

# Addendum to Housing Element

## I. Addendum to Housing Element

The following additions are incorporated into the Walnut Creek 2023-2031 Housing Element, adopted on January 24, 2023. Sections, paragraphs, and texts not impacted by this Addendum are not included below.

### Chapter 3. Constraints

#### Addition/edit to Page 3-59, to second bullet point immediately before Section 3.3.8.3

Every discretionary project submitted to Walnut Creek is subject to the Permit Streamlining Act. Furthermore, those same projects are subject to appropriate CEQA processes. Adjustments in development standards, such as setback requirements, landscaping requirements, parking requirements, and building heights. The City does not require on-/off-site improvements beyond basic site and frontage improvements, such as the construction of a curb, gutter, sidewalk along the project frontage; undergrounding onsite utilities; and providing onsite rainwater treatment facilities, such as bio-retention basis (i.e. C.3.). The only exceptions to this general approach are (1) environmental impact mitigation measures imposed under the California Environmental Quality Act (CEQA), which are rarely required in the instances of residential and mixed-use developments; or (2) community benefits voluntarily provided by the developer/applicant in exchange for development bonuses above the permitted height, density, and FAR limitations in the West Downtown and North Downtown Specific Plan areas.

#### Addition/edit to p. 3-34, to expand the discussion of Section 3.3.3.8 Cumulative Impacts of Development Standards

Edit the first paragraph as follows:

The cumulative impacts of Walnut Creek’s development standards established in the Zoning Ordinance and specific plans do not unduly constrain achieving the densities permitted by the zones. The residential development regulations are comparable to those of other jurisdictions. The City does not have a maximum floor area ratio (FAR) requirement for residential uses in residential zones. Developers interviewed for the Housing Element Update did not identify the City’s zoning regulations as a constraint to development, or as factor that added excessive costs. In addition, development trends and project approval evidence confirms that Zoning Ordinance standards do not create a building envelope that conflicts with achieving the densities allowed in the zones. ~~This is evident~~ as multi-family developments in the City’s multi-family zones and specific plan areas have consistently achieved the maximum permitted densities permitted by the zones, as documented in Table 7-3 “Entitled and Pending Development Applications.”

Much of the City’s remaining residential development capacity is within two specific plan areas: the West Downtown Specific Plan and the North Downtown Specific Plan.

As a part of the analysis prepared for the Specific Plan Environmental Impact Report (EIR) in 2018, the City prepared growth projections that would likely occur under the Specific Plan by 2038. Full buildout of the North Downtown Specific Plan was projected to result in an increase in population of approximately 1,519 persons, the addition of approximately 899 housing units, and the addition of approximately 3,546 jobs. These future projections were identified by the City based on a parcel-by parcel analysis of the potential development sites in the Plan Area that have the highest likelihood of being redeveloped over the 20-year time horizon of the Specific Plan. The projections included considerations of the development regulations included within the City's Zoning Ordinance as modified by the Specific Plan, as well as market factors which includes costs to development. The Specific Plan was found to directly induce growth in an environmentally sound method.

The West Downtown Specific Plan was adopted in September 2018. The Specific Plan provided development capacity estimates based on "a careful study of opportunity sites in the Plan Area and consider such factors as existing land uses, land and improvement values, access, and physical constraints." Buildout projections also considered typical heights, lot coverages, and residential unit sizes. For opportunity sites with a "Mixed-Use" classification, it was assumed that the majority of new mixed-use development would be buildings with ground floor retail and residential units above. The plan was estimated to result in 2,400 net new housing units, along with additional retail, office and hotel uses.

Higher densities are also frequently achieved pursuant to State Density Bonus Law or other provisions, as also shown in Table 7-3. However, City staff has identified parking as a potential constraint to development. As a result, as discussed below, Program H-4.B has been strengthened to commit to adoption of Zoning Ordinance amendments to reduce parking requirements for multi-family housing, added to address parking requirements.

Height limits pursuant to Measure A are further explained in Section 3.3.3.7. Measure A does not create a constraint to housing development because the height limit generally aligns with commercially and structurally feasible heights for multifamily projects. The height limits under Measure A fosters developments at heights ranging from 50 to 89 feet (54 to 93 feet with pitched roofs), while the single-family and "missing middle" density areas within the rest of the City have Measure A height limits ranging from 25 to 30 feet (29 to 34 feet with pitched roofs). Furthermore, these Measure A height limits have been exceeded through the use of waivers and concessions for density bonus projects. Although Measure A does not constitute or present a constraint on housing development, the City has added Program H-4.D, Measure A Outreach and Review, to evaluate increasing heights in residential districts to the maximum under Measure A to increase density.

As a part of the mid-cycle review in 2027, the City will conduct public outreach and receive public comments on potential impacts of Measure A on the City's ability to provide new housing consistent with the new housing units identified in the Housing Element and, if the City is not on schedule to produce the new housing units and assuming available funding for election costs, place before the voters a ballot measure amending Measure A Height limits for properties that allow multi-family development under the General Plan.

## Chapter 7. Adequate Sites Inventory Analysis and Methodology

Addition to Page 7-7, at the end of the first paragraph of Section 7.3.3 (Housing Units Approved/Entitled/Under Construction):

The City does not require Development Agreements as a condition for development on properties designated for residential development, and there are no Development Agreements currently in place for any residential or mixed-use projects. Additionally, the City does not impose phasing or timing requirements onto residential developments beyond standard expiration dates for unexercised planning entitlements (typically one or two years). City staff is unaware of any instance in which the City has denied an extension request. Drop-outs (times when project entitlements are allowed to expire without the development having been constructed, and without filing a new application for a replacement project) are very uncommon, and to the knowledge of City staff have only occurred due to decisions made by the developer in response to changing financing and market considerations. In the last ten years, City staff is aware of only one residential or mixed-use project which has dropped out, and that was a case where the property changed hands, and the new owner has already met with the City to discuss submitting a new application for a multi-family residential development that is different from the previously-approved project. Lastly, City staff is unaware of any instance whereby the City required a reduction in the number of dwelling units below the maximum permitted by the City's General Plan and Zoning Ordinance, but has required developers to increase the number of dwelling units to comply with the minimum density requirements of the General Plan, and a majority of the new residential and mixed use development in the city occurs at the top of the permitted density range, or exceeds it through the use of an affordable housing density bonus.

As evidenced by the lack of residential development dropouts in the last 10 years, Walnut Creek has a track record of successful residential development. As such, the City expects all 1,506 pending or entitled housing units to be constructed during the 6th cycle planning period.

Edit to Page 7-46 (modify the bullet point of list of sites under the second paragraph from the top of the page, to add the following bullet point:

- Sites 55, 101, and 102 are aging office/retail buildings (built between 1975 and 1978) located in the North Downtown Specific Plan area, adjacent to recent high-density residential developments. Additionally, the owner of Site 101 has requested that their property be included in the Sites Inventory.

Edits to Pages 7-24 – 7-30 (Table 7-9. Suitability of Above Moderate and Moderate-Income Sites)

Revise "Reason for Selection" column as follows:

<u>Site. No.</u>	<u>Reason for Selection</u>
<u>22</u>	<u>Partially vacant, residentially zoned land. A portion of this site contains a section of the parking lot for Walnut Creek United Methodist Church, while the remainder</u>

<u>Site. No.</u>	<u>Reason for Selection</u>
	<p><u>consists of a vacant dirt lot. In recent years, and as attendance has declined, the church has rented a portion of their aging and underutilized facilities to tenants unaffiliated with the church, such as a private school for autistic children (WellSpring Educational Services). This site has been included based upon its development potential and relevant physical and financial factors. It is also worth noting that a number of churches in the city have sold off portions of their property for the development of private homes in order to raise funds for church operations and/or facilities (particularly as church attendance continues to decline in American society). Examples of churches in Walnut Creek that have already done this include Mt. Diablo Unitarian Universalist Church on Eckley Lane, Faith Christian Fellowship on Bancroft Road, Walnut Creek Church of Christ on Minert Road, Shell Ridge Community Church on La Casa Via, and St. Stephen Catholic Church on Keaveny Court. Additionally, Grace Presbyterian Church on Tice Valley Boulevard has submitted an application for a 6-unit supportive housing development on their property, and City staff has recently been contacted by two more churches exploring the possibility of developing housing on their properties.</u></p>
<u>35-44</u>	<p><u>Site zoned for higher density than current use. A nearby example of similar redevelopment, that was approved last year on a similar parcel contained within the same subdivision (Site 8), demonstrates the physical capacity and financial suitability of development.</u></p>
<u>101</u>	<p><u>Site zoned for high density as part of ND, current use is nonresidential, and nearby example of redevelopment (e.g., 1716 Lofts). The owner of this site has written to City staff requesting that their property be included in the Sites Inventory.</u></p>
<u>112</u>	<p><u>Vacant, residentially zoned land. This site is a vacant gravel lot occasionally used for construction staging for nearby projects by public agencies (it is owned by the Contra Costa County Flood Control &amp; Water Conservation District). A public commenter has stated that District staff informed them that they are not currently planning to redevelop the site, however neither District staff nor its governing board (the Contra Costa County Board of Supervisors) have stated that the site is not suitable for residential development or that it will not be made available for residential development in the future as surplus land.</u></p>
<u>116</u>	<p><u>Vacant (based on aerial), residentially zoned land. A public commenter has stated that they called the pastor of the church which owns this site and was told that while there is “no chance” the church will add two single-family homes on this parcel, that they “would maybe do tiny homes”, thereby demonstrating the owner’s current thoughts on the development potential of the site. Also see reasons for selection of Site 22.</u></p>

Edits to Pages 7-52 – 7-54 (Table 7-16. Suitability of Lower-Income Sites)

Revise “Reason for Selection” column as follows:

<u>Site. No.</u>	<u>Reason for Selection</u>
<u>68</u>	<u>Underutilized retail property. Designated in General Plan for mixed use FAR of up to 1.5. Located near recent high density residential development. This property is occupied by a grocery store and pet food store within a simple one-story building that was constructed in 1961, and has only seen a new interior demising wall and minor cosmetic upgrades in the time since. Trader Joe’s is the primary tenant, and they have a history of opening stores in new mixed-use developments throughout the country, with a local example at 1885 University Avenue in Berkeley. A public commenter stated that they spoke with a representative for the property owner who told them that “the length and complexity of getting housing entitled in Walnut Creek made it extremely unlikely the parcel would be redeveloped in the next ten years”, however the City’s entitlement process for even a large mixed-use project would normally only take six to 12 months, and the capacity analysis found a significant delta between the improvement value and the land value of the property. Additionally, the secondary tenant space (currently Pet Food Express, which occupies approximately 40 percent of the building) has already had two tenants in the approximately 15 years since the previous whole-building tenant (an Albertsons supermarket) vacated the building, an indication of the building’s relatively weak position in the local retail market.</u>
<u>69</u>	<u>Underutilized retail/ office property. Designated in General Plan for mixed use FAR of up to 1.5. Located near recent high density residential development. A narrow portion of the site occupied by Las Trampas Creek has been excluded from the calculation of site capacity, as it is assumed this section will remain in its current state. All of the downtown creeks (Walnut Creek, Las Trampas, San Ramon, and Tice Creeks) are fully urbanized, almost entirely engineered, and almost entirely surrounded by existing development (including the underutilized retail buildings on this site). On this site, Las Trampas Creek consists of an engineered channel located within a 115-125 foot wide easement. This easement is located between 205 and 255 feet south of Botelho Drive (the site’s northern boundary), and between 225 and 325 feet north of Newell Avenue (the site’s southern boundary), thereby leaving substantial space for new development. The southern portion of the site consists of two long-vacant one-story retail buildings and a struggling gas station (all built in 1962), while the northern portion of the site consists of a dated one-story strip center (constructed in phases between 1956 and 1970) that has experienced high tenant turnover, including multiple hair and nail salons.</u>
<u>71</u>	<u>[Correct APNs to include 178-320-001, -002, -013, -014, and -021. Correct address to include 1750-1816 N Main Street] ND. Underutilized retail properties assembled by a single owner. Adjacent to recent high-density residential development. This site consists of an outdoor car sales lot with a small showroom building and repair shop (constructed in 1966 and 1946 respectively, and seeing only minor cosmetic upgrades in the time since). This site was recently and significantly up-zoned to allow high-density residential and mixed-use development, and the capacity analysis assumes that the existing car dealership will remain, either as part of a mixed-use development, or through the partial redevelopment of the surface lot</u>

<u>Site. No.</u>	<u>Reason for Selection</u>
	<u>(particularly as the business model for new car sales moves away from large on-site inventory/sales lots). The owners of a similar car dealership directly across the street are currently in discussions with the City regarding a new mixed-use development on their property (Site 70).</u>
74	<u>[Correct APNs to include 178-340-001 and -014. Correct address to include 1401 Arroyo Way and 1400 Carlback Avenue] ND. Underutilized auto repair properties assembled by a single owner. This property functions as a repair annex to the automobile dealership located across the street on Carlback Avenue. The split repair facility requires employees to walk back and forth across the street throughout the workday, leading to an inefficient use of time and space. The one-story buildings were constructed in 1964 and 1966, and have only seen minor cosmetic improvements in the time since. The capacity analysis assumes that the dealership’s repair facilities will be consolidated into a single location as part of a larger project on Site 71, particularly as the need for extensive shop space is reduced by the state’s rapid transition to electric vehicles (including the Mustang Mach-E and F-150 Lightning, in the case of this Ford dealership).</u>
89	<u>WD. Church parking lot. This site is bisected by a PG&amp;E overhead electrical transmission line set within a 100-foot side right-of-way; however, this portion of the site has been excluded in the capacity analysis, except for possible use for surface parking or open space. Over the past half-century, higher-intensity development of the properties crossed by this transmission line has consistently demonstrated the feasibility of construction on the lots upon which it crosses, despite the presence of the transmission line and related easement. Such examples include the 4-story affordable housing and homeless services facility across the street at 1888 Trinity Avenue (“St. Paul’s Commons” and the “Trinity Center”, opened in 2020), the 3-story townhouse development at 1800 Cole Avenue (constructed in 1972), the 3-story office building located at 1777 N California Blvd (constructed in 1978), the 4- story office building with underground parking located at 1981 N Broadway (constructed in 1987), and the former Target Garden Center (constructed in 1999 and soon to be replaced by a new F&amp;M Bank) at 1823 N Main Street. Additionally, a developer is currently proposing a new 5-story mixed-use development at 1910 N Broadway (Site 76), which is similarly bisected by the transmission line in question. The owner of this site (Site 89) has also written stating that "We would welcome an opportunity to be creative and partner with the city just as we did with Trinity Commons", and while they acknowledged the challenges of the power lines and their parking lot, they said "None of these problems are insurmountable".</u>

**Chapter 8. Housing Plan**

The following programs are added to Chapter 8 under corresponding headings to further implement the goals and policies identified below.

- Under Programs for Goal H-1:

<u>Implementation Program/Schedule of Action</u>	<u>Potential Funding</u>	<u>Responsible Party</u>
<p><b><u>Program H-1.E. Incentivize the development of ADUs</u></b></p> <p><u>The City will implement a Zoning Code amendment to provide the City Manager with authority to reduce any applicable City development impact fees by no more than fifty (50) percent for ADUs, or establish a development impact fee reduction incentive program applicable to ADUs when the property owner voluntarily agrees to impose a deed restriction on the ADU setting a maximum rent level for the ADU at low- or moderate-income level for a term not less than 55 years.</u></p> <p><b><u>Schedule of Action: Fall of 2025</u></b></p>	<p><u>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</u></p>	<p><u>City Manager’s Office &amp; City Council, and Community Development Department</u></p>
<p><b><u>Program H-1.F. Increase workforce housing options</u></b></p> <p><u>As a part of the permanent ordinance implementing Senate Bill 9, the City will consider allowing total larger square foot SB 9 dwelling units. Schedule of Action: Fall of 2023.</u></p> <p><u>Further, the City will add geographic targeting to the ADU and SB-9 programs, to increase education, marketing, incentives for specific areas of the City that are RCAs and have larger lots.</u></p> <p><b><u>Schedule of Action: Fall of 2023 and ongoing.</u></b></p>	<p><u>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</u></p>	<p><u>City Manager’s Office &amp; City Council, and Community Development Department</u></p>

- Under Programs for Goal H-2:

<u>Implementation Program/Schedule of Action</u>	<u>Potential Funding</u>	<u>Responsible Party</u>
<p><b><u>Program H-2.W. Increase Housing Choices within residential areas</u></b></p> <p><u>The City will commit to perform the following actions:</u></p> <ol style="list-style-type: none"> <li><u>1. Research and propose a home-sharing program, including research and coordination with non-profit and other organizations to assist with matching tenants with existing _____ homeowners.</u> <b><u>Schedule of Action: ongoing</u></b></li> <li><u>2. Identify a housing mobility coordinator to provide housing mobility counseling, such as information on opportunity areas, housing search skills and tools, workshops, one-on-one research assistance, referrals, structured support for a time after a move to the City, landlord-tenant mediation, and retention counseling.</u> <b><u>Schedule of Action: Spring of 2024</u></b></li> <li><u>3. Provide landlord education and outreach on source of income discrimination and voucher programs to expand the location and number of participating voucher properties. Schedule of Action: ongoing</u></li> <li><u>4. Establish an education program to inform the public on the impact on residential development of Measure A height limitations on properties zoned for residential development. Schedule of Action: Spring of 2024 and ongoing</u></li> </ol>	<p><u>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</u></p>	<p><u>City Manager’s Office &amp; City Council, and Community Development Department</u></p>

<b><u>Implementation Program/Schedule of Action</u></b>	<b><u>Potential Funding</u></b>	<b><u>Responsible Party</u></b>
<p>5. <u>Evaluate and consider an amendment to the Zoning Code to increase heights in multi-family residential districts to the maximum height authorized under Measure A to increase density.</u> <b><u>Schedule of Action: Fall of 2027 and ongoing.</u></b></p>		

- **Under Programs for Goal H-3:**

<b><u>Implementation Program/Schedule of Action</u></b>	<b><u>Potential Funding</u></b>	<b><u>Responsible Party</u></b>
<p><b><u>Program H-3.F. Housing Opportunities</u></b></p> <p><u>To increase housing opportunities for identified groups, such as persons with disabilities, unhoused persons, extremely low-income households, seniors, and local critical workforce, the City will commit to implement the following:</u></p> <ol style="list-style-type: none"> <li><u>1. Consider amendment to Zoning Code to allow as a permitted use residential care facilities for between 7 and 12 residents subject only to objective standards in designated residential zones.</u> <b><u>Schedule of Action: Fall of 2025.</u></b></li> <li><u>2. Evaluate and consider amendment to reduce parking requirement for residential care facilities (currently 0.25 spaces per bed plus 1 space per employee).</u> <b><u>Schedule of Action: Fall of 2025.</u></b></li> <li><u>3. Evaluate and pursue supportive rental programs for targeted groups, including seniors, unhoused persons, veterans, extremely low-income households, persons with disabilities. Convene and consult with community-based organizations serving special needs population for annual or more frequent meetings to discuss and propose potential solutions regarding community housing needs. Foster cooperation and coordination between City and said organizations that provide services or information about services to any special needs and linguistically isolated groups. Combine meetings with any existing programs to cooperate with community advocates. Specific areas to be addressed will include:</u> <ol style="list-style-type: none"> <li><u>a. Provide information on potential sites and communicate with the development community on the City's goal to provide quality housing affordable to lower income households</u></li> <li><u>b. Expand existing priority all project processing and expedited review for projects providing housing to all targeted communities.</u></li> </ol> <b><u>Schedule of Action: ongoing.</u></b> </li> <li><u>4. Strengthen City's relationship with the local fair housing provider (ECHO) and explore ways to expand services and mutually pursue additional funding resources for that expansion.</u> <b><u>Schedule of Action: ongoing.</u></b></li> </ol>	<p><u>No additional funding is necessary – this will be performed as part of City staff's regular work plan.</u></p>	<p><u>City Manager's Office &amp; City Council, and Community Development Department</u></p>

<b>Implementation Program/Schedule of Action</b>	<b>Potential Funding</b>	<b>Responsible Party</b>
<p>5. <u>Consider and develop financial and regulatory incentives to non-profit housing corporations, private developers, and public agencies to increase affordable housing for identified groups. Incentives may include:</u></p> <ul style="list-style-type: none"> <li>a. <u>Reduced parking for studio and one-bedroom units with affordable multifamily projects (considered on a case-by-case basis),</u></li> <li>b. <u>Waive covered parking requirements for affordable developments, opportunity for deferred or reduced fees for affordable units (beyond inclusionary housing requirements), and</u></li> <li>c. <u>Development impact fee reductions for 100% affordable housing projects.</u></li> </ul> <p><b><u>Schedule of Action: ongoing.</u></b></p>		

**Under Programs for Goal H-4:**

<b>Implementation Program/Schedule of Action</b>	<b>Potential Funding</b>	<b>Responsible Party</b>
<p><b>Revise Program H-4.B. as shown in red underline below:</b></p> <p>The City shall continue to implement reduced ADU minimum requirements for multifamily projects to facilitate the development of new housing. Schedule of Action: Ongoing.</p> <p>Additionally, the City shall complete a parking study (currently underway) and bring to the Planning Commission and City Council a <u>Zoning Ordinance amendment</u> to reduce the City’s residential parking requirements based on the findings of the study, with the intent of reducing parking requirements to the levels deemed feasible by the parking study, especially for higher-density zones near transit, and to implement state law requirements including those under Assembly Bill 2097 (2022). Schedule of Action: Complete study in the Fall of 2023 and bring proposed amendments to the Planning Commission and City Council by the Fall of 2024.</p>	<p>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</p>	<p>Community Development Department</p>
<p><b><u>Program H-4.C. Planned Development Permits</u></b>  <u>The City shall amend the Zoning Code to remove requirement for a separate Planned Development Permit (PDP) in the M-U and M-H-D zones for residential development, subject only to the Objective Design Standards design review process. Schedule of Action: Fall of 2025</u></p>	<p><u>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</u></p>	<p><u>City Manager’s Office &amp; City Council, and Community Development Department</u></p>
<p><b><u>Program H-4.D Measure A outreach and review.</u></b>  <u>As explained in Section 3.3.3.7 of the Housing Element, Measure A does not create a constraint to housing development because the height limit generally aligns with commercially and structurally feasible heights for multifamily projects. The height limits under Measure A</u></p>	<p><u>No additional funding is necessary – this will be performed as part of City</u></p>	<p><u>Community Development Department, City Manager’s Office, City Council, and Public Information Officer</u></p>

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p><u>fosters developments at heights ranging from 50 to 89 feet (54 to 93 feet with pitched roofs), while the single-family and “missing middle” density areas within the rest of the City have Measure A height limits ranging from 25 to 30 feet (29 to 34 feet with pitched roofs). Furthermore, these Measure A height limits have been exceeded through the use of waivers and concessions for density bonus projects. Although Measure A does not constitute or present a constraint on housing development, the City will, as a part of the midcycle review to evaluate increasing heights in residential districts to the maximum under Measure A to increase density.</u></p> <p><u>As a part of the mid-cycle review in 2027, the City will conduct public outreach and receive public comments on potential impacts of Measure A on the City’s ability to provide new housing consistent with the new housing units identified in the Housing Element and, if the City is not on schedule to produce the new housing units and assuming available funding for election costs, place before the voters a ballot measure amending Measure A Height limits for properties that allow multi-family development under the General Plan. Schedule of Action: Fall of 2027</u></p>	<p><u>staff’s regular work plan.</u></p>	

- Under Programs for Goal H-6:

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p><b>Addition to Program H-6.H as shown in red underline below:</b> The City will generate virtual and printed materials to educate property owners in single-family residential areas of the City on the benefits of Accessory Dwelling Units, and SB 9 subdivisions. The City will also generate educational materials to landlords regarding SB 329 (2019). SB 329 classifies voucher income as a “source of income” under the California Fair Employment and Housing Act, which prohibits housing discrimination based on sources of income. Schedule of Action: Fall of 2023.</p> <p>Following the creation of educational content and materials, the City will post information on its Housing Programs webpage. Additionally, the City will utilize alternative methods, such as the City’s quarterly printed newsletter, that is distributed to all households, to further publicize the information. Schedule of Action: Spring of 2024.</p> <p>In addition to publishing such materials, the City shall utilize its public information campaign to educate and engage single-family property owners and educate them on the opportunities available for housing development. As a part of this campaign, the City shall utilize the presentations proposed in Program H-2.E to spread awareness and present this information to a minimum of one community group meeting per year. <u>In addition, the City will provide landlord education and outreach on source of income discrimination</u></p>	<p>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</p>	<p>Community Development Department, City Manager’s Office, and Public Information Officer</p>

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p><u>and voucher programs to expand the location and number of participating voucher properties. prepare a Fair Housing Fact Sheet to include information on voucher program rules and responsibilities, which sheet will also be included as a part of the City’s SB 9 Units and ADU application packages. Schedule of Action: Annually by December 31.</u></p>		
<p><b><u>Program H-6.J Increasing Housing Mobility</u></b>  <u>In addition to the available sites that the City has identified to satisfy the RHNA units as discussed in Chapter 7, the City will implement a suite of actions to improve housing mobility and affordability within the City in concentrated areas of affluence with a goal of producing 200 additional housing opportunities affordable to lower, moderate and above-moderate income households and to special needs households through some or all of the following actions:</u></p> <ol style="list-style-type: none"> <li><u>1. Create overlay zones in portions of R-8 through the R-12 zones, reduce minimum lot areas from between 8,000 to 12,000 sq. ft. to 7,260 sq. ft. and in R-15, through R-40 zones from between 15, 000 and 40,000 sq. ft. to 14, 250 sq. ft. to be consistent with General Plan density ranges. <b>Schedule of Action: Fall of 2025</b></u></li> <li><u>2. Create overlay zones in portions of R-8 through R-12 zones, identify duplex, tri-plex or four plex developments as permitted uses. <b>Schedule of Action: Fall of 2025</b></u></li> <li><u>3. Amend the Zoning Code to allow additional affordable housing units in existing P-D zones, without a separate need for a P-D rezoning, if the new development complies with the General Plan density. <b>Schedule of Action: Fall of 2025</b></u></li> <li><u>4. Amend the Zoning Ordinance to allow duplexes/triplexes/fourplexes on larger lots in single-family zones which currently contain non-residential uses (i.e. churches, etc.), at density consistent with General Plan. <b>Schedule of Action: Fall of 2025</b></u></li> <li><u>5. Evaluate and consider an amendment to the Zoning Code to increase heights in multi-family residential districts to the maximum height authorized under Measure A to increase density. <b>Schedule of Action: Fall of 2027</b></u></li> <li><u>6. Establish a mid-cycle review program as a part of the 2027 Annual Progress Report to examine progress of housing units production for lower, moderate, above-moderate income housing and special needs housing, and evaluate status, schedule and timing of accomplishing some or all of the actions stated above. <b>Schedule of Action: Spring of 2027</b></u></li> </ol>	<p><u>No additional funding is necessary – this will be performed as part of City staff’s regular work plan.</u></p>	<p><u>City Manager’s Office &amp; City Council, and Community Development Department</u></p>
<p><b><u>Program H-6.K. Creation of Metrics and Goals.</u></b>  <u>Work collaboratively with a mix of residents, business owners, and local non-profits who create data-centered evaluation metrics and establish ongoing City goals and</u></p>		

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<u>actions. Seek participation from diverse participants representative of the regional population. Schedule of Action: meet with ECHO housing by end of FY 23-24</u>		

## II. Addendum to Appendix B- Affirmatively Furthering Fair Housing Analysis

The following additions are incorporated into **Appendix B** of the Walnut Creek 2023-2031 Housing Element, adopted on January 24, 2023. Sections, paragraphs and texts not impacted by this Addendum are not included below.

Addition to B-6, after first bullet in Summary of Data and Findings

- Income Segregation within Walnut Creek’s neighborhoods is a high-priority housing issue.** Analysis from the ABAG/MTC AFFH Segregation Report for Walnut Creek indicates that Above Moderate-income residents are the most isolated income group in Walnut Creek, with the average Above Moderate-income resident residing in a neighborhood that is 60.8% Above Moderate-income. Among all income groups, Moderate Income population has changed the most over time, becoming more segregated from other income groups between 2010 and 2015. Segregation between lower-income residents and residents who are not lower income, however, decreased during that same time period. This underscores the need for programs that address increasing Moderate Income housing unit production in Walnut Creek neighborhoods.

Addition to Page B-9, after first paragraph, which ends “...and disproportionate housing needs including displacement risk.”:

California Government Code Section 65583(c)(1)(C)(10)(A)(ii) requires the City of Walnut Creek to analyze areas of segregation, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs, including displacement risk. According to the California Tax Credit Allocation Committee (TCAC)/HCD 2020 Opportunity Areas Map, of the 21 census tracts in Walnut Creek, 18 are High or Highest Resource areas with only 3 tracts designated as Moderate Resource areas. There are no Low Resource areas or Disadvantaged Communities within Walnut Creek

Highest and High Resource areas are those with the highest index scores for a variety of educational, environmental, and economic indicators. Some of these indicators include high levels of employment and close proximity to jobs, access to effective educational opportunities for both children and adults, low concentrations of poverty, and low levels of environmental pollutants, among other factors. The designations of predominantly Highest and High Resource areas across the City of Walnut Creek is likely a result of a strong business core, access to large employers, access to public transportation, and good environmental indicators in most, if not all, of the City, which have resulted in high property values.

Addition to Page B-22, add to last sentence of paragraph on the page which begins with “... Prioritizing the City’s available sites closest to transportation and job centers...”

To address prior trends that deterred persons with lower incomes from living in the City, increased development of affordable housing is critical. The Housing Element therefore includes the following programs:

- H-1.B Technical Assistance to Developers
- H-1.D. Provide a menu of Incentives/Concessions for Developers
- H-2.A. Pursue State and Federal Funding for Affordable Housing
- H-2.B. Local Funding for Affordable Housing.
- H-2.D. Facilitate Access to Affordable Housing for Residents
- H-2.E. Community Housing Engagement
- H-2.F. Mortgage Credit Certificate Program
- H-2.G. Improve First Time Homebuyer Assistance Program
- H-2.I. Provide Density Bonus Ordinance Training/Education
- H-2.J. Legislative Advocacy for Affordable Housing
- H-2.K. Coordinate with Contra Costa County for Affordable Housing
- H-2.L. Regional Collaboration on Affordable Housing and Homelessness
- H-2.M. Prioritize Review and Expedite Development of Affordable and Special Needs Projects
- H-2.N. Assist with Development of Affordable Housing
- H-2.O. Funding, Incentives, and Concessions for Extremely Low-Income Developments
- H-2.P. Advertise Available Resources
- H-2.Q. Assist Faith-Based Organizations With Affordable Housing Development
- H-2.S. Continue to Allow By-Right Residential Development on Non-Vacant Sites Designated for lower-income Households and Used in the Previous Sites Inventory
- H-3.F. A part of this program requires City to consider and develop financial and regulatory incentives to non-profit housing corporations, private developers, and public agencies to increase affordable housing for identified groups.

Move Figure B-11, Racially Concentrated Areas of Affluence, to page B-29 after the paragraph that begins with “According to the 2020 ACS 5-Year Estimates, White, non-Hispanic...” Then, add the below language to follow Figure B-11:

*Regional Income Segregation (between Walnut Creek and other jurisdictions)*

As discussed in the “Patterns of Integration and Segregation” section of this AFFH, ABAG and UC Merced prepared an AFFH Segregation Report for the City of Walnut Creek. According to the

AFFH Segregation Report, White residents and above moderate-income residents across the Bay Area are significantly more segregated from other racial and income groups. However, the amount of racial segregation within Bay Area cities and across jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley. UC Berkeley concluded that:

“Although seven of the nine Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since.”

At the regional level, segregation is measured between jurisdictions instead of between neighborhoods. When looking at income segregation between jurisdictions in the Bay Area, one can examine how Walnut Creek differs from the region. The income demographics in the City for 2010 and 2015 are shown in Figure B-XX, Population by Income Group, Walnut Creek and the Region. Through these findings, the AFFH Segregation Report found:

- Walnut Creek had a lower share of very low-income residents than the Bay Area in 2015, a lower share of low-income residents, a similar share of moderate-income residents, and a higher share of above moderate-income residents.

Figure B-XX. Population by Income Group, Walnut Creek and the Region

<b>Income Group</b>	<b>Walnut Creek</b>		<b>Bay Area</b>
	<b>2010</b>	<b>2015</b>	<b>2015</b>
Very Low-Income (<50% AMI)	16.52%	20.48%	28.7%
Low-Income (50%-80% AMI)	11.32%	9.58%	14.3%
Moderate-Income (80%-120% AMI)	15.05%	16.86%	17.6%
Above Moderate-Income (>120% AMI)	57.11%	53.08%	39.4%

Source: 2006-2010, 2011-2015, and 2015-2019 5-Year ACS Estimates, HUD, UC Merced Urban Policy Lab and ABAG/MTC AFFH Segregation Report.

Those same data sources show that the above moderate income residents are the most isolated group at the neighborhood level. Further, the income segregation in Walnut Creek between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions, indicating that lower-income residents are more segregated from other residents within Walnut Creek compared to other jurisdictions in the region.

Addition to Page B-32, add after Table B-2 as adjusted by the move of Figure B-11 above, to the paragraph beginning with “White, Non-Hispanic Household Income and Household Percentage”

*Neighborhood-Level Income Segregation*

The AFFH Segregation Report also discusses neighborhood-level income segregation in the City. According to the report:

- Above-moderate income residents are the most isolated income group in Walnut Creek.
- Walnut Creek has an isolation index of 0.608 for above-moderate residents, which means the average above moderate-income resident in the City lives in a neighborhood that is 60.8% above moderate-income (See Figure B-XX).
- Among all income groups, the moderate-income population’s isolation index has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.

Figure B-XX. Income Group Isolation Index Values for Segregation Within Walnut Creek

Income Group	Walnut Creek		Bay Area Average
	2010	2015	2015
Very Low-Income (<50% AMI)	0.251	0.242	0.269
Low-Income (50%-80% AMI)	0.137	0.121	0.145
Moderate-Income (80%-120% AMI)	0.163	0.195	0.183
Above Moderate-Income (>120% AMI)	0.628	0.608	0.507

Source: 2006-2010 and 2015-2019 5-Year ACS Estimates, HUD, UC Merced Urban Policy Lab and ABAG/MTC AFFH Segregation Report.

Furthermore, the AFFH Segregation Report discusses the isolation between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% AMI). This analysis aligns with the requirements described in HCD’s AFFH Guidance Memo for identifying dissimilarity for lower-income households. This dissimilarity index shows the percentage of residents that would need to move to a different neighborhood within the jurisdiction to create perfect income group integration in that jurisdiction. As shown on Figure B-XX, Income Group Dissimilarity Index Values of Segregation Within Walnut Creek:

- Segregation in the City between lower-income residents and residents who are not lower-income decreased between 2010 and 2015, while still being higher than the Bay Area.
- Segregation in Walnut Creek between residents who are very low-income (earning less than 50% AMI) and those who are above moderate-income (earning above 120% AMI) also decreased between 2010 and 2015, while still being higher than the Bay Area.

Figure B-XX. Income Group Dissimilarity Index Values for Segregation Within Walnut Creek

Income Group	Walnut Creek		Bay Area Average
	2010	2015	2015
Below 80% AMI vs. Above 80% AMI	0.309	0.274	0.198
Below 50% AMI vs. Above 120% AMI	0.387	0.351	0.253

**Source:** 2006-2010 and 2015-2019 5-Year ACS Estimates, HUD, UC Merced Urban Policy Lab and ABAG/MTC AFFH Segregation Report.

Neighborhood-Level Tenure Segregation

Walnut Creek recognizes the importance of promoting fair housing and ensuring that all residents have greater access to safe and affordable housing. As part of the City’s efforts to affirmatively further fair housing, this Housing Element examines the concentration of renters and owners in different areas of the City.

According to the 2021 ACS 5-Year Estimates, the Downtown Core Area of Walnut Creek has a higher concentration of renters than the City as a whole, as shown in Table B-XX, below:

Table B-XX. Tenure Concentration (Core Area vs. Citywide)

TENURE	DOWNTOWN CORE AREA (Tracts 3390.01, .03, and .04)		WALNUT CREEK	
	#	%	#	%
Owner	1,158	19%	20,735	65%
Renter	4,992	81%	11,391	35%
<b>Total</b>	<b>6,150</b>	<b>100%</b>	<b>32,126</b>	<b>100%</b>

**Source:** 2017-2021 5-Year ACS Estimates.

This disparity in tenure between the Downtown Core Area and entire City may have implications for fair housing, as renters may face different housing challenges than homeowners, such as affordability, stability, and access to resources. The City of Walnut Creek is committed to addressing these challenges and ensuring that all residents have access to safe and affordable housing. To further our efforts in promoting fair housing, Chapter 8. Housing Plan includes the following goals, policies, and programs to protect renters and provide them with more housing opportunities:

- Goal H-1: Affordable Housing – To facilitate affordable housing opportunities, particularly for Walnut Creek workers, first-time homebuyers, and lower-income renters.
- Policy H-2.3: The City shall encourage, streamline, and give high priority to housing that is affordable to Walnut Creek, first-time homebuyers, and lower-income renters.
- Policy H-2.14: The City shall assist extremely low-, very low- and low-income renters with securing affordable housing.

- Policy H-5.6: If preservation is not possible, the City shall ensure that renters of 1) at-risk units opting out of low-income use restrictions and 2) homes acquired for public improvement projects are properly noticed and informed of resources available to them for assistance.
- Program H-5.C. Code Enforcement: ...the City will continue funding ECHO Housing and referring renters for repairs and habitability issues.
- Program H-5.D. Continue the Preservation and Monitoring of Existing and Future Affordable Units: ...Monitoring: Monitor the units to ensure renters receive proper notifications, education, and support.
- Program H-5.E. Replacement Housing: ... To ensure that any demolished units are replaced, the City will review all available information for the property, reach out to existing renters to determine their income levels, calculate the number of units with lower-income households, and determine if the proposed units are sufficient for replacement. The City will coordinate with developers to ensure the appropriate numbers of affordable units are built to replace existing units with lower-income households, pursuant to California Government Code, Section 65915.
- Program H-6.E. Legal Assistance for Renters: The City will continue to contract with ECHO Housing and provide information on housing services provided by ECHO Housing and other nonprofits, such as Centro Legal and Senior Legal Services. Information will be provided on the City's website, social media outlets, and to community organizations that work with different populations through targeted emails.

Additionally, The Housing Plan contained in Chapter 8 of this Housing Element includes over 20 programs to encourage, facilitate and expand affordable housing in the City at all income levels. These programs are also listed in Table B-19 of this Appendix B. We believe that by addressing the concentration of renters in the Downtown Core Area and promoting equitable housing opportunities across the city, particularly in our single family zones, we can help create a more inclusive and equitable community for all residents of Walnut Creek.

#### *Displacement in the Core Area*

As discussed in the previous section, the downtown Core Area of the City is primarily made up of renters with a median household income lower than the city as a whole (approximately \$110,000 in 2021 for the Core Area, versus approximately \$121,000 for the city as a whole). In addition, this Housing Element plans for the majority of its sites to be located in the Core Area. With this concentration of new housing, the displacement of residents in the Core Area is a concern that needs to be addressed.

High costs of living, which includes high rents and property resale prices, has resulted in the displacement of low-income households across California, affecting the social fabric and economic stability of communities, including Walnut Creek. In 2019, the National Low Income

Housing Coalition (NLIHC) published an article titled “Gentrification and Neighborhood Revitalization: What’s the Difference?”. In this 2019 Article, NLIHC states the following:

*One case of extreme gentrification is the Bay Area in California, which is undergoing a radical makeover due to the rise in technology companies replacing old industries and jobs. New people moved in to work for these companies and replaced the pre-existing residents. Land values and housing prices increased dramatically, as did the pressure for property owners to get the most out of rents on urban spaces. The Bay Area has become the second densest urbanized area in the country after Los Angeles.*

*The Bay Area has grown radically wealthier, but the newfound wealth coming from the tech, medicine and finance businesses goes to a small percentage of people. (The area has more millionaires and billionaires than New York City.) The upper layers of the labor force are getting paid very well, allowing them to outbid ordinary working people, the elderly, and people with disabilities for homes. This increased competition for housing has left areas like Oakland and the San Francisco Mission less affordable for long-term residents.*

In recent years, California has prioritized Transit Oriented Development (TOD) as a way to reduce greenhouse gas emissions and promote sustainable urban development. TOD is a planning approach that emphasizes the development of compact, mixed-use communities around public transit stations. TOD has become a key component of California's housing policy. In 2018, the state passed Senate Bill 828, which requires cities to plan for their fair share of housing, including affordable housing, and to prioritize the development of housing near transit. The State has also allocated funds for TOD projects through its Affordable Housing and Sustainable Communities (AHSC) program.

While TOD has many benefits, it can also lead to the displacement of lower-income families who live near public transportation. The 2021 UCLA Institute of Transportation Studies (2021 UCLA ITS) publication, “Transit Oriented Development without Displacement: Strategies to Help Pacoima Business Thrive,” speaks to this conundrum:

*TOD, while seeking to advance equitable outcomes for low-income communities of color suffering the brunt of air pollution, climate change, and traffic violence, carries the inherent risk of exacerbating gentrification and displacement in those same communities.*

Local jurisdictions must now balance the need for greenhouse gas emission reductions and proximity to public transit for lower-income families with the obligation to produce affordable housing and protect residents from displacement. To do so, policymakers and planners must prioritize affordable housing and anti-displacement measures in areas near public transportation. According to the 2021 UCLA ITS publication, this can include requiring developers to include affordable housing in new developments through inclusionary housing

requirements or density bonus incentives. In addition, jurisdictions can encourage the preservation and development of affordable housing in areas near transportation hubs.

Development for the sake of increasing supply will not protect lower-income families from the effects of gentrification and displacement in the Core Area. As such, this Housing Element prioritizes the development of lower-income housing in the Core Area, where families can become vulnerable to displacement resulting from the demand of TOD. Lower-income families are in need of affordable housing at the lowest levels in order to have the opportunity to remain in their communities, while spending a reasonable amount on housing costs and, therefore, finding financial stability.

Add to page B-31 (A new paragraph following the paragraph ending with “...passage of the Fair Housing Act of 1968.”

Though racial and income segregation persists, the City’s leaders have long been aware of this issue and have made attempts to address it through housing policy. For example, on September 2, 1964, the Walnut Creek City Council voted unanimously to oppose Proposition 14, a state initiative that allowed property owners and agents to discriminate based on race in the rent or sale of housing. This initiative was passed by the state’s voters, but was ultimately struck down by the Supreme Court in 1967.

In 1971, the City stated in its first General Plan:

*Unlike the stereotyped image of many suburban communities, Walnut Creek is providing variety in housing choice today. Slightly less than two-thirds of the 22,700 dwelling units within the Planning Area in 1970 were single dwelling units. Of the 15,000 dwelling units within the City today, 45% are single family, 32% multiple family and 23% Rossmoor.*

The City’s first General Plan also stated:

*In order to provide home ownership opportunities for more people in broader income ranges, conventional single family detached dwellings on relatively large lots should be supplemented with the choice of clusters of attached single family dwellings with common open spaces and recreation facilities. Apartment residents who either prefer or need to rent their homes should have a choice of convenient outlying locations, as well as Core Area locations. And, if the above choices were provided, not only in Walnut Creek but in all suburban portions of the Bay Region, there would be increased opportunities for integration of minority groups throughout the region.*

Walnut Creek made significant progress towards this goal over the 18-year planning period of the 1971 General Plan, as the City successfully shifted away from detached single-family residential development, and towards denser development primarily consisting of townhouse and large apartment/condominium developments. This pattern has continued in the decades since, as new development has provided increased housing choices through the construction of

denser multi-family residential housing, in a larger region still typified by detached single-family homes.

With the goal of providing further choices in housing, and increased housing mobility into the City's highest-resource areas, programs have been added to support development of 200 units in single-family zones and areas of affluence. These programs include streamlining the approval of additional homes in existing Planned Development Districts, facilitating the construction of Accessory Dwelling Units and SB 9 Units, and reducing the minimum lot area requirements in most of the City's single-family zones (with the greatest reductions occurring in areas of affluence which currently have the largest minimum lot area requirements).

**Edits to Page B-31** (revise last paragraph in its entirety as follows)

According to the 2020 Census, 66% of Walnut Creek residents identify as White. This compares to 79% in 2010, 84% in 2000, 91% in 1990, 94% in 1980, and 98% in 1970. As can be seen, the racial makeup of the city is changing with increasing speed, particularly as generational turnover occurs, and the city attracts new residents. Additionally, the City's diverse housing stock offers opportunities for all races in a range of product types and price points. Notably, the city's single-family neighborhoods share a similar demographic profile as the city as a whole, with White residents making up a slightly smaller percentage of the residents in these neighborhoods than in multifamily neighborhoods. For example, 64% of the residents in Census Tracts 3373, 3383.01, 3383.02, and 3553.02 (which consist almost entirely of single-family neighborhoods in the Ygnacio Valley, and approximately a third of the city's population) identify as White, compared to the aforementioned citywide figure of 66%.

**Additions to Page B-59** (Revise text of the second paragraph under the heading "Cost Burden among Renters" and add the programs listed below to the program list bullet points)

In addition to accommodating the RHNA, the City will implement a suite of actions to improve housing mobility and offer new choices and affordability. These actions are intended to address the City's RCAA's and well as increase diversity. Actions could include but are not limited to:

- **H-1.A.** Encourage and Incentivize ADUs including: production of pre-approved ADU designs and permit-ready construction plans, distributing educational materials, and monitoring production and affordability.
- **H-2.R.** Amend Density Bonus Ordinance. Maintain the existing provisions of its Density Bonus Ordinance relating to density bonus benefits that exceed state requirements to encourage the development of affordable housing and housing mobility
- **H-2.T.** Clarify Mixed-Use Commercial Requirements
- **H-2.W.** Research and propose a home-sharing program, including research and coordination with non-profit and other organizations to assist with matching tenants with existing homeowners.

- **H-4.B.** Complete Parking Study and Continue to Implement Reduced Parking for Affordable Housing. Amend the City’s residential parking requirements based on the findings of the study, with the intent of reducing parking requirements.
- **H-6.G.** Codify Senate Bill 9. Consider allowing larger square foot SB 9 dwelling units. Permit homeowners to develop both an ADU and JADU in SB9 lot splits beyond the current requirements of state law, provided that a deed restriction for affordability provisions is recorded for 99 years.
- **H-6.H.** Provide Missing Middle and Housing Mobility Education to increase voucher access and usage.
- **H-6.J. Increase Housing Mobility.** City will implement a suite of actions to improve housing mobility and affordability within the City in concentrated areas of affluence with a goal of producing 200 additional housing opportunities affordable to lower, moderate and above-moderate income households and to special needs households through some or all of the following actions, as described in Program H-6.J:
  - Create overlay zones in portions of R-8 through the R-12 zones, reduce minimum lot areas from between 8,000 to 12,000 sq. ft. to 7,260 sq. ft. and in R-15, through R-40 zones from between 15, 000 and 40,000 sq. ft. to 14, 250 sq. ft. to be consistent with General Plan density ranges;
  - Create overlay zones in portions of R-8 through R-12 zones, identify duplex, triplex or four plex developments as permitted uses;
  - Amend the Zoning Ordinance to allow additional affordable housing units in existing P-D, Planned Development zones, without a separate need for a P-D rezoning, if the new development complies with the General Plan density;
  - Amend the Zoning Ordinance to allow duplexes triplexes/ fourplexes on larger lots in single-family zones which currently contain non-residential uses (i.e. churches, etc.), at densities consistent with the General Plan;
  - Amend the Zoning Ordinance to remove requirement for a separate Planned Development Permit (PDP) in the M-U and M-H-D zones for residential development, subject only to the Objective Design Standards administrative design review process; and
  - Consider and develop financial and regulatory incentives to non-profit housing corporations, private developers, and public agencies to increase affordable housing for identified groups. Incentives may include:
    - Reduced parking for studio and one-bedroom units with affordable multifamily projects (considered on a case-by-case basis);
    - Waive covered parking requirements for affordable developments, opportunity for deferred or reduced fees for affordable units (beyond inclusionary housing requirements);
    - Development impact fee reductions for 100% affordable housing projects.

- Evaluate and consider an amendment to the Zoning Ordinance to increase heights in multi-family residential districts to the maximum height authorized under Measure A to increase density.
- Establish a mid-cycle review program as a part of the 2027 Annual Progress Report to examine progress of housing units production for lower, moderate, above-moderate income housing and special needs housing, and evaluate status, schedule and timing of accomplishing some or all of the actions stated above.

Additions to Page B-104, adding to the programs after the second paragraph that starts: “While the City has taken important steps to increase housing opportunity and availability throughout the City...”:

There is an undue cost burden to families who both rent and own properties. The following programs are intended to address the high cost of housing in the City and mitigate displacement:

- H-2.H. Housing Choice Voucher Program, including coordinating to conduct a region-wide rent study to help increase HUD’s Fair Market Rent determination.
- H-2.W. Increase Housing Choices within residential areas, including identifying a housing mobility coordinator to provide housing mobility counseling, such as information on opportunity areas, housing search skills and tools, workshops, one-on-one research assistance, referrals, structured support for a time after a move to the City, landlord-tenant mediation, and retention counseling.
- H-6.A. Funding to Support Fair Housing
- H-6.B. Analysis of Impediments to Fair Housing
- H-6.C. Collaboration with Community-Based Organizations
- H-6.D. Displacement Prevention
- H-6.E. Legal Assistance for Renters
- H-6.F. Provide Information and Education to Residents in the City’s Website
- H-6.H Provide landlord education and outreach on source of income discrimination and voucher programs to expand the location and number of participating voucher properties.

Addition to Page B-91 (to the first paragraph under the heading “Measure A, Building Height Freeze Initiative” and ending with “...were high enough to never have been reached.”)

A significant majority of the City’s downtown Core Area has Measure A height limits ranging from 50 to 89 feet (54 to 93 feet with pitched roofs), while the single-family and “missing middle” density areas within the rest of the City have Measure A height limits ranging from 25 to 30 feet (29 to 34 feet with pitched roofs). Furthermore, these Measure A height limits have been exceeded through the use of waivers and concessions for density bonus projects. As with any height limit found in any jurisdiction, the Measure A height limits can be an impediment to even taller residential development; however, the local housing market has not shown an indication of being able to support the concrete and steel construction necessary for high-rise development above the Core Area’s Measure A height limits, or the concrete podium construction with

elevators typically necessary to exceed three stories in height in the lower-density areas of the City.

Type V construction (consisting of conventional wood frame structures) without elevators (generally limiting structures to two or three stories with individual ground floor entrances), is the most affordable method of construction on a per-unit basis. The areas of the City outside of the Core Area generally have lower land values due to their distance from BART, freeways, and downtown shops, restaurants, and entertainment venues. These lower land values reduce the profit margin for taller buildings, which a higher capital outlay, as it is not necessary to use more expensive construction methods (at a higher per-unit construction cost) in order to spread the land cost over a larger number of units.

While Measure A has not been an impediment to achieving development consistent with the City's General Plan, and while this Housing Element demonstrates how under Measure A the City can significantly exceed its regional housing needs allocation in a manner which affirmatively furthers fair housing, it is also true that Measure A can be an impediment to further exceeding these goals through the construction of even taller buildings. This is particularly the case in the limited portion of the Core Area with a 35-foot height limit, and some of the areas immediately surrounding the Core Area with 25 to 30-foot height limits. The following program is intended to address the potential impacts of Measure A:

- **Program H-4.D.** Measure A outreach and review, including placing before the voters a ballot measure amending Measure A Height limits for properties that allow multi-family development under the General Plan, if the City is not on schedule to produce new housing units by a mid-cycle review in 2027, and assuming available funding for election costs.

Add to Page B-92 (as a new subsection immediately above the heading "The Great Recession and Redevelopment Dissolution").

### **Other Local Initiatives and Land Use Related Law Suits**

The City has not enacted any other local growth limitation initiatives affecting residential development, nor has the City been party to any significant land use related law suits affecting residential development.

Add to page B- 95 Community Perspectives on Fair Housing, after the second paragraph

The City will develop programs that reach out to the City's residents, working to develop a collaborative understanding and community response to address the issues. The Housing Element includes the following programs that promote community involvement:




- As a part of the mid-cycle review in 2027, the City will conduct public outreach and receive public comments on potential impacts of Measure A on the City's ability to provide new housing consistent with the new housing units identified in the Housing Element and, if the

City is not on schedule to produce the new housing units and assuming available funding for election costs, place before the voters a ballot measure amending Measure A Height limits for properties that allow multi-family development under the General Plan.

- Provide landlord education and outreach on source of income discrimination and voucher programs to expand the location and number of participating voucher properties.
- Work collaboratively with a mix of residents, business owners, and local non-profits who create data-centered evaluation metrics and establish ongoing City goals and actions. Seek participation from diverse participants representative of the regional population.

Addition to Page B-99, under “Concentration of Lower-Income Sites in the Downtown Area”

However, living near transportation corridors carries a consequence of potentially exposing residents to higher levels of air pollution resulting from vehicle emissions. The California Air Resources Board (CARB) prepared a Technical Advisory with strategies to reduce air pollution exposure near high-volume roadways. The advisory notes that infill development provides many environmental and public health benefits. To minimize the health impacts of pollution near highways while pursuing infill development CARB recommends the following seven strategies:

	Strategies that reduce traffic emissions	<ol style="list-style-type: none"> <li>1. Speed reduction mechanisms including roundabouts</li> <li>2. Traffic signal management</li> <li>3. Speed limit reductions on high-speed roadways (&gt;55 mph)</li> </ol>
	Strategies that reduce the concentration of traffic pollution	<ol style="list-style-type: none"> <li>4. Urban design that promotes air flow and reduces the concentration of pollution along street corridors</li> <li>5. Solid barriers such as sound walls</li> <li>6. Vegetation that reduces the concentration of pollution</li> </ol>
	Strategies that remove pollution from indoor air	<ol style="list-style-type: none"> <li>7. Indoor high efficiency filtration that removes pollution from the air</li> </ol>

The Health Equity Action Packet- Air Pollution in Transportation Corridors (2018) prepared by the Public Health Alliance of Southern California provides additional complementary suggestions for local jurisdictions, including:

- Reduce car use through transportation demand management, active transportation infrastructure, and transit service expansion.
- Promote Smart Growth to reduce car travel and enabling people to live close to jobs, services and other destinations through transit-oriented affordable housing and parking requirements.
- Protect residents from pollution through monitoring and warning systems, site planning, and weatherization programs.

- Promote cool communities, which use natural systems to protect workers by reducing heat island effects and providing shade through green roofs, urban greening, and green stormwater infrastructure.

The City of Walnut Creek has taken several actions that are supportive of these recommendations, including:

- General Plan alignment with transit-oriented development/smart growth strategies
- Requirements for developments to install HEPA filters and take other actions to reduce air pollution exposure.
- A track record of working with developers to implement transportation demand management programs to reduce the need for vehicle parking and demonstrate the viability of multifamily projects with reduced parking to lenders.
- A suite of actions identified in the City’s Sustainability Action Plan including measures to reduce emissions from vehicle and energy use.

In addition, the Housing Element Program H-7.E. Reduce Exposure to Environmental Pollution calls for the City to continue to implement climate planning initiatives to mitigate climate impacts, reduce pollutants and greenhouse gas emissions (GHG), and prepare for a climate resilient future, in part through the Enjoy Cleaner Options (ECO) program. This program works to preserve a high quality of life through environmental protection and climate change mitigation. ECO provides programs that incentivize residents to take rebates and credits for using sustainable energy options, climate action, energy innovation, air and water protection, transportation aimed at reducing carbon emissions, environmentally better green building practices, and reducing overall waste.

Addition to Page B-103, under “Summary” (after the third bullet point)

- There are no sites located in area shown with a racial or ethnic concentration of poverty. Due to the fact that the majority of the City has a higher White population than the County average, nearly all sites in the sites inventory units are located in White concentrated areas.
- The City has worked to distribute the units in the Sites Inventory in a way that will not concentrate affordable housing in areas of high minority concentration or poverty. No units are in areas designated as susceptible to displacement because there are no census tracts in the City identified as susceptible to displacement.
- Walnut Creek’s plan for the development of affordable housing near the Downtown area provides lower income families, who would be more vulnerable to extreme housing cost burden and displacement, with more opportunities to live near amenities, services, job centers and transportation.

- 100% of lower-income units and more than 99% of all units in the Sites Inventory are on sites located within 0.5 miles of a bus stops or a BART station. More than 3,300 units in the Sites Inventory are located less than 1 mile from the Walnut Creek BART Station

However, 0.0% of lower-income units are in census tracts that are areas of affluence of compared to 9.4% of moderate and above moderate-income units. To address this, programs have been added to support development of 200 units in single-family zones and areas of affluence. These units are in addition to the RHNA goals and sites identified on the sites inventory.