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New Orinda Grove Neighborhood Rolls Out the Welcome Mat

By Laurie Snyder



"The project is well on its way to being a very good asset for the community," said Orinda city manager Janet Keeter of the Orinda Grove neighborhood currently under development. Keeter advised the Orinda City Council that more than 1,500 people had toured the model homes even before Pulte's Oct. 24 ribbon cutting - an indicator of the expected competition for just 73 new homes. Photos Ohlen Alexander

being made to reach out to local businesses, schools, churches, and others who have contact with individuals working in Orinda. "We want to target folks that are locally employed, as they will have priority," stressed Ursu.

Staff will host a workshop in November or early December to explain the details of the below market rate program. A date will be announced soon. The deadline to apply will likely be in mid-January.



In addition to hearing positive news Oct. 22 from Janet Keeter, city manager, about burgeoning public interest in the 73 homes being created for Orinda's newest neighborhood - Orinda Grove - members of the Orinda City Council received an update regarding eight of those homes which will be classified and sold at below market rate.

"When the city council approved the project back in 2008," said planning director Emmanuel Ursu, "there was a condition of approval that required eight of the units to be affordable at moderate income levels," and that these homes "were to be made available to households with at least four persons." Staff, in consultation with city attorneys and the developers, subsequently worked out criteria for setting the below market rate price for the first four homes and for determining prospective homeowner eligibility.

"The way we established the price is we used 110 percent of the area median income for a family of four - that is \$102,850 a year. We assumed that no more than 35 percent of the household income would go toward housing costs," explained Ursu. For city purposes, he said, "housing costs" would include the principle, interest, tax, insurance, homeowners' association fees, utilities, maintenance, and city costs to operate the below market rate program.

"We also assumed a 10 percent down payment and fixed rate mortgage over 30 years, using the average mortgage rate for the prior 12 months," ultimately settling on a sales price of \$385,000. That price will be reassessed, when the remaining units are ready, in response to median income and mortgage rate changes. A concerted effort is

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[back](#)

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