed if they managed to purchase a home in a predominantly White neighborhood. These historical actions have led to a significant homeownership gap among racial and ethnic minorities, except for Asian households.
 - Fair housing issue: Persons with disabilities are concentrated in areas with higher cost burden and lower environmental quality relative to the entire town.
 - While the Town of Danville has a lower proportion of residents experiencing disabilities than the county, residents with disabilities are concentrated in areas west of I-680. This area of the town has a concentration of low to moderate income households, high renter cost burden, higher utilization of housing choice vouchers and scores relatively low on TCAC’s environmental opportunity areas compared to the entire town.
 - Fair housing issue: Few residents file fair housing complaints, indicating a potential lack of awareness about fair housing rights.
 - Contributing factors:
 - Lack of access to information about fair housing rights.
 - Limited knowledge of fair housing by residents.

In response to this analysis, as well as community input, an Affirmatively Furthering Fair Housing Action Plan, which details how the Town proposes to respond to the factors contributing to the fair housing challenges identified in this analysis, was developed. The Action Plan is included in Appendix D and the policies and programs to implement the Action Plan are included in the Housing Plan under Goal 5. The analysis of the sites inventory against AFFH indicates that the distribution of units throughout the Town will not exacerbate existing concentrations of lower-income households, and in fact will improve conditions by distributing affordable units throughout the community, which is predominantly high and highest resource areas.





7. Housing Plan

The Town of Danville is a desirable residential community to live, work, and play in. The Town's primary objective is to maintain a diversity of housing opportunities. There should be a variety of housing types and sizes, a mixture of rental and ownership housing, and housing that supports special needs populations, including farmworkers, single female heads of household, people with disabilities, and those who are unhoused. This variety of housing opportunities will accommodate a diverse population, leading to a variety of household sizes, all age groups and a wide range of income levels.

In addition, Danville will need to increase its housing supply to meet the housing demand caused by current and future job growth. The types of new housing created should accommodate all income levels consistent with the Regional Housing Needs Allocation. The goals, policies, and actions contained in this Housing Plan support these overarching objectives while also ensuring that the Town will meet its statutory obligations, affirmatively further fair housing and facilitate housing production at all income levels. To implement each of these policies, the Town has identified specific programs and actions, which are outlined in the Implementation Plan included in Appendix C.

Goals, Policies, and Programs Summary

The Town has identified ten goals to guide the Housing Element's policies and programs to address a range of community priorities identified through community engagement, housing needs of special populations, affirmatively furthering fair housing, and the production, preservation, and protection of a range of housing types.

Goal 1: Develop infrastructure through funding mechanisms that support the demands of current and future residents, housing, commercial, and retail development.

- Policy H-1.1 Ensure capital improvements meet development needs.
- Policy H-1.2 Evaluate and establish funding for new infrastructure.
- Policy H-1.3 Regularly identify and address infrastructure needs

Goal 2: Promote a vibrant commercial and cultural downtown area that meets the needs of residents and visitors and encourages a mix of retail, commercial, and residential building through zoning.

- Policy H-2.1 Provide clear information on requirements for development in the downtown.
- Policy H-2.2 Support mixed-use development.
- Policy H-2.3 Encourage housing rehabilitation in commercial zoning districts

Goal 3: Promote environmental responsibility, long-term sustainability, and adaptability in residential development and related infrastructure to minimize impacts to global climate change.

- Policy H-3.1 Promote existing and develop new energy conservation programs.
- Policy H-3.2 Provide information to the public on programs for energy conservation.
- Policy H-3.3 Sponsor an annual Earth Day event
- Policy H-3.4 Promote the County's Home Energy and Improvement Programs

Goal 4: Promote housing opportunities for all persons regardless of race, age, gender, sexual orientation, marital status, ability, or national origin.

- Policy H-4.1 Equal Housing Opportunity: Continue to facilitate non-discrimination in housing in Danville.

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- Policy H-4.2 Nondiscrimination Clauses: Provide nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with Town assistance.

Goal 5: Affirmatively further fair housing by taking meaningful actions that overcome patterns of segregation and foster inclusive communities.

- See Fair Housing Action Plan in Table 3

Goal 6: Promote the expansion of the housing throughout the Town to accommodate a variety of housing types that are attractive and affordable to potential renters and home buyers at a wide range of income levels.

- Policy H-6.1 Facilitate and support the production of new affordable housing units.
- Policy H-6.2 Seek to retain existing subsidized affordable housing units.
- Policy H-6.3 Promote and incentivize the construction of accessory dwelling units.
- Policy H-6.4 Utilize County, State, and federal programs that provide housing opportunities for lower-income households.
- Policy H-6.5 Monitor affordable projects at risk of conversion to market rate.
- Policy H-6.6 Monitor Federal actions and appropriations regarding extension of Section 8 contracts.
- Policy H-6.7 Support efforts to retain existing FHA and HUD subsidized low-income units.
- Policy H-6.8 Support the County Housing Authority housing rental subsidies.
- Policy H-6.9 Support efforts to obtain available State and federal assistance to develop affordable housing.
- Policy H-6.10 Support State and regional efforts to reinstate Redevelopment-like tools.
- Policy H-6.11 Promote development of a range of housing types.
- Policy H-6.12 Promote the development of a range of housing types to address the missing middle.
- Policy H-6.1.h.2 Create a new single family residential overlay district allowing duets on single-family residential corner lots in Danville. Allow each new lot to incorporate an attached ADU or detached ADU, and two JADUs.

Goal 7: Promote access to affordable housing opportunities for persons with special housing needs such as seniors, developmentally disabled, large households, and very low to moderate income households.

- Policy H-7.1 Collaborate with special population service providers to identify specific housing needs and guide Town policies.
- Policy H-7.2 Provide information on housing options for special populations.

Goal 8: Facilitate a mix of housing types with density and height limitations appropriate for the subject neighborhood.

- Policy H-8.1 Encourage infill housing development.
- Policy H-8.2 Establish building height requirements that are sensitive to neighborhood context.
- Policy H-8.3 Provide a density bonus to projects with affordable units.

Goal 9: Promote a wide variety of housing types that balance valued aspects of the existing community character, including quality design, scale, and preservation of natural features.

- Policy H-9.1 Encourage quality design.

Goal 10: Adopt and implement a Housing Element that complies with State Law.

- Policy H-10.1 Pursue available funding for the preservation and rehabilitation of older housing.
- Policy H-10.2 Encourage new multifamily housing.
- Policy H-10.3 Provide active leadership in implementing the Housing Element policies and programs.
- Policy H-10.4 Review implementation progress annually.
- Policy H-10.5 Encourage public participation in creating the Town's housing and development policies.
- Policy H-10.6 Support the County Housing Authority to provide loans for the rehabilitation of homes owned or occupied by lower income households.
- Policy H-10.7 Allow employee housing in areas designated with a residential land use.





8. Quantified Objectives

The quantified objectives section estimates the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the 2023-2031 planning period. The quantified objectives do not represent a ceiling on development, but rather set a target goal for the jurisdiction to achieve, based on needs, resources, and constraints.

According to HCD, the sum of the quantified objectives for the programs should ideally be equal to or surpass the community's identified housing needs. However, State law recognizes that the total housing needs identified may exceed available resources and the community's ability to satisfy this need within the content of the general plan. Under these circumstances, the quantified objectives need not match the identified existing housing needs but should establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over an eight-year time frame. The quantified objectives do not necessarily meet the goals of RHNA because they are not a full projection of anticipated housing development within the Housing Element Cycle. It is an estimate of actual production, given available resources and projected pipelines projects.

With respect to affordable units, the Town has compiled a list of known or expected development projects anticipated to be completed within the next 8 years. In doing this, the Town has projected probable affordable units based on the Town's Inclusionary Housing Ordinance, and affordable units to be constructed as part of a planned Town and affordable housing builder partnership on the vacated Town-owned property at 510 La Gonda Way.

The Town's stock of affordable housing is tied to the Town's approval of the first Inclusionary Ordinance in 1992. As a result, almost all affordable units are around 30 years old and in very good condition. Since the BMR terms are for twenty years, many have reverted to market rate. When units come up for sale, the Town attempts to allow a higher sales price in exchange for resetting the 20 year term. The Town is projecting eight units over the eight year cycle will be preserved.

Based on residential projects that are approved but not built, in review, or known pipeline projects, the quantified objective for non-subsidized units developed as market projects is 1,002 units. The total quantified objectives for housing production over the next 8 years is 1,480 units. The following table lists all of these development and quantifies the probable number of units at the various income levels, and compares these quantified objectives to the Town's RHNA assignment.



TABLE 5. QUANTIFIED OBJECTIVES FOR CYCLE 6 (2023–2031)

New Construction	Affordable Total	ELI	VLI	LI	MOD	Market
3020 Fostoria Way (Borel)	25				25	142
375& 359 West El Pintado	Senior					50
2570 Camino Tassajara & 45 Sherburne Hills Road (Mission)	14			14		14
Diablo Road (Magee Ranch)	7			7		69
600 Hartz Ave	5				5	32
510 La Gonda Way	80		40	40		0
107 Town & Country	17				17	100
200 Boone Ct. and Boone Ct.	7				7	32
480 & 486 San Ramon Valley Blvd.	14				14	80
2900 Camino Tassajara	29				29	165
828 Diablo	12				12	67
155 Diablo	4				4	30
315 & 319 Diablo Road	8		8			81
425 El Pintado	12		12			114
ADUs (30% VLI, 30% LI, 30% MOD, 10% Above MOD)	240		72	72	72	24
Subtotal:	474	0	132	133	185	1000
Conservation/Preservation (including conservation of existing affordable housing)	79	ELI	VLI	LI	8	Market
Total (Preserved Units plus New Construction)	480	0	132	133	193	1002
Grand Total	1,480					

TABLE 6. QUANTIFIED OBJECTIVES ALIGNMENT WITH DANVILLE’S RHNA

Income	Quantified Objective	8-Year RHNA Figure	% of RHNA to be Produced
ELI/VLI	132	652	20%
LI	133	376	35%
MOD	191	338	57%
Market	1,000	875	114%
Total	1,456	2,241	65%



9. Prior Accomplishments Summary

The update of the Housing Element provides an opportunity to reflect on past achievements and challenges. The following summary highlights key accomplishments and challenges from the previous Housing Element's planning period (2015 to 2023), as well as identifies opportunities for where the Town took lessons learned and applied them as future tasks for current Housing Element. A detailed evaluation of the prior housing element can be found in Appendix E - Review of Prior Housing Element.

The following achievements were made:

- Progress towards meeting affordable housing goals
- New policies to generate affordable housing funds
- Market rate housing goals were met
- The rate of ADU production have increased greatly
- Accessing new funding sources from non-local sources
- Increasing efficiency in the housing development process
- Interventions to preserve affordable housing

The following challenges were experienced:

- A divided and polarized vision for the future of the city
- High land and construction costs
- Outdated housing programs and policies
- Falling short of the quantified objectives

The following opportunities were identified:

- Rewrite the zoning code
- The General Plan update
- Creative solutions to site limitations
- More uses for technology to increase efficiency of housing programs
- New affordable housing opportunities identified

The 2015-2023 quantified objective's goal for total housing units, including market rate housing and ADUs, was a range of 876-957 units. Through the seventh year of this housing cycle, a total of 530 units have been completed. The following two tables summarize the quantified objectives from the last Housing Element Update and detail the Town's progress in achieving those objectives.

TABLE 7. QUANTIFIED OBJECTIVES, 2014-2022

	Total	ELI	VLI	LI	MOD
Conservation/Preservation	8	0	0	0	8
Subtotal	8				
New Construction					
Subtotal	8		0	0	8
Affordable Total	460	116	133	141	70
Market Rate	557				
Grand Total	1,025				

TABLE 8. ACCOMPLISHMENTS, 2014-2022

	Total	ELI	VLI	LI	MOD
Conservation/Preservation	0	0	0	0	2
Subtotal	2	0	0	0	0
New Construction					
Subtotal	2				
Affordable Total	145	0	10	69	66
Market Rate	433				
Grand Total	580				



