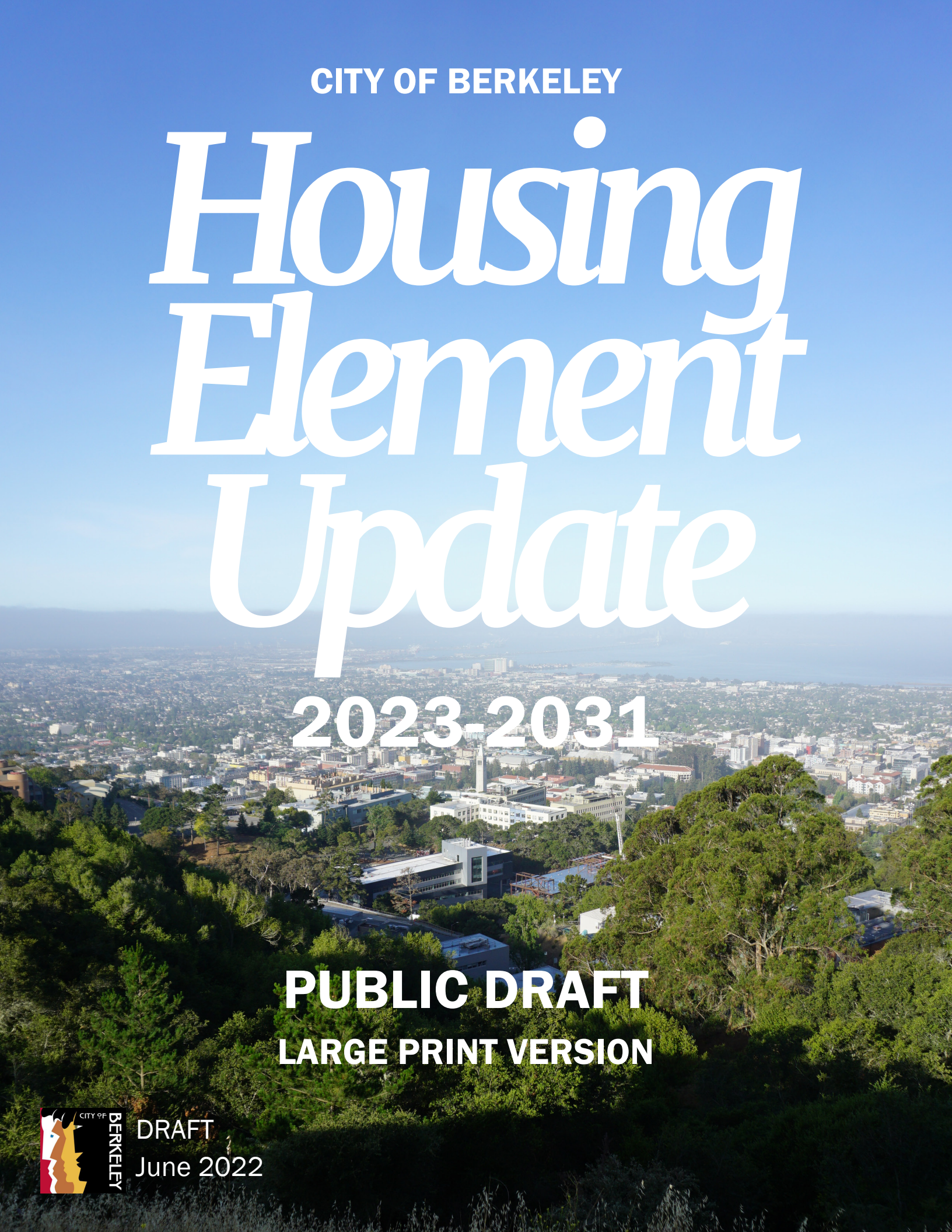
CITY OF BERKELEY

Housing Element Update

2023-2031



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1 INTRODUCTION

City of Berkeley Mission: Provide excellent service to the Berkeley community; promote a diverse, accessible, affordable, safe, healthy, environmentally sound and culturally rich city; innovate; embrace respectful, democratic participation in local decision-making; respond efficiently and effectively to neighborhood and commercial concerns; and do so in a fiscally sound manner.

Incorporated in 1909, Berkeley is centrally located within the Bay Area in Alameda County. While much more than just a university town, Berkeley benefits from the University of California's cultural and educational facilities and its positive impact on the local economy. Along with the University, other top employers include the Lawrence Berkeley National Laboratory, Alta Bates Summit Medical Center and the City of Berkeley. As one of the older cities in the East Bay, Berkeley has a number of lively pedestrian-oriented commercial areas that developed along former streetcar routes and near the University. It has many pleasant, livable residential neighborhoods with many attractive older homes. It has largely avoided the newer car-oriented suburban sprawl and strip mall style of commercial development found in other parts of the Bay Area.

Berkeley last updated its 5th cycle Housing Element in 2015. In the time since, Berkeley's policies and actions have been shaped by worldwide, national, and local events including federal anti-immigration practices, the murder of George

Floyd and resulting protests focused on racism and policing, the COVID-19 pandemic, and increased impacts due to climate change including severe local air quality impacts due to wildfire smoke in 2018, 2019 and 2020. Berkeley has taken local action to address these pressures and affirm its values of equity, inclusiveness, and innovative action.

Berkeley became the first sanctuary city in the U.S. in 1971 and reaffirmed it in 2016 to support its residents, regardless of documentation. In 2018, Berkeley City Council declared a Climate Emergency and a goal of becoming a Fossil Fuel Free City as soon as possible; in 2019, Berkeley adopted the nation's first prohibition on natural gas infrastructure in newly constructed buildings. Berkeley has acknowledged and is working to address racially discriminatory practices that impact housing, displacement, and policing; in 2021, Berkeley City Council approved a Resolution to End Exclusionary Zoning in Berkeley, declared Racism as a Public Health Crisis, and developed a Reimagining Public Safety Taskforce that began work to create a model of equitable and community-centered safety for Berkeley.

Plans adopted by Berkeley since 2015 that reflect Berkeley's values and actions, and shape the patterns, amenities, and quality of development in Berkeley include:

- Berkeley Resilience Strategy (2016). Advances community connections, preparedness and equity in Berkeley.
- Berkeley Strategic Transportation (BeST) Plan (2016). Prepares for and prioritizes the physical enhancements of

Berkeley's transportation network to improve access, safety, and mobility for all users.

- Berkeley Bicycle Plan (2017). Aims to make Berkeley a model bicycle-friendly city where bicycling is a safe, attractive, easy, and convenient form of transportation and recreation for people of all ages and bicycling abilities.
- Berkeley Strategic Plan (2018). Identifies the long-term goals and short-term priorities that the City government will focus on the benefit the Berkeley community. Its goals include creating affordable housing and housing support services for our most vulnerable community members; being a global leader in addressing climate change, advancing environmental justice, and protecting the environment; and championing and demonstrating social and racial equity.
- Age-Friendly Berkeley Plan (2018). Works on improving the experience of older adults in Berkeley with a focus on housing and economic security, transportation and mobility, health and wellness, and social participation and civic engagement.
- Green Infrastructure Plan (2019). To guide the identification, implementation, tracking, and reporting of green infrastructure projects within the City of Berkeley.
- Local Hazard Mitigation Plan (2019). To prepare for and mitigate the impacts of natural and human-caused disasters

- Vision Zero Action Plan (2019). An equity-focused, data-driven effort to eliminate traffic deaths and severe injuries on our city streets by 2028.
- Berkeley Electric Mobility Roadmap (2020). Identifies goals, strategies, and actions to create a fossil fuel-free transportation system that integrates with and supports the City's ongoing efforts to increase walking, biking, and public transportation, and ensures equitable access to the benefits of clean transportation.
- Adeline Corridor Specific Plan (2020). Articulates a community vision and planning framework for an important Priority Development Area that will serve as a guide for the City and other public agency decision-makers, community members and other stakeholders over the next 20 years.
- Vision 2050 Framework (2020). A long-term plan to build, upgrade and repair Berkeley's aging infrastructure to be more sustainable and resilient in order to meet the serious challenges of the future, including climate change and is driven by a set of core values: equity, public health and safety, a strong local economy, resiliency and sustainability.
- Pedestrian Plan (2021). Establishes a clear path forward for pedestrian infrastructure improvements by focusing its recommendations and goals squarely on equity and safety.
- Berkeley Existing Buildings Electrification Strategy (2021). A ground-breaking plan to transition existing

buildings in Berkeley from natural gas appliances to all-electric alternatives in a way that benefits all residents, especially members of historically marginalized communities.

This Housing Element Update must meet state law, as detailed in Section 1.2 and 1.3, and define the specific goals, polices, and programs that will support Berkeley's portion of the regional population growth. It must also do so in a manner that reflects Berkeley's mission, values, and is consistent with its plans and work towards sustainability, safety, and equity.

As Berkeley continues to grow and develop, housing density will increase. This increased density can have many benefits, including reduced greenhouse gas emissions, improved health, and more access to affordable housing.

Berkeley's Housing Element Update identifies policies and programs to provide and preserve healthy, resilient housing at a range of prices, with special attention given to special needs housing, homelessness prevention, and affirmatively furthering fair housing. In doing so, it helps to realize Berkeley's sustainable future as a Fossil Fuel Free City, powered by 100% renewable electricity, with safe transportation options to vibrant commercial areas and institutions, providing social and community connections for all residents.

1.1 PURPOSE OF THE HOUSING ELEMENT

The Housing Element's purpose is to identify the City's housing needs and outline goals, policies, and programs to

address them. The Housing Element is an eight-year plan, extending from January 31, 2023, through January 31, 2031. The Housing Element will primarily address these issues:

1. Preserving and improving the existing housing stock;
2. Providing housing for special needs populations;
3. Supplying enough new housing to meet the City's fair share of the region's need; and
4. Affirmatively furthering fair housing.

1.2 OVERVIEW

State law requires that jurisdictions prepare a Housing Element as part of its General Plan (Government Code §65302(c)). Since a General Plan serves as a jurisdiction's blueprint for future development and growth, the Housing Element plays a critical role in the overall Plan. A Housing Element is the primary planning guide for local jurisdictions to identify and prioritize the housing needs of the City and determine ways to best meet these needs while balancing community objectives and resources.

The 2023-2031 Housing Element has five chapters:

Introduction. Provides an overview of the purpose, scope and organization of the Housing Element.

Goals, Policies, and Programs. Outlines the City's commitments to providing and preserving housing opportunities in the City.

Housing Needs. Provides a summary of the City's community profile, including demographic and housing characteristics and associated housing needs.

Housing Constraints. Provides an assessment of the potential constraints to housing development and preservation.

Housing Resources. Provides an inventory of resources available for meeting the City's existing and projected housing needs.

In addition, this Element includes several Appendices:

- Appendix A. Publicly Assisted Housing
- Appendix B. Development Standards
- Appendix C. Sites Inventory
- Appendix D. Evaluation of Past Accomplishments
- Appendix E. Affirmatively Furthering Fair Housing
- Appendix F. Outreach and Engagement

Importantly, the Housing Element quantifies how many new housing units the city needs to accommodate growth in the region as part of the Regional Housing Needs Assessment (RHNA). The State and our metropolitan planning organization, Association of Bay Area Governments (ABAG), carry out this process and allocate to each jurisdiction a share of California's new housing need based on the community's demographic trends, proximity to transit and employment, and other characteristics. As part of the Housing Element, the City must identify adequate land with appropriate zoning and

development standards to accommodate the City's RHNA allocation.

When preparing the Housing Element, jurisdictions must consider California Department of Housing and Community Development's Guidelines (Government Code §65585). Jurisdictions must periodically review the Housing Element to evaluate (1) the appropriateness of its goals and policies in meeting the state's housing goals, (2) its effectiveness in attaining the City's housing goals and (3) the progress of its implementation (Government Code §65588).

1.3 HOUSING ELEMENT REQUIREMENTS

All Housing Elements must comply with several State laws. The preparation of the Housing Element is guided by California Government Code, Article 10.6. The law governing the contents of Housing Elements is among the most detailed of all elements of the General Plan. According to Section 65583 of the Government Code:

The Housing Element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The Housing Element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

Housing Element law requires "An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs." The law requires:

- An analysis of population and employment trends;
- An analysis of household characteristics;
- An inventory of suitable land for residential development;
- An identification of a zone or zones where emergency shelters are permitted by right;
- An analysis of the governmental and non-governmental constraints on the improvement, maintenance and development of housing;
- An analysis of special housing needs;
- An analysis of opportunities for energy conservation; and
- An analysis of publicly assisted housing developments that may convert to non-assisted housing developments.

The purpose of these requirements is to develop an understanding of the existing and projected housing needs within the community and to set forth policies and schedules, which promote preservation, improvement and production of diverse housing types for all income levels throughout Berkeley.

Senate Bill (SB) 1087 of 2005 (Government Code §65589.7) requires cities to provide a copy of the adopted Housing Element to local water and sewer providers, and also requires that these agencies provide priority hookups for developments with lower-income housing. The Housing

Element will be provided to these agencies immediately upon adoption.

1.4 GENERAL PLAN CONSISTENCY

State law requires every California city to adopt a general plan that contains seven mandatory topics called "elements," but cities are given flexibility in how elements are named and organized. The Berkeley General Plan Land Use, Transportation, Environmental Management (which addresses noise and conservation), Housing, Open Space & Recreation and Disaster Preparedness & Safety elements are mandatory elements. Cities may also adopt other optional elements. Berkeley has added Economic Development & Employment, Urban Design & Preservation and Citizen Participation as optional elements.

All elements carry equal weight and are designed to be consistent with each other. State law[Government Code § 65300.5]requires that "...the General Plan and elements and parts thereof comprise an integrated, internally consistent, and compatible statement of policies..." The purpose of requiring internal consistency is to avoid policy conflict and provide a clear policy guide for the future maintenance, improvement and development of housing within the City.

The Housing Element is being updated at this time in conformance with the 2023-2031 update cycle for jurisdictions in the ABAG region. The City has reviewed the Housing Element for consistency with other General Plan Elements. The policies and programs in this Housing Element

reflect the intent and policy direction contained in other General Plan Elements. As amendments are made to the General Plan, the City will also review and revise the Housing Element for ongoing consistency.

1.5 PUBLIC PARTICIPATION

The 2023-2031 6th cycle Housing Element Update includes input from a variety of public outreach efforts. A dedicated webpage is available on the City's website: https://berkeleyca.gov/construction-development/land-use-development/general-plan-and-area-plans/housing-element-update. The webpage includes a list of upcoming events, overview of the Housing Element update process, a timeline of key benchmarks, project documents, resources and a summary of past events. The webpage also has the option to subscribe to a mailing list and an email address to contact with questions or concerns.

The following is a summary of workshops, meetings, surveys and other outreach methods used during the update process. Key information from the public participation events and surveys are included in Appendix F Outreach and Engagement.

Table 1.1 City Meetings and Community Engagement Events

Meeting	Date(s)	Description
Public Workshop	10/27/2021 1/27/2022 6/29/2022	Online presentations and interactive breakout groups to provide an update on the planning process and gather input at key stages of the

		Housing Element project: Overview, Sites Inventory, and Public Draft document.
City Council	9/21/2021 12/9/2021 3/15/2022	Presentations, public comment, and decision-maker feedback at three worksessions, which yielded policy direction for identifying suitable sites, housing programs, and zoning efforts.
Planning Commission	9/1/2021 2/9/2022 5/4/2022 6/1/2022	Presentation and accompanying memorandum to City boards and commissions took place throughout the Fall and Winter of 2021-2022 to introduce the Housing Element, seek input on key stakeholders for outreach, and identify a liaison to participate in ongoing Housing Element outreach efforts.
Homeless Services Panel of Experts	9/1/2021	
Commission on Disability	9/1/2021	
Landmarks Preservation Commission	9/2/2021	
Zoning Adjustments Board	9/9/2021	
Commission on Aging	9/15/2021	

Energy Commission	9/22/2021	
Children, Youth, and Recreation Commission	9/27/2021	
Housing Advisory Commission	9/30/2021	
Rent Stabilization Board	11/18/2021	
Civic Arts Commission	1/19/2022	
City/UC/Student Relations Committee	1/28/2022	
Residential Walking Tours and Online Survey	11/23/2021-1/31/2022	Two walking tours, one for Downtown Berkeley and another for West Berkeley, were created as an opportunity for community members to provide input on the development of housing options in Berkeley.
Citywide Housing Element Online Survey	10/28/2021-11/14/2021	A total of 747 individuals submitted survey responses.
Renter Survey	4/21/2022-5/8/2022	Online survey requesting input on tenant programs and strategies that will help protect tenants, prevent

		displacement, and facilitate the construction of affordable housing. The first 100 respondents received a $10 gift card to Berkeley Bowl, a local grocer.
Black/African-American Interest Group	10/12/2021	Stakeholder Interviews and Small-Format Meetings with key business and advocacy organizations, business and property owners, housing developers, community leaders, and racial and ethnic interest groups.
Market-Rate Developers	10/12/2021 11/23/2021	
Senior Center	10/12/2021	
Real Estate Professionals	10/19/2021	
Property Management and Business Owners	10/25/2021	
Homeless Interest Group	10/25/2021	
Housing Advocates	11/5/2021	
People with Disabilities Interest Group	12/3/2021	
Hispanic/Latinx Interest Group	12/17/2021	

Berkeley Unified School District	12/22/2021 1/24/2022	
UC Berkeley Campus Planning	12/20/2021	
West Berkeley Community/Business Stakeholders	2/4/2022 2/11/2022	
Arts and Cultural Centers	3/8/2022 4/22/2022	
Building Trades Representatives	3/17/2022	
Community-Based Organizations	4/25/2022	
Black Ecumenical Ministerial Alliance	6/9/2022	
All-Income Renter Stakeholder Meeting	5/25/2022	
Downtown Farmer's Market	2/26/2022	Tabling outreach at community gathering locations, including local

Renters Outreach at Berkeley Bowl East	4/25/2022	businesses, farmer's market, and recreation events.
Mother's Day Recreation Event	5/14/2022	
All Ages Skating Recreation Event	5/19/2022	

2 HOUSING GOALS AND POLICIES

Through extensive outreach and engagement – at public workshops, board and commission meetings, City Council worksessions, stakeholder interviews and small-format meetings, tabling events, and surveys – the Housing Element team has compiled a comprehensive set of goals and policies that reflect feedback received. The goals and policies guide decision-making to address the housing needs and constraints identified in Chapters 3 and 4. The set includes six goals, as well as 33 policies to enact those goals.

Goal A Housing Affordability

Berkeley residents should have access to quality housing at a range of housing options and prices. Housing is least affordable for people at the lowest income levels, especially those with extremely low income, and City resources should focus on this area of need.

Policies

H-1 Extremely Low, Very Low, Low and Moderate-Income Housing. Increase the number of housing units affordable to current and future Berkeley residents, especially those with lower income levels.

H-2 Funding Sources. Seek, advocate for, and develop additional sources of funds for permanently affordable housing, including housing for people with extremely low incomes and special needs.

H-3 Permanent Affordability. Ensure that below market rate rental housing remains affordable for the longest period that is economically and legally feasible.

H-4 Economic Diversity. Encourage mixed income housing developments through both regulatory requirements and incentives.

H-5 Rent Stabilization. Protect tenants from large rent increases, arbitrary evictions, hardship from relocation, and the loss of their homes.

H-6 Low-Income Homebuyers. Support efforts that provide opportunities for successful home ownership.

H-7 Berkeley Housing Authority. Continue working with the Housing Authority to make quality affordable housing opportunities available to Berkeley residents.

Goal B Housing Preservation and Improvement

Existing housing should be maintained and improved. The City should promote efficiency in new and existing housing to improve building comfort and safety, reduce energy and water use and costs, provide quality and resilient housing, and reduce greenhouse gas emissions. Improvements that will prepare buildings for a major seismic event should be encouraged.

Policies

H-8 Housing Preservation. Maintain and preserve the existing supply of housing in the City.

H-9 Naturally Affordable Housing. Encourage innovative strategies to protect, preserve, and rehabilitate

properties that provide rent stabilized and/or naturally affordable housing.

H-10 Code Requirements. Enforce code requirements, and provide education, funding and incentives property owners, to ensure that existing housing meets health and safety standards.

H-11 Deterioration, Blight and Deferred Maintenance. Prevent blight and the deterioration of housing units resulting from deferred maintenance.

H-12 Seismic Reinforcement. Maintain housing supply and reduce the loss of life and property caused by earthquakes by incentivizing structural strengthening and hazard mitigation in Berkeley housing.

H-13 Resource Efficiency and Climate Resilience. Implement Berkeley's Climate Action Plan to improve building comfort and safety, reduce energy and water use and costs, provide quality and resilient housing, and reduce greenhouse gas emissions.

Goal C Housing Production

Berkeley should provide adequate housing capacity to meet its current and future housing needs, including coordinating with the UC and other agencies. New housing should be developed to expand opportunities and choices to meet the diverse needs of all socioeconomic segments of the community, and should be safe, healthy and resilient.

Policies

H-14 Publicly-Owned Sites. Encourage use of publicly owned or controlled sites for affordable housing and/or mixed-use residential projects with a substantial portion of affordable units.

H-15 Medium and High-Density Zoning. Maintain sufficient land zoned for medium- and high- density residential development to allow sufficient new construction to meet Berkeley's fair share of regional housing needs.

H-16 Transit-Oriented New Construction. Encourage construction of new high-density housing on major transit corridors and in proximity to transit stations consistent with zoning, applicable area plans, design review guidelines, and the Climate Action Plan.

H-17 Accessory Dwelling Units. Encourage and facilitate addition of accessory dwelling units on properties with single-family and multi-unit homes.

H-18 Regional Housing Needs. Encourage adequate housing production to meet City needs and the City's share of regional housing needs.

H-19 Monitoring Housing Element Progress. The City will continue to prepare annual Housing Element progress reports and present results of the review before the City Council, and make necessary and appropriate adjustments to programs and actions to achieve established objectives.

H-20 University of California. Urge the University of California to maximize the supply of appropriately located, affordable housing for its students and also to expand housing opportunities for faculty and staff.

H-21 Inter-Jurisdictional and Regional Coordination. Pursue opportunities to work with other jurisdictions and with ABAG to address issues of mutual interest and priority.

Goal D Special Needs Housing and Homelessness Prevention

Berkeley should expand the supply of housing for special needs groups, including housing affordable to those with extremely low incomes.

Policies

H-22 Homelessness and Crisis Prevention. Support programs and actions that prevent homelessness and other housing crises by making appropriate services available.

H-23 Homeless Housing. Seek solutions to the problems of individuals and families who are homeless, with the goal of first providing them with permanently affordable housing.

H-24 Family Housing. Support and encourage housing projects that include units affordable and suitable for households with children and large families.

H-25 Housing for Seniors. Support housing programs that increase the ability of senior households to remain in

their homes or neighborhoods, and to offer other suitable affordable housing options.

H-26 Housing for People with Disabilities. Encourage provision of an adequate supply of suitable housing to meet the needs of people with disabilities, including developmental, behavioral health (mental health as well as alcohol and other drug dependence), and physical disabilities, as well as other medical conditions (such as HIV/AIDS).

H-27 Emergency Shelters and Transitional and Supportive Housing. Provide emergency shelter and transitional and supportive housing to homeless individuals and families, including people with mental, physical, and developmental disabilities, victims of domestic violence, youth, and seniors, as needed. The City's ultimate priority for new homeless housing opportunities is permanent housing.

Goal E Affirmatively Furthering Fair Housing

The City should continue to take meaningful actions to affirmatively further fair housing choices in Berkeley.

Policies

H-28 Fair Housing. Ensure compliance with federal, state, and local Fair Housing and anti-discrimination laws and ordinances and to affirmatively further fair housing for all, ensuring equal access to housing regardless of their special circumstances as protected by fair housing laws.

H-29 Accessible Housing. Promote housing mobility by exceeding the accessibility requirements of the ADA and California Title 24 Disabled Access Regulations, and by encouraging incorporation into new construction and rehabilitation the use of technologies and design features that create universal accessibility.

H-30 Affordable Accessible Housing. Encourage new construction and rehabilitation of accessible housing units that are permanently affordable, in particular to extremely low-income households.

H-31 Middle Housing. Promote and facilitate a mix of dwelling types and sizes, particularly infill middle housing in high resource neighborhoods.

Goal F Governmental Constraints

Berkeley should identify and mitigate barriers to the construction and improvement of housing.

Policies

H-32 Governmental Constraints. Periodically review City fees and regulations to ensure that they do not unduly constrain housing development.

H-33 Streamlined Review Process. Provide for timely and coordinated processing of residential and mixed use development projects in order to minimize project holding costs and increase housing supply.

H-34 Affordable Housing Incentives. Provide incentives where feasible to offset or reduce the costs of

affordable housing development, including density bonuses and flexibility in site development standards.

3 COMMUNITY PROFILE AND HOUSING NEEDS ASSESSMENT

The purpose of this chapter is to identify characteristics of Berkeley's population and housing stock in order to understand the City's housing needs. These include the unmet needs of existing residents and future needs resulting from anticipated demographic changes.

This chapter is organized as follows:

1. Population and Household Characteristics
2. Income and Employment
3. Special Needs Populations
4. Housing Stock Characteristics
5. Housing Cost Burden and Overcrowding

The City used a variety of sources to collect the information that follows, including:

- Housing Needs Data Packets prepared by the Association of Bay Area Governments (ABAG);
- U.S. Census Bureau's Decennial Census (referred to as "Census");
- U.S. Census Bureau's American Community Survey (ACS);
- California Department of Finance (DOF) population estimates;

- Comprehensive Housing Affordability Strategy (CHAS) reports (which are based on the ACS); and
- Data from the California Employment Development Department (EDD).

As of the writing of this report, the 2020 Census results have not yet been released with the exception of the preliminary population estimates for redistricting purposes. It is also important to note that some of these sources provide data on the same topic, but because of different methodologies, the resulting data may differ.

3.1 SUMMARY OF KEY FINDINGS

- **Population.** Berkeley's population grew by 9 percent from 2010 to 2020, to 122,580 people. ABAG projects that the City will grow 15 percent by 2040, to 140,935. (*Goal C Housing Production*)
- **Demographics.** Seniors ages 65 to 74 are the fastest growing age group in the City, and now comprise 9.2 percent of the population (compared to 6.5 percent in 2010). While young adults ages 15 to 24 remain the largest age group in the City (27 percent), the proportion of adults ages 25-34 grew by 25 percent since 2010 and now make up 18 percent of the population. (*Policies H-24 Family Housing* and *H-25 Housing for Seniors*)
- **Race and Ethnicity.** The Asian and Hispanic/Latinx populations continue to grow, with Asians comprising 21 percent (19 percent increase since 2010) and

Hispanic/Latinx residents comprising 11 percent (13 percent increase since 2010) of the population, respectively. The Black/African American population in Berkeley continues to decline and currently makes up 7.7 percent of the total population. (*Policy H-28 Fair Housing*)

- **Household Income**. The median household income in Berkeley was $95,360 in 2019, according to the American Community Survey. Based on HUD's income definitions, about 42 percent of Berkeley's households are considered lower income. (*Goal A Housing Affordability*)
- **Ownership Cost**. Housing costs have been rising since 2011 and the average Berkeley home value was over $1.5 million in September 2021, according to the Zillow Home Value Index. See Section 3.5.5 Housing Costs and Affordability for an explanation of the Zillow Home Value Index. (*Policy H-6 Low-Income Homebuyers*)
- **Rental Cost.** Median rents ranged from $2,950 for a studio to $5,648 for 4-bedroom units, according to a survey of available units conducted in November 2021. Median rents for rent stabilized units were about $1,000 per month less for units with two or fewer bedrooms. See Section 3.5.5 Housing Costs and Affordability. (*Policy H-5 Rent Stabilization*)

3.2 POPULATION AND HOUSEHOLD CHARACTERISTICS

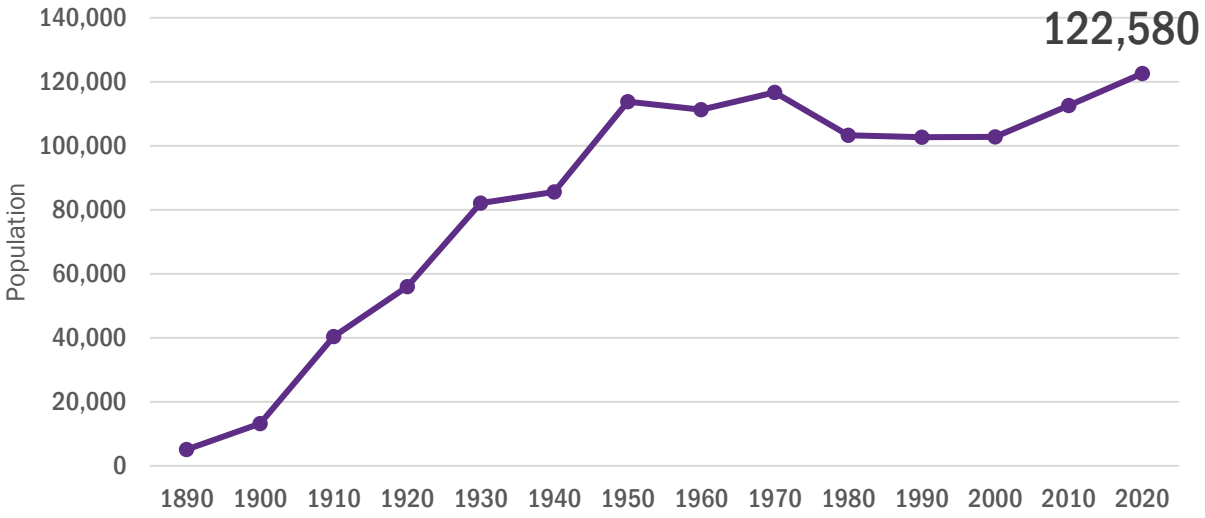
3.2.1 POPULATION GROWTH AND PROJECTIONS

The City of Berkeley experienced rapid population growth from its founding in the late 19th century through the 1940s (Figure 3.1). Growth within the City leveled off between 1950 and 1970, and experienced decline through the 1970s at a rate of just over one percent per year. From 1980-2000 the population was fairly steady at just over 100,000 people. Since 2000, the City's population has grown steadily, increasing approximately nine percent each decade. The Department of Finance estimates that the City's population was 122,580 in 2020.

Table 3.1 provides a comparison of population growth in Berkeley, the State, Alameda County and surrounding communities. Between 2000 and 2010, Berkeley grew at a faster rate than the County and its neighboring cities; however, growth in the City was comparable to the State overall. Between 2010 and 2020, Berkeley's growth rate was slightly lower than the County, but higher than that of the State. The majority of neighboring communities saw similar growth rates (approximately 7 to 11 percent), with the exception of San Leandro (3.5 percent).

Berkeley's population is anticipated to continue to grow steadily between 2020 and 2040 according to the Association of Bay Area Governments (ABAG) Plan Bay Area 2040 projections (Table 3.1). The City's population is anticipated to reach about 136,000 by 2030 and 141,000 by 2040.

Figure 3.1: Changes in Berkeley Population (1890-2020)



Sources: Decennial Census, 1890-2010; California Department of Finance, E-5 series, 2020.

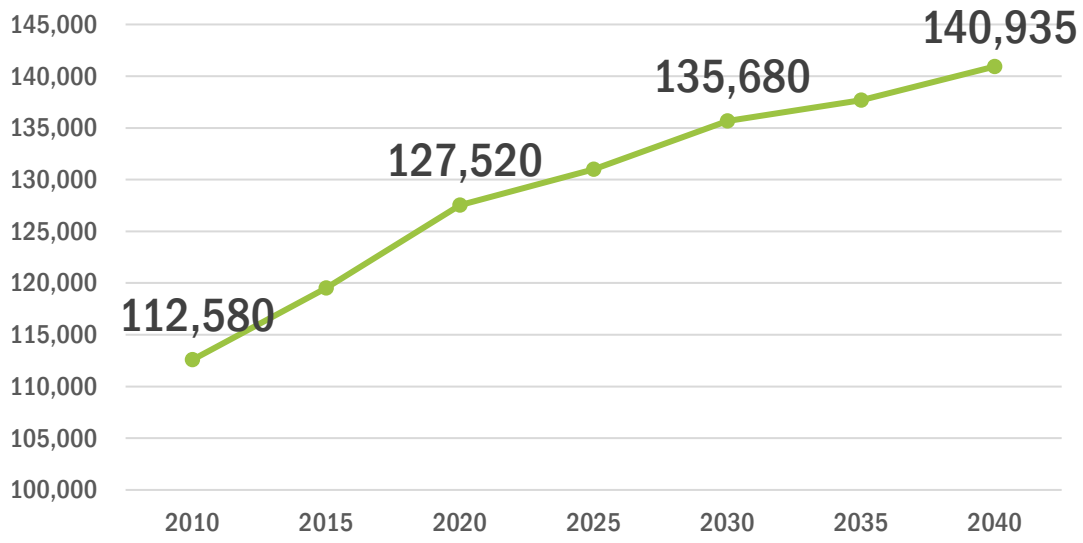
Table 3.1: Population Change in State, County, and Neighboring Cities (2000-2020)

Jurisdiction	2000	2010	2020	% Change 2000-2010	% Change 2010-2020
California	33,871,648	37,253,956	39,782,870	10.0%	6.8%
Alameda County	1,443,741	1,510,271	1,670,834	4.6%	10.6%
Berkeley	102,743	112,580	122,580	9.6%	8.9%
Oakland	399,484	390,724	433,697	-2.2%	11.0%

Fremont	203,413	214,089	234,220	5.2%	9.4%
San Francisco	776,733	805,235	897,806	3.7%	11.5%
San Leandro	79,452	84,950	87,930	6.9%	3.5%
Hayward	140,030	144,186	160,311	3.0%	11.2%
Richmond	99,216	103,701	111,217	4.5%	7.2%

Sources: Decennial Census, 2000, 2010; California Department of Finance, E-5 series, 2020.

Figure 3.2: Berkeley Population Projections through 2040



Sources: US Decennial Census, 2010; ABAG Plan Bay Area 2040 Projections, 2018.

Note: Population for 2020 differs between the ABAG projections and CA DOF due to differences in methodology.

3.2.2 AGE DISTRIBUTION

Residents ages 15 to 24 comprised the largest age group in both 2010 and 2019, followed by people ages 25 to 34 (Table 3.2). Berkeley's high proportion of young adults is due to the presence of UC Berkeley within the City. While the population ages 15 to 24 stayed relatively flat between 2010 and 2019, the population ages 25 to 34 increased by 25 percent, suggesting that students may be choosing to stay in Berkeley after their degree is complete. Berkeley also experienced a significant increase in population ages 65 to 84, which may indicate an increasing need for housing appropriate for seniors in the community.

Table 3.2: Berkeley Age Distribution (2010 and 2019)

Age Group	2010		2019		Percent Change 2010-2019
	Number	Percent	Number	Percent	
Under 5	4,136	3.7%	4,323	3.6%	4.5%
Age 5-14	7,403	6.6%	7,991	6.6%	7.9%
Age 15-24	32,628	29.0%	33,051	27.2%	1.3%
Age 25-34	17,697	15.7%	22,124	18.2%	25.0%

Age 35-44	12,534	11.1%	13,204	10.9%	5.3%
Age 45-54	12,253	10.9%	11,179	9.2%	-8.8%
Age 55-64	12,753	11.3%	12,184	10.0%	-4.5%
Age 65-74	7,477	6.6%	11,174	9.2%	49.4%
Age 75-84	3,727	3.3%	4,547	3.7%	22.0%
Age 85+	1,972	1.8%	1,708	1.4%	-13.4%
Total	112,580	100.0%	121,485	100.0%	7.9%

Source: ABAG Housing Element Data Package (based on Decennial Census, 2010; American Community Survey, 5-Year Estimates (2015-2019))

3.2.3 RACIAL AND ETHNIC COMPOSITION

Table 3.3 illustrates the changes in racial and ethnic composition of Berkeley's population between 2000 and 2019. Over this time period, the proportion of Asian and Pacific Islander residents increased steadily, comprising 16 percent of the population in 2000 and 21 percent of the population in 2019. The proportion of Latinx residents also increased to about 11 percent of the population in 2019. The proportion of the Black population has declined by approximately 5.6 percent since 2000 and Black residents comprised just under 8 percent of the population in 2019. The

proportion of White residents has remained relatively constant over the last two decades at approximately 54 to 55 percent of the overall population.

When compared to Alameda County as a whole, the City of Berkeley is somewhat less diverse (see Figure 3.3). Alameda County has greater proportions of Black, Asian and Pacific Islander, and Latinx populations than Berkeley. Conversely, the proportion of White residents is greater in Berkeley (53 percent, compared to 31 percent in the County).

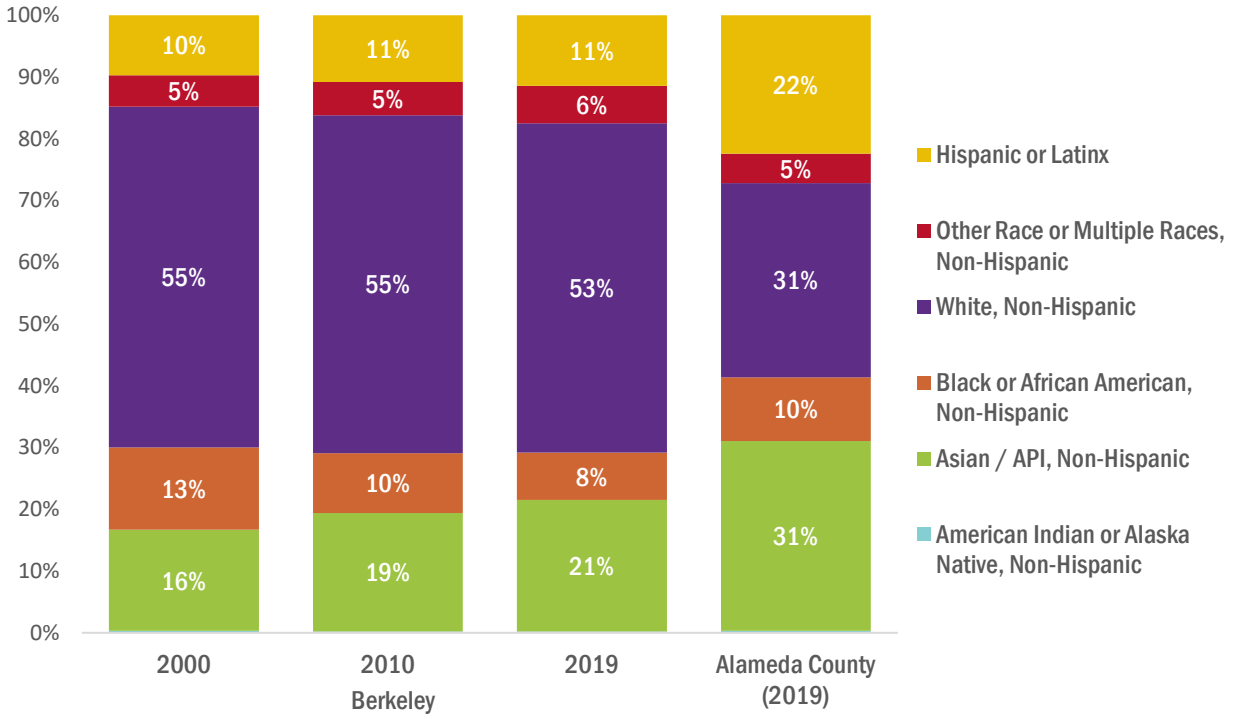
Table 3.3: Changes in Racial and Ethnic Composition of Berkeley (2000-2019)

Race/Ethnicity	2000		2010		2019	
	Number	Percent	Number	Percent	Number	Percent
American Indian or Alaska Native, Non-Hispanic	293	0.3%	228	0.2%	282	0.2%
Asian / API, Non-Hispanic	16,861	16.4%	21,669	19.2%	25,845	21.3%
Black or African American, Non-Hispanic	13,707	13.3%	10,896	9.7%	9,324	7.7%
White, Non-Hispanic	56,691	55.2%	61,539	54.7%	64,781	53.3%
Other Race or Multiple Races, Non-Hispanic	5,190	5.1%	6,039	5.4%	7,400	6.1%

Hispanic or Latinx	10,001	9.7%	12,209	10.8%	13,853	11.4%
Total	102,743		112,580		121,485	

Source: ABAG Housing Element Data Package (based on Decennial Census, 2000, 2010; American Community Survey, 5-Year Estimates (2015-2019))

Figure 3.3: Racial and Ethnic Composition of Berkeley and Alameda County



Source: ABAG Housing Element Data Package (based on Decennial Census, 2000, 2010; American Community Survey, 5-Year Estimates (2015-2019))

3.2.4 HOUSEHOLD CHARACTERISTICS

According to the Census Bureau, a household consists of all the people who occupy a housing unit. Households may contain related or unrelated individuals; however, the definition of household excludes group quarters, including student dormitories. Household growth is a good indicator of housing unit production. Other metrics, such as household size, composition, and tenure can be related to factors such as age, cultural background, income level, and housing availability and cost.

According to the American Community Survey, there were an estimated 45,352 households residing in Berkeley in 2019, an increase of approximately 2,163 households since 2010.

Household Size and Type

According to the 2015-2019 American Community Survey, the average household size was 2.44 persons and the average family size was 2.90 persons. Average household size and average family size have both increased slightly since 2010 (see Table 3.4). The City's average household and family size remain below the averages for Alameda County as a whole, which had an average household size of 2.82 and average family size of 3.37 in 2019.

Although the distribution of household types in Berkeley has remained relatively steady between 2010 and 2019, the proportion of nonfamily households has decreased slightly. However, the majority of Berkeley households were still nonfamily households in 2019 (54 percent). The proportion of seniors living alone has increased slightly since 2019.

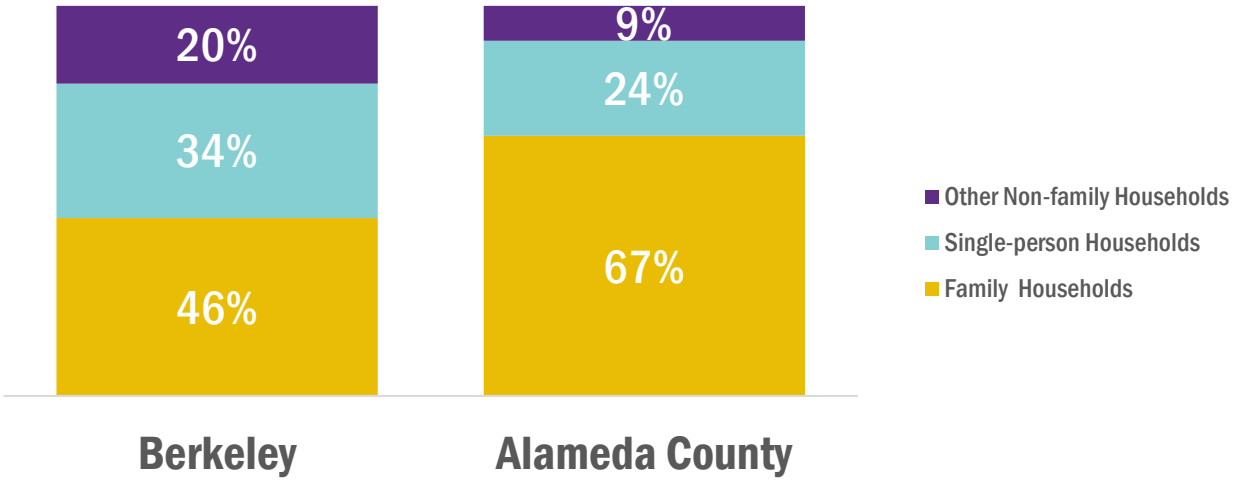
In Berkeley, there are nearly as many single-person households as there are married couple households (34 percent and 35 percent, respectively). This is in contrast to Alameda County, where the majority of households are family households (67 percent), and single-person households comprise just 24 percent of all households (see Figure 3.4).

Table 3.4: Berkeley Household Characteristics (2019)

Household Type	2010	2019	
		(#)	(%)
Total Households	43,189	45,352	100%
Family Households	44%	20,698	46%
Married Couple	32%	16,092	35%
Male Householder, No Spouse Present	3%	1,390	3%
Female Householder, No Spouse Present	8%	3,216	7%
Nonfamily Households	56%	24,654	54%
Single-person Households	37%	15,609	34%
Senior Living Alone	9%	5,449	12%
Average Household Size	2.25	2.44	
Average Family Size	2.89	2.90	

Source: American Community Survey, 5-Year Estimates (2006-2010, 2015-2019)

Figure 3.4: Berkeley and Alameda County Household Types (2019)



Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Household Tenure

Housing tenure refers to whether housing units are owner occupied or renter occupied. In Berkeley, the majority of households are renters and the proportion of renter occupied and owner occupied units has remained relatively constant since 2000 (see Table 3.5). By contrast, the majority of Alameda County housing units are owner occupied.

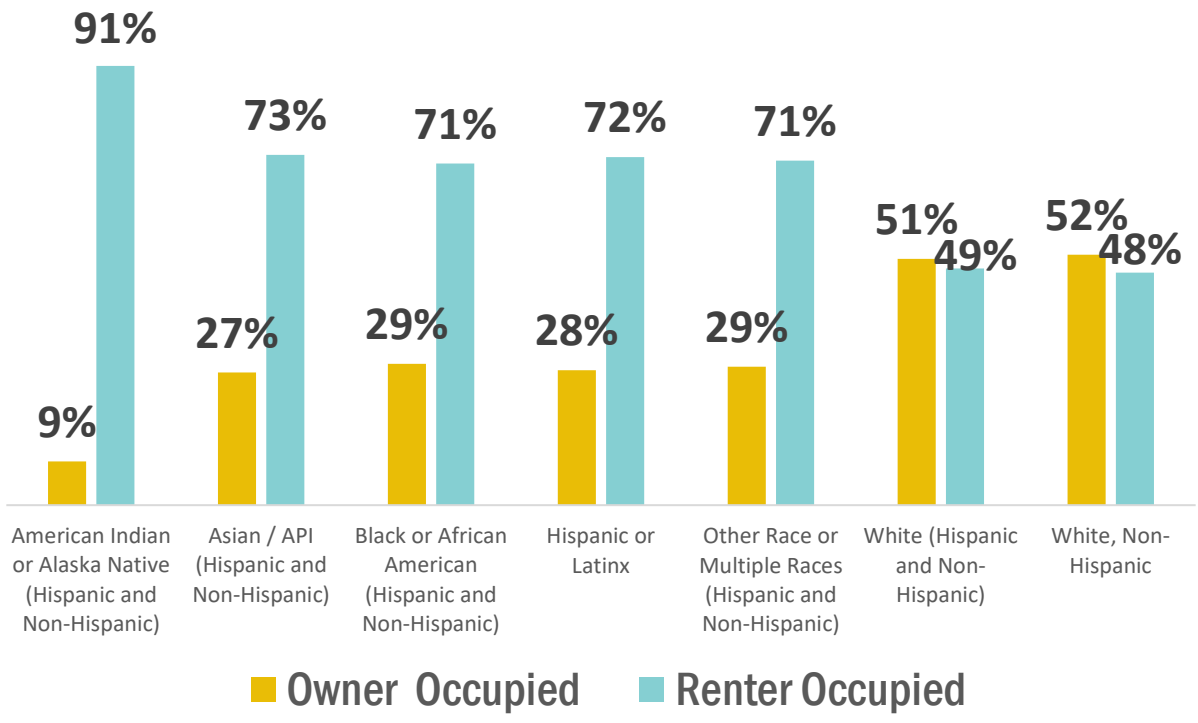
Figure 3.5: Tenure by Race of Householder (2019) shows significant differences in tenure based on the race of the householder. The rate of owner occupancy is significantly lower than the overall rate of 43 percent for all minority racial groups and Hispanic/Latinx households. In contrast, the owner occupancy rate for White householders is higher than the overall rate at 51 percent.

Table 3.5: Household Tenure (2000-2019)

Tenure	Berkeley						Alameda County
	2000		2010		2019		2019
	#	%	#	%	#	%	%
Owner Occupied	19,214	43%	18,846	41%	19,478	43%	54%
Renter Occupied	25,741	57%	27,183	59%	25,874	57%	46%
Totals	44,955	100%	46,029	100%	45,352	100%	100%

Source: ABAG Housing Element Data Package (based on Decennial Census, 2000, 2010; American Community Survey, 5-Year Estimates (2015-2019))

Figure 3.5: Tenure by Race of Householder (2019)



Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Note: For this data, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. Therefore, the groups included in this table are not all mutually exclusive.

Group Quarters

Group quarters are a distinct housing type that includes emergency and transitional housing, nursing homes, juvenile homes, residential treatment centers, and student dormitories. Unsurprisingly, Berkeley has a sizeable proportion of the population residing in group quarters due to dormitories and other student housing associated with the University. According to the 2015-2019 American Community Survey, just under 11 percent of Berkeley's population resides in group quarters. This is an increase of less than one percent from 2014. The proportion of County residents living in group quarters is much lower at about two percent.

While group quarters are a critical housing type for certain segments of the population, group quarters are not counted as units when meeting the City's Regional Housing Needs Assessment (RHNA). In order to receive RHNA credits, the units must be recorded by the State Department of Finance (DOF) as a housing unit. However, discussions with the State indicated that housing units owned by the University are treated by DOF as group quarters, not as housing units, regardless of the physical structural characteristics.

Therefore, university-owned housing does not receive RHNA credits.

Table 3.6: Group Quarters Population in Berkeley and Alameda County

	2014		2019	
	Number	Percent	Number	Percent
Berkeley	11,459	9.9%	12,945	10.7%
Alameda County	32,814	2.1%	31,635	1.9%

Source: American Community Survey, 5-Year Estimates (2010-2014, 2015-2019)

3.3 INCOME AND EMPLOYMENT CHARACTERISTICS

3.3.1 MEDIAN HOUSEHOLD INCOME

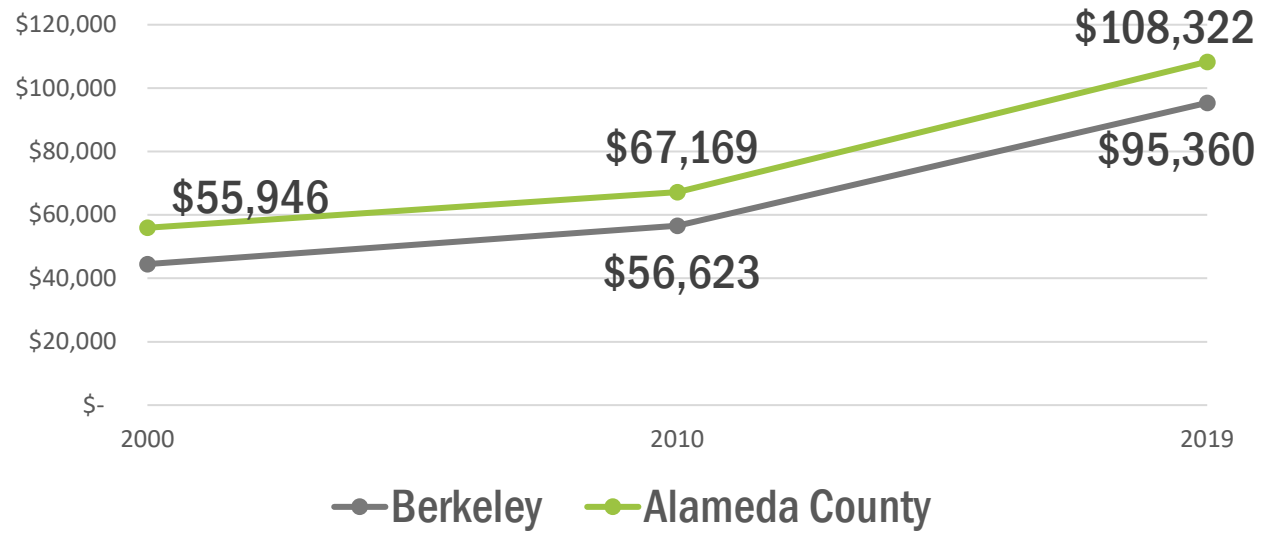
Household income is a dominant factor impacting housing needs in a community. With the exception of a minority of households that own a home with little or no mortgage, a household's ability to afford housing is directly related to household income.

Figure 3.6: Median Household Income, Berkeley and Alameda County (2000-2019) illustrates the change in median household income from 2000 to 2019 for Berkeley and Alameda County. Berkeley's median household income increased by 114 percent between 2000 and 2019, including

a 27 percent increase between 2000 and 2010 and a 68 percent increase between 2010 and 2019.

While Berkeley and the County's median household income has increased similarly over the last two decades, Berkeley's median has remained below that of the County. This is likely due to Berkeley's large student population, of which over 90 percent live off campus. Students tend to have very low incomes which would skew the City's median household income downward. However, students are generally not considered "lower income" for the purposes of public housing programs because they often rely on support from families or public loans.

Figure 3.6: Median Household Income, Berkeley and Alameda County (2000-2019)



Sources: Decennial Census, 2000; American Community Survey, 1-Year Estimates (2010, 2019)

3.3.2 HOUSEHOLD INCOME CATEGORIES

State and federal housing assistance programs utilize income categories established by state and federal law. For the Housing Element and other state programs, the California Department of Housing and Community Development (HCD) has established the five categories listed in Table 3.7: HCD Income Categories. Together, the extremely low, very low, and low income categories are referred to as lower income. Although they differ slightly in their definitions, both state and federal income categories are based on the area median income or AMI. The AMI refers to the median income for a metropolitan statistical area. For 2021, HCD determined the AMI for a four-person household in Alameda County was $125,600.

For federal housing programs, eligibility is established for households with incomes up to only 80% of the AMI. Under the federal definition, these households are considered moderate income. These federal definitions are used for plans required by federal regulations (i.e., Consolidated Plans). The HCD definitions (shown in Table 27) are used in the Housing Element whenever possible; however, some datasets, such as the Comprehensive Housing Affordability Strategy (CHAS) utilized in this section, do not provide breakdowns by the HCD income categories.

Table 3.8: Household Income by Tenure provides information on household income by tenure for Berkeley households. Overall, 42 percent of Berkeley's households are considered lower income, earning less than 80 percent of the AMI. However, renter households are much more likely to be lower

income than owner households (60 percent of renter households compared to 19 percent of owner households). Similarly, over 75 percent of owner households earn over 100 percent of the AMI, compared to just 32 percent of renter households.

Berkeley's breakdown of households in various income categories is similar when compared to Alameda County and the Bay Area as a whole, see Figure 3.7: Households by Income Group (2017). However, Berkeley has a higher proportion of households earning less than 30 percent of the AMI when compared to the region.

Figure 3.8: Household Income by Race/Ethnicity (2017) shows stark differences in household income levels when broken down by race. American Indian/Alaska Native, Asian/API, and Black/African American households are all more likely to fall within one of the lower income categories, when compared to Berkeley households as a whole.

Table 3.7: HCD Income Categories

Income Category	Percent of Area Median Income (AMI)	For a four-person household
Extremely Low	Up to 30% of AMI	$41,100 or less
Very Low	31-50% of AMI	$41,101 to $68,500
Low	51-80% of AMI	$68,501 to $109,600
Moderate	81-120% of AMI	$109,601 to $150,700

Above Moderate	Greater than 120% of AMI	$150,701 or more

Source: California Department of Housing and Community Development, 2021

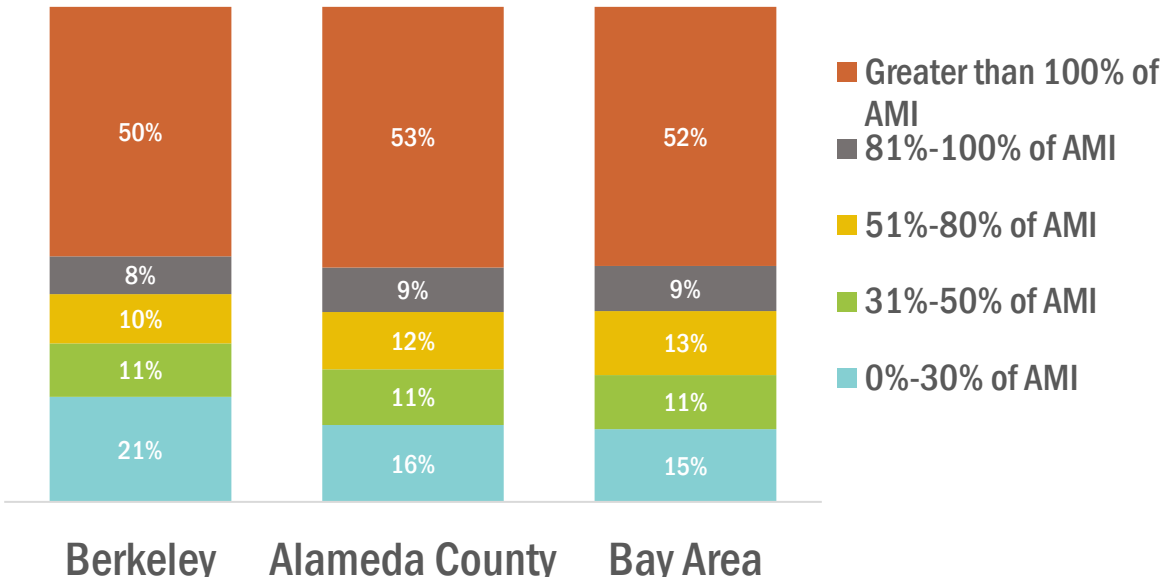
Table 3.8: Household Income by Tenure

Income Level[1]	Owner Occupied Households		Renter Occupied Households		Total Households	
	Number	Percent	Number	Percent	Number	Percent
0%-30% of AMI	1,140	5.8%	8,510	32.7%	9,650	21.2%
31%-50% of AMI	1,035	5.3%	3,880	14.9%	4,915	10.8%
51%-80% of AMI	1,449	7.4%	3,104	11.9%	4,553	10.0%
81%-100% of AMI	1,204	6.2%	2,259	8.7%	3,463	7.6%
Greater than 100% of AMI	14,699	75.3%	8,245	31.7%	22,944	50.4%
Totals	19,527	100.0%	25,998	100.0%	45,525	100.0%

Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabulation 2013-2017 release).

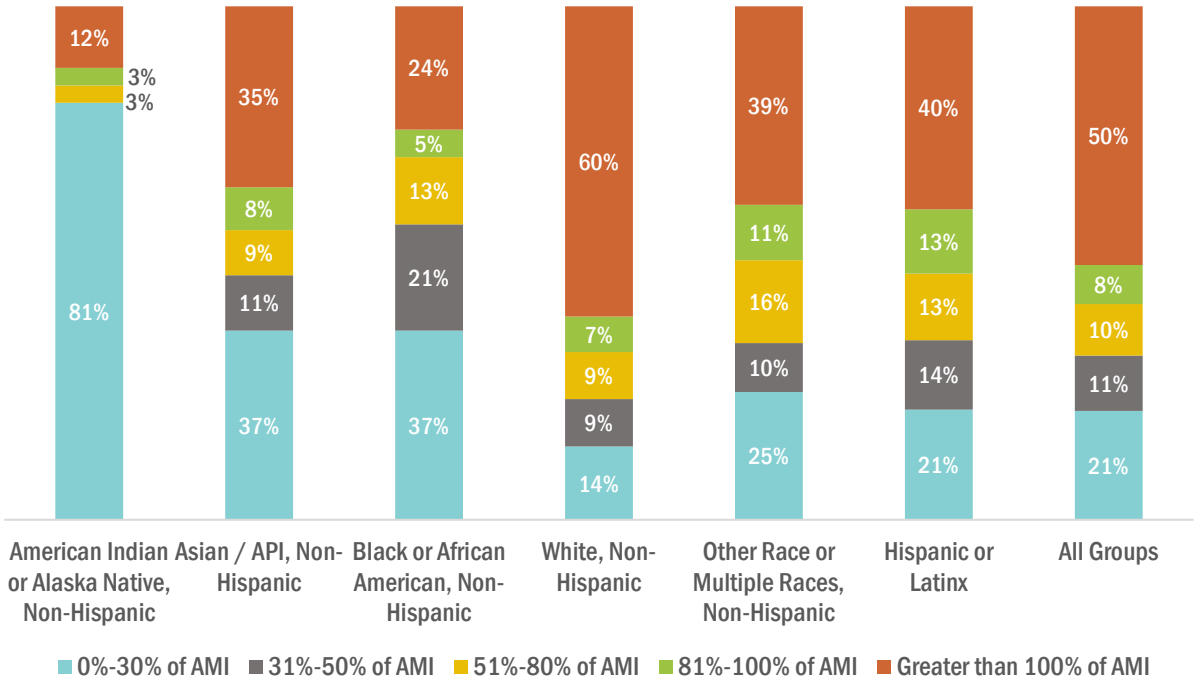
Note: Income groups in this table are based on HUD calculations for AMI for the Oakland-Fremont Metro Area (includes Alameda and Contra Costa County).

Figure 3.7: Households by Income Group (2017)



Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabulation 2013-2017 release).

Figure 3.8: Household Income by Race/Ethnicity (2017)



Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabulation 2013-2017 release).

Note: Income groups in this table are based on HUD calculations for AMI for the Oakland-Fremont Metro Area (includes Alameda and Contra Costa County).

3.3.3 EMPLOYMENT

The employment characteristics of residents can significantly influence their housing needs and choices. Factors such as the earning potential for various types of employment and the location of employment influence an employee's ability to find affordable housing within a reasonable distance of their workplace.

Employment within the City of Berkeley is dominated by educational and health services. Table 3.9 shows the top employers within the City of Berkeley. The University of California Berkeley is the City's largest employer, comprising 20.3 percent of the City's total employment and employing more workers than all of the other top ten employers combined.

While Table 3.9 illustrates the top employers located within the City of Berkeley, Table 3.10 and Figure 3.9 summarize the types of occupations held by Berkeley residents and the industries in which they work, whether or not their place of employment is located within Berkeley. However, there are notable similarities between Berkeley's top employers and the dominant industries and occupations held by Berkeley residents. The health and educational services industry employs the greatest proportion of Berkeley residents (43 percent). To a lesser extent, the health and educational services industry is also the top employer in Alameda and the Bay area, employing about 30 percent of workers. About 27 percent of Berkeley employees work in the financial and professional services industry, similar to Alameda County and the Bay area as a whole. The agriculture and natural resources, construction, information, manufacturing and wholesale, and retail industries each make up less than 10 percent of resident employment.

The majority (67 percent) of Berkeley residents are employed in management, business, science, and arts occupations (Figure 3.9). Once again, this is consistent with Berkeley's top employers, particularly the University and National

Laboratory. The proportion of Berkeley residents employed in these types of occupations is significantly higher than in the County and the Bay area as a whole, where about 50 percent of workers are employed in management, business, science and arts occupations. About 15 percent of Berkeley residents have sales and office occupations, followed by service occupations (12 percent).

Table 3.9: Top Ten Berkeley Employers (2020)

Employer	Rank	Number of Employees	Percentage of Total City Employment
University of California Berkeley	1	13,750	20.3%
Lawrence Berkeley National Laboratory	2	3,773	5.6%
Sutter East Bay Medical Foundation/Hospitals	3	2,117	3.1%
City of Berkeley	4	1,579	2.3%
Berkeley Unified School District	5	1,302	1.9%
Bayer Corporation	6	1,033	1.5%
Kaiser Permanente Medical Group	7	742	1.1%
Siemens Corporation/Healthcare Diagnostics, Inc.	8	736	1.1%
Berkeley Bowl Produce	9	636	0.9%

Lifelong Medical Care	10	426	0.6%
Total		26,094	38.6%

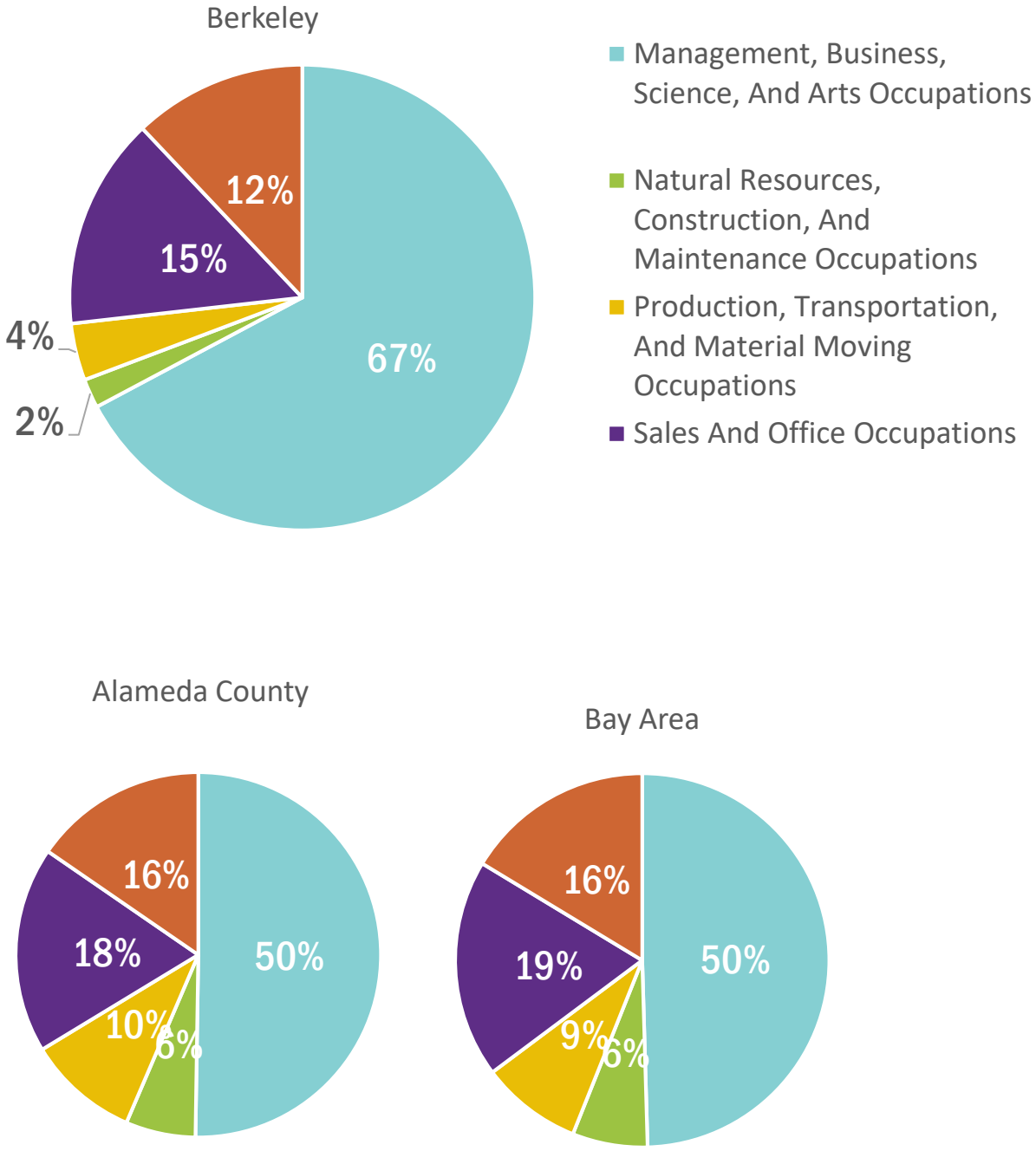
Source: City of Berkeley, Comprehensive Annual Financial Report for the Year Ended June 30, 2020.

Table 3.10: Resident Employment by Industry for Berkeley, Alameda County, and the Bay Area (2019)

Industry	Berkeley		Alameda County (%)	Bay Area (%)
	(#)	(%)		
Agriculture & Natural Resources	143	0.2%	0.4%	0.7%
Construction	1,458	2.3%	5.3%	5.6%
Financial and Professional Services	17,281	27.3%	26.0%	25.8%
Health & Educational Services	27,369	43.2%	30.1%	29.7%
Information	3,177	5.0%	3.5%	4.0%
Manufacturing, Wholesale & Transportation	4,678	7.4%	17.4%	16.7%
Retail	4,055	6.4%	8.9%	9.3%
Other	5,161	8.2%	8.4%	8.2%
Total	63,322	100.0%	100.0%	100.0%

Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Figure 3.9: Resident Employment by Occupation in Berkeley, Alameda County, and the Bay Area (2019)



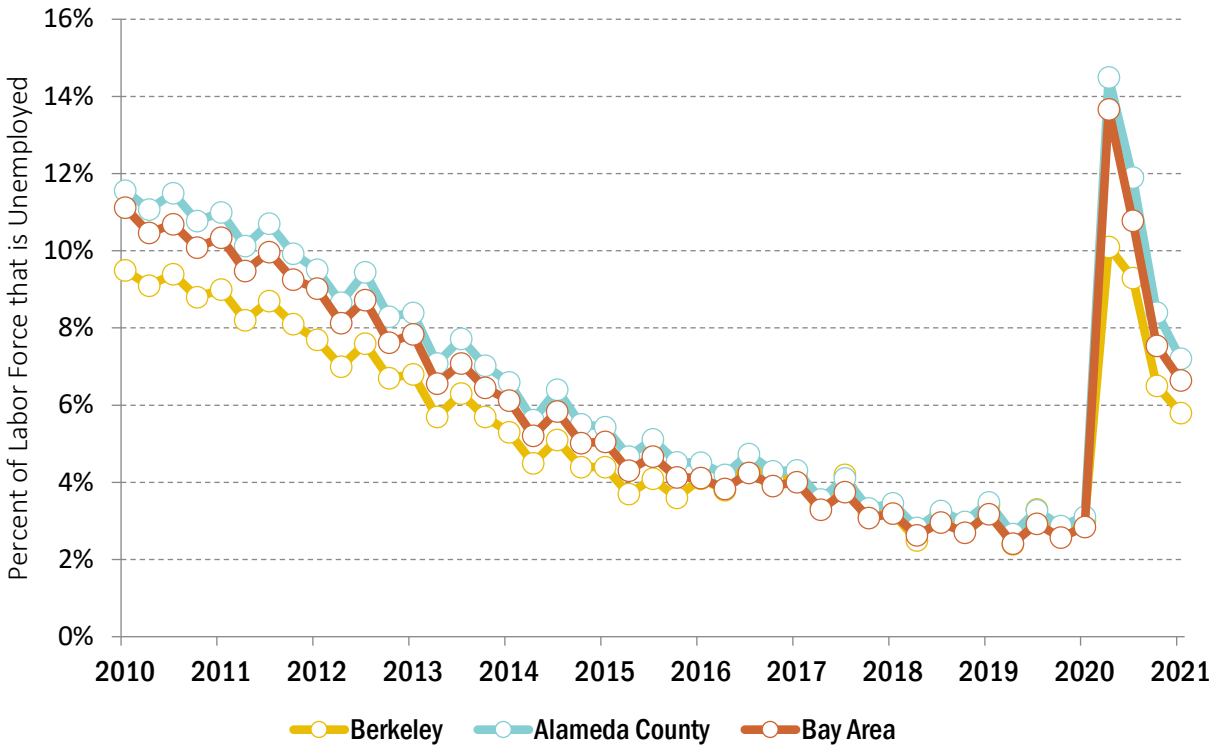
Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

3.3.4 UNEMPLOYMENT

The unemployment rate within a community is an indicator of the health of the economy as well as an indicator of the number of households with limited income and therefore, limited housing choices.

Figure 3.10 illustrates the unemployment rates for Berkeley, Alameda County, and the Bay area from 2010 to 2021. Unemployment rates were high in the early 2010s as the economy recovered from the Great Recession. Unemployment levels reached a ten-year low in 2019, below three percent; however, unemployment rates skyrocketed in the second quarter of 2020 due to the economic impact of the Covid-19 pandemic. Since then, unemployment has dropped steadily; however, rates continue to be higher than pre-pandemic levels.

Figure 3.10: Unemployment Rates in Berkeley, Alameda County, and the Bay Area (2010-2021)



Source: ABAG Housing Element Data Package (based on California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021).

Note: Unemployment rates for Berkeley are derived from larger-geography estimates. This method assumes that the rates of change in employment and unemployment are exactly the same in each sub-county area as at the county level. Since this assumption is untested, these data should be examined in broad terms, rather than focusing on exact percentage rates.

3.4 SPECIAL NEEDS POPULATIONS

Certain groups may face additional challenges in finding decent, affordable housing due to special circumstances. As

defined by State housing element law, these "special needs" groups include seniors, persons with disabilities, female-headed households with children, persons experiencing homelessness, farmworkers, and extremely-low income households. These groups are at a greater risk of experiencing housing-related issues, such as overcrowding or cost burden (expending greater than 30 percent of household income on housing expenses). Additionally, these special needs groups are not mutually exclusive and some households or individuals may fall into more than one special needs group. Table 3.11 summarizes Berkeley's special needs populations and households and each group is discussed in further detail in the following sections.

Table 3.11: Berkeley Special Needs Populations and Households

Special Needs Group[1]	Number of Persons/Households	Percent of Total Population/Households
Senior-Headed Households	12,495	27.6%
Seniors Living Alone	5,449	12.0%
Persons with a Disability	10,529	8.7%
Single-Parent Households	2,089	4.6%
Single Female-Headed Households with Children	1,555	3.4%
Large Family Households (5+ persons)	1,827	4.0%
Farmworkers[2]	132	0.1%

Persons Experiencing Homelessness	1,108	0.9%
Extremely Low-Income Households[3]	9,650	21.3%

Sources: American Community Survey, 5-Year Estimates (2015-2019); U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), based on 2013-2017 ACS; EveryOne Counts! 2019 Homeless Count and Survey.

Notes:

1. *All data is from the 2015-2019 ACS, except the following: Persons experiencing homelessness is from the EveryOne Counts! 2019 Homeless Count; Extremely Low-Income Households is from the CHAS dataset.*
2. *Farmworkers includes all persons employed in agriculture, forestry, fishing and hunting industries.*
3. *Extremely Low-Income Household data is based on the 2013-2017 ACS (most recent CHAS data available).*

3.4.1 PERSONS EXPERIENCING HOMELESSNESS

The most recent point-in-time homeless count for the City of Berkeley occurred in February 2022. In the initial data available for 2022, there were a total of 1,057 individuals experiencing homelessness residing within Berkeley, which is about 14 percent of Alameda County's total homeless population. The number of persons experiencing homelessness in Berkeley and Alameda County has increased

steadily since 2015, though went down by 51 individuals in Berkeley in 2022 (see Table 3.12).

The characteristics of the homeless population, such as gender and household type, provide important insights into the needs of this group which can guide decisions related to the provision of services. In February 2022, about 24 percent of persons experiencing homelessness were sleeping in a shelter (emergency shelter, transitional housing, or safe haven) and about 76 percent were unsheltered (Table 3.13). The majority of unsheltered persons were sleeping either in a tent or on the street (67 percent) or in a vehicle (33 percent). In 2019, only five percent of the homeless population were persons in families, while the remaining 95 percent were single individuals.

Figure 3.11 provides information about the gender and race of Berkeley's homeless population in 2019. About two-thirds of Berkeley's homeless population is male. Notably, 57 percent of the homeless population is Black, although just eight percent of Berkeley's total population is Black (see Figure 3.3).

Table 3.12: Homeless Population in Berkeley and Alameda County (2015-2022)

	2015	2017	2019	2022
Berkeley	834	972	1,108	1,057
Alameda County	4,040	5,629	8,022	9,747

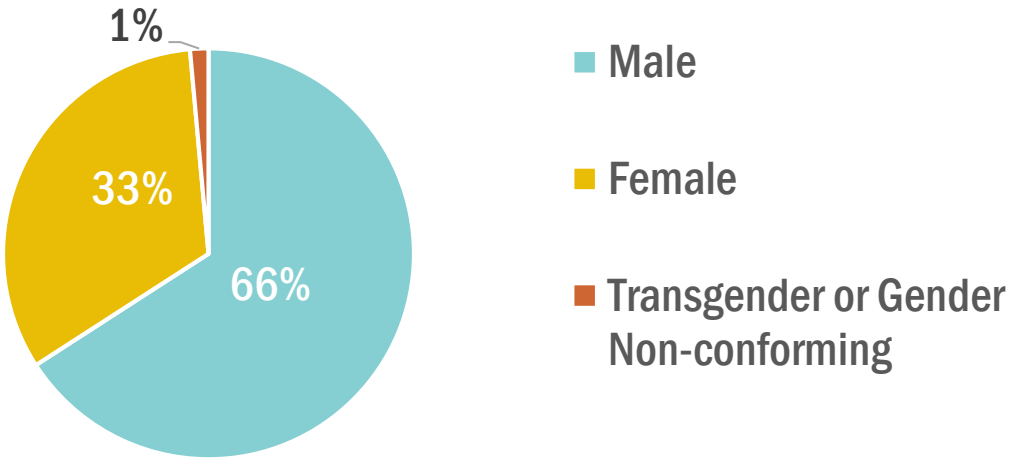
Source: EveryOne Counts! 2022 Homeless Count and Survey

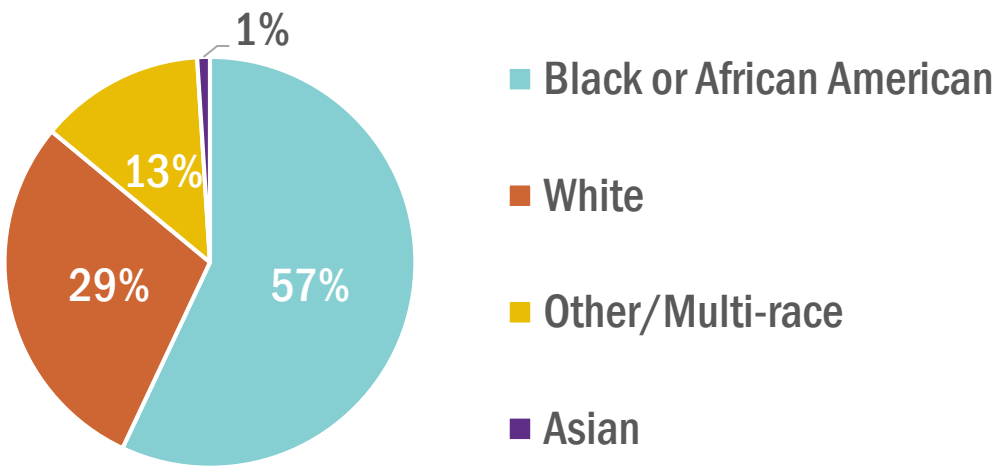
Table 3.13: Berkeley Homeless Population by Location and Household Type (2022 and 2019)

	Number	Percent
Location (2022)		
Sheltered	254	24%
Unsheltered	803	76%
Tent/Street	535	67%
RV/Car/Van	267	33%
Abandoned Building	1	<1%
Household Type (2019)		
Persons in Families	51	5%
Single Individuals	1,057	95%

Source: EveryOne Counts! 2022 and 2019 Homeless Count and Survey

Figure 3.11: Berkeley Homeless Population by Gender and Race (2019)





Source: EveryOne Counts! 2019 Homeless Count and Survey

Resources for Persons Experiencing Homelessness

Berkeley is part of Alameda County's Continuum of Care (CoC) and has adopted the EveryOne Home Plan (the Strategic Plan for the CoC). The goals of the Plan are:

- Prevent homelessness and other housing crises;
- Increase permanent housing opportunities for homeless and high-risk households;
- Provide wrap-around services to ensure housing stability and quality of life;
- Measure success and report outcomes.

To that end, the North County Coordinated Entry System Housing Resource Center is located in Berkeley and conducts assessments to match homeless individuals to available services including shelters, transitional housing, and other services such as mental and physical health services and addiction counseling. As of 2020, the City provided 226 year-

round shelter beds, 28 seasonal shelter beds, 20 transitional housing beds, and over 500 supportive housing units.

3.4.2 PERSONS WITH DISABILITIES

Individuals with disabilities often have special housing needs due to factors such as the need for accessibility, fixed low incomes or limited employment opportunities, and higher health care costs. According to the 2015-2019 American Community Survey, approximately nine percent of Berkeley's population has one or more disabilities. This is consistent with Alameda County as a whole, where approximately ten percent of the population has a disability.

Disabilities are most common among seniors and about 25 percent of the senior population has one or more disabilities (see Table 3.14). Table 3.15 provides information on the prevalence of various types of disabilities for the adult population as a whole and for the senior population. Cognitive difficulties are the most common disability type for both population groups, followed by ambulatory difficulties, and independent living difficulties. Individuals with ambulatory difficulties and/or self-care difficulties may require accessibility features in their home. Due to the age of Berkeley's housing stock, assistance with adaptation of older units is often needed. Cognitive difficulties are defined by the Census Bureau as difficulty remembering, concentrating, or making decisions due to a physical, mental, or emotional problem. Although a cognitive disability alone may not necessitate specific physical adaptations to the home,

individuals with a cognitive disability may need access to additional mental health and social services.

Table 3.14: Persons with a Disability by Age Group (2019)

Age Range	Population with a disability	Total Population	% of Total Population	%of Population with a Disability
Under 18	384	15,157	2.5%	3.6%
18-64	5,855	88,740	6.6%	55.6%
65 or older	4,290	17,229	24.9%	40.7%
Total	10,529	121,126	8.7%	100.0%

Source: American Community Survey, 5-Year Estimates (2015-2019)

Table 3.15: Disability by Type (2019)

Disability Type	% of Adult Population (age 18+)	% of Senior Population (age 65+)
With a cognitive difficulty	4.0%	13.8%
With an ambulatory difficulty	3.7%	10.7%
With an independent living difficulty	3.2%	9.7%
With a hearing difficulty	2.2%	7.0%
With a self-care difficulty	1.9%	5.9%
With a vision difficulty	1.5%	4.3%

Source: American Community Survey, 5-Year Estimates (2015-2019)

Developmental Disabilities

Developmental disability is defined by State law as "a disability that originates before an individual attains 18 years of age, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual…this term shall include intellectual disability, cerebral palsy, epilepsy, and autism."

Based on zip code-level data from the Department of Developmental Services, ABAG estimates that there are 440 individuals with developmental disabilities residing in Berkeley. About 63 percent of these individuals are adults and 37 percent are under age 18. The majority of persons with a developmental disability reside in their family home (68 percent) (see Table 3.16). Independent/supported living facilities are the second most common place of residence for persons with developmental disabilities at 22 percent.

Table 3.16: Residence Type of Persons with Developmental Disabilities (2020)

Residence Type	% of Individuals with a Developmental Disability
Home of Parent /Family /Guardian	68%
Independent /Supported Living	22%
Community Care Facility	4%

Other	3%
Intermediate Care Facility	2%
Foster /Family Home	1%

Source: ABAG Housing Element Data Package (based on California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020))

Resource for Persons with Disabilities

Although many adults with developmental disabilities can live and work independently, group living environments can also provide an appropriate and supportive setting, particularly when an individual ages out of living in their family home. According to the Department of Social Services Community Care Licensing Division, there are three residential facilities for adults ages 18 to 59 within Berkeley with a combined capacity of 56 individuals. Additionally, there are four residential care facilities for seniors located in Berkeley, with a combined capacity to house 127 individuals. The Berkeley Municipal Code requires approval of a use permit for residential care facilities, the same process is required for other dwelling units in the residential zones. These requirements are discussed in further detail in the Constraints section of this Housing Element.

Several City programs assist homeowners with disabilities. The Home Modifications for Accessibility and Safety program operated by Rebuilding Together and the Center for Independent Living completes home improvement projects to improve accessibility within the home for seniors and

persons with disabilities. Similarly, low and moderate income households with a disabled member may apply for a zero interest loan for home improvements through the Senior and Disabled Home Improvement Loan Program. Additionally, homeowners may apply for a reasonable accommodation to get relief from zoning and building code requirements that hinder accessibility related improvements.

3.4.3 SENIORS

As Americans' life expectancy increases, seniors make up an increasing segment of the population. Berkeley's population ages 65 to 74 was the fastest growing age group between 2010 and 2019 and seniors ages 65 and over made up over 14 percent of the total population (see Table 3.2). Additionally, senior-headed households comprise nearly 28 percent of all Berkeley households. Table 3.17 summarizes the tenure and income level of senior households in Berkeley. There are significantly more owner households than renter households; however, renting senior households are much more likely to fall within the extremely low or very low income groups. Additional affordable, appropriately sized rental units are likely necessary to meet the housing needs of this group. Additionally, as previously noted, about one quarter of Berkeley seniors have one or more disabilities. Therefore, accessibility is another important factor in the provision of housing for Berkeley's seniors.

Table 3.17: Senior Households[1] by Tenure and Income Group

Income Group[2]	Owner occupied		Renter occupied	
	Number	Percent	Number	Percent

0%-30% of AMI	590	6.8%	1,945	50.6%
31%-50% of AMI	640	7.4%	540	14.0%
51%-80% of AMI	895	10.3%	330	8.6%
81%-100% of AMI	580	6.7%	240	6.2%
Greater than 100% of AMI	5,945	68.7%	790	20.5%
Totals	8,650	100.0%	3,845	100.0%

Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabluation, 2013-2017 release)

Notes:

1. *For the purposes of this table, senior households are those with a householder who is aged 62 or older.*
2. *Income groups are based on HUD calculations for Area Median Income (AMI) the Oakland-Fremont Metro Area (Alameda and Contra Costa Counties).*

Resources for Seniors

According to the Department of Social Services Community Care Licensing Division, there are four residential care facilities for seniors located in Berkeley, with a combined capacity to house 127 individuals.

In 2016, the City began the Age-Friendly Berkeley initiative (https://www.agefriendlyberkeley.org), which identified affordable housing and home modifications are priority

issues. Currently, several City programs assist senior homeowners. The Home Modifications for Accessibility and Safety program operated by Rebuilding Together and the Center for Independent Living completes home improvement projects to improve accessibility within the home for seniors and persons with disabilities. Similarly, low and moderate income senior households may apply for a zero interest loan for home improvements through the Senior and Disabled Home Improvement Loan Program.

The City operates two senior centers, the North Berkeley Senior Center and the Henry Ramsey Jr. South Berkeley Senior Center to connect seniors to local resources and provide individualized assistance. The senior centers also operate a grab and go meal program available to all Berkeley residents over 60 that provides five frozen nutritious meals per week for a suggested donation of $15.

3.4.4 SINGLE-PARENT FAMILIES WITH CHILDREN

Single-parent households, in particular single female-headed households, tend to have a greater need for affordable housing, childcare facilities, and other supportive services due to lower per-capita income and higher living expenses. According to the 2015-2019 American Community Survey, there are 2,089 single-parent households with children residing in Berkeley. The majority of these households (74 percent) are headed by single females. When compared to Alameda County as a whole, Berkeley has a lower proportion of single parent households. In Alameda County, single-

parent households made up 6.8 percent of all households, compared to 4.6 percent in Berkeley.

The Census Bureau utilizes a federally defined poverty threshold that remains constant throughout the country. In 2021, the poverty level for a four-person household was $26,500 and about 14 percent of female-headed households with children were living below that threshold. However, it should be noted that the proportion of this household type needing additional assistance is probably much greater due to the high cost of living in the area. To that end, HCD's defined income limit for an extremely low-income four-person household in Alameda County was significantly higher than the federal poverty level at $41,100.

Resources for Single-Parent Families with Children

Single parent families with children can benefit from all programs that are intended to assist lower income households in Berkeley. One such program is the Section 8 voucher program operated by the Berkeley Housing Authority. However, this special needs group may benefit from the City's youth programs in particular. The City offers an affordable after school programs and youth leadership development programs at the James Kenney Community Center and MLK Jr. Youth Services Center. Scholarship opportunities are available for lower income households. The City also provides free meals to children in the summer in partnership with the State Department of Education.

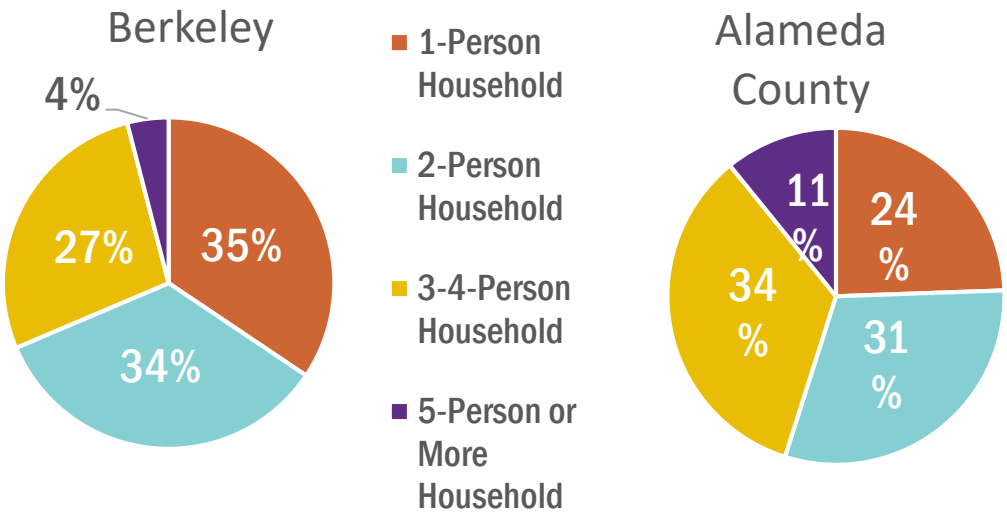
3.4.5 LARGE HOUSEHOLDS

Large households are defined as households with at least five members. Large family households often include multiple children and/or extended family members, such as grandparents. Since adequately sized housing units to serve the needs of large households are often limited, large households are considered a special needs group. Additionally, a lack of appropriately sized and affordable units can lead to large households living in overcrowded conditions.

Figure 3.12 illustrates households by size for Berkeley and Alameda County. Approximately four percent of Berkeley's households have five or more members (1,827 households). This is notably lower than the County, where 11 percent of households are large households. Berkeley has significantly more one-person households compared to the County, likely due to the presence of the University.

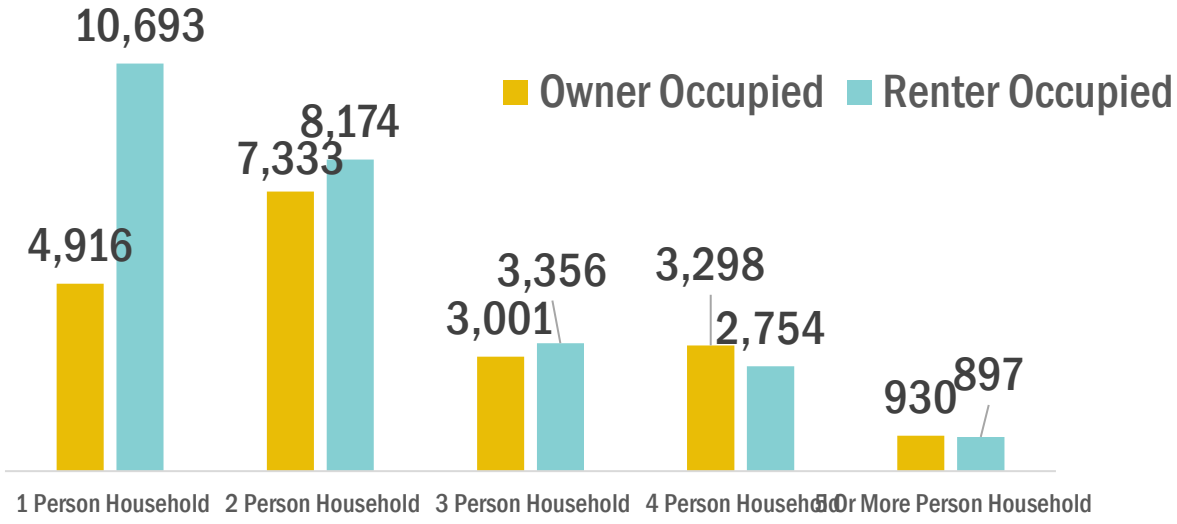
As shown in Figure 3.13, household tenure varies by household size. The number of large households that rent their home is similar to the number of large households that own their home, while owner occupancy is more prevalent among four-person households. For households consisting of three or fewer individuals, renting was more common than owner occupancy.

Figure 3.12: Household Size in Berkeley and Alameda County (2019)



Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Figure 3.13: Berkeley Household Size by Tenure (2019)



Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Resources for Large Households

Lower income large family households are eligible to participate in the City's affordable housing programs available to all lower income households. This includes the Section 8 voucher program operated by the Berkeley Housing Authority. Although affordable units with three or more bedrooms are less common than smaller units, there are several housing projects within Berkeley that feature larger units. For example, the Savo Island Cooperative Homes project contains 22 three-bedroom units and 27 four-bedroom units which could accommodate larger families.

3.4.6 FARMWORKERS

Farmworkers are considered a special needs group because they tend to have lower incomes, disproportionately live in housing that is in poor condition and/or overcrowded, and are predominantly persons of color. There is no agricultural land in Berkeley; therefore, the farmworker population is low. According to the 2015-2019 American Community Survey, there were 132 workers employed in agriculture, forestry, and fishing industries in Berkeley, comprising about 0.1 percent of the City's population. According to the 2017 Census of Agriculture compiled by the U.S. Department of Agriculture, there were a total of 120 farms, employing 593 seasonal and permanent farmworkers in Alameda County. Among these farms, 35 farms employed 142 workers who worked fewer than 150 days a year. Only 11 farms employed migrant workers, with an estimated 34 migrant workers.

Resources for Farmworkers

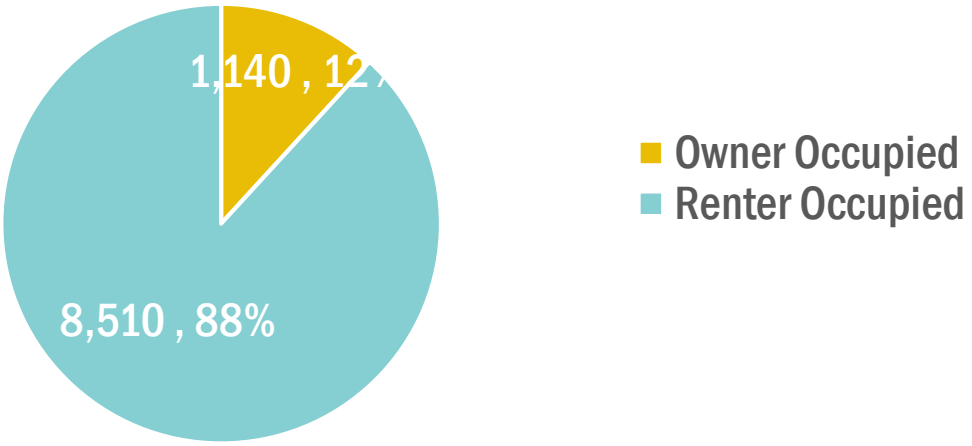
Since farmworkers make up such a small percentage of Berkeley's population, specific programs for this special needs group are not necessary. Farmworkers residing in Berkeley can access general housing programs and services available to all lower income households in the City.

3.4.7 EXTREMELY LOW-INCOME HOUSEHOLDS

Extremely low-income households are those making 30 percent or less of the area median income. For Alameda County, the HCD defined income limit for extremely low-income households ranged from $28,800 for a one-person household to $54,300 for an eight-person household in 2021. A total of 9,650 Berkeley households fall into this category, comprising 21 percent of all households residing in the City. As illustrated in Figure 3.7, the proportion of extremely low-income households is higher in Berkeley than in Alameda County, where 16 percent of households are extremely low-income.

The large majority (88 percent) of extremely low-income households rent their home (Figure 3.14). Therefore, high rents in the City are particularly burdensome to this special needs group. As discussed in greater detail in the Housing Problems section of this chapter, approximately 88 percent of extremely low-income households have a housing cost burden, meaning that over 30 percent of household income is spent on housing-related expenses (refer to Figure 3.20).

Figure 3.14: Extremely Low-Income Households by Tenure (2017)



Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabulation, 2013-2017 release)

Resources for Extremely Low-Income Households

The City has focused funding to address the needs extremely low-income households on programs that enable households and individuals living in poverty to attain self-sufficiency, support at-risk youth to succeed in school and graduate, and protect the health and safety of low income households. Training and job placement programs for low income, under-employed or unemployed residents include Inter-City Services employment training, Biotech Academy, the Bread Project, Rising Sun Center for Opportunity Green Energy Training Services, Berkeley Youth Alternatives, UC Theater Concert Careers Pathways, and YouthWorks.

Extremely low-income households with children can also benefit from youth and childcare programs offered by the

City. The City offers an affordable after school programs and youth leadership development programs at the James Kenney Community Center and MLK Jr. Youth Services Center. Scholarship opportunities are available for lower income households. The City also provides free meals to children in the summer in partnership with the State Department of Education.

3.5 HOUSING STOCK CHARACTERISTICS

Berkeley's urban landscape reveals a great deal about how the City was developed. Building styles, which are typically associated with a particular time period, vary from neighborhood to neighborhood and even from street to street. In some places, different stages of development are revealed by an occasional remnant Victorian, or by the area's general mixture of later styles. The early transportation hubs can still be detected by the evidence of commercial centers and building clusters from different decades.

Broadly speaking, the areas close to the University and Downtown had their initial construction in the 19th Century, though many of them were later substantially rebuilt. West Berkeley, and the village of Lorin in South Berkeley, also had their start in the 19th Century. The initial pattern was a response to the original transportation system of boats, streetcars, and trains. The areas in between remained largely open for some time and then filled in, especially in the first three decades of the 1900s. The expanded suburban development in the hills followed the opening of new

streetcar lines, the 1906 earthquake, and ultimately the common use of the automobile.

Densities are greatest in the areas close to the University and Downtown, where there are multi-unit apartment buildings and large single-family homes converted to rooming houses or apartments. Density can also be found along the main arterials of the city in both older and new apartment buildings. The majority of the city is characterized by small lots with one to four units.

3.5.1 HOUSING GROWTH

According to the Department of Finance, there were 51,523 housing units in Berkeley in 2020. This represents a four percent increase from 2010 and a 10 percent increase since 2000 (see Table 3.18). Berkeley's housing growth rate is lower than that of Alameda County. In the past twenty years, there has been a 13 percent increase in housing units in the County.

Table 3.18: Housing Growth in Berkeley and Alameda County (2000-2020)

	2000	2010	2020	% Change 2010-2020	% Change 2000-2020
Berkeley	46,875	49,454	51,523	4.2%	9.9%
Alameda County	540,183	581,372	611,752	5.2%	13.2%

Sources: Decennial Census, 2000; California Department of Finance, E-5 series, 2010, 2020.

3.5.2 UNIT TYPE AND SIZE

As illustrated in Figure 3.15, detached single-family houses remain the most common housing type in Berkeley, comprising 41 percent of all units. However, when both small (2-4 units) and large (five or more units) multifamily complexes are taken into account, multifamily units comprise 55 percent of the City's housing stock. There are 218 mobile home units in the City.

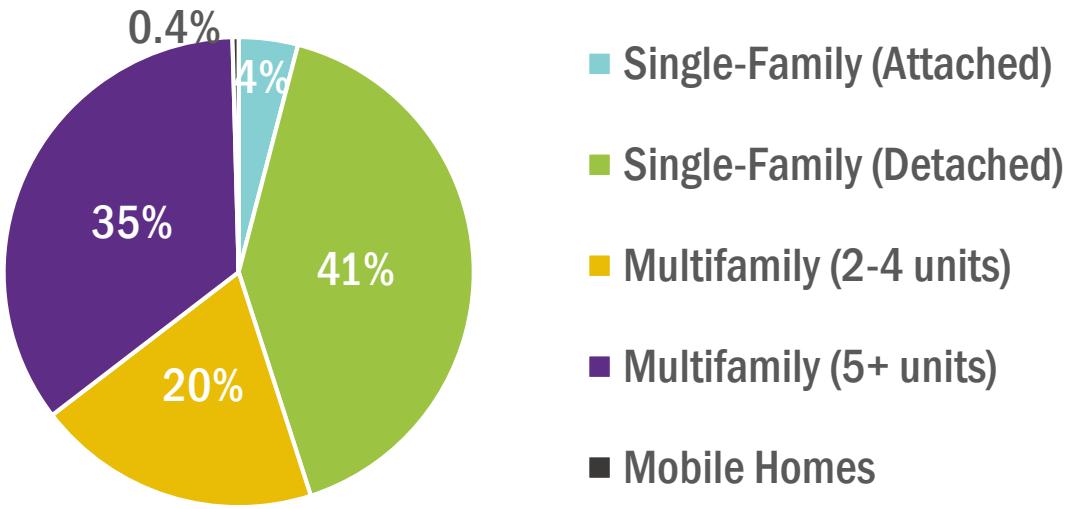
Table 3.19 summarizes the number of housing units by type in 2010 and 2020. The majority of new units constructed in the last ten years are part of large multi-family buildings containing five or more units. Overall, the number of multi-family units in the City increased by seven percent while the number of single family units increased by less than one percent.

Figure 3.16 provides information on the size of Berkeley's housing units. Two-bedroom units are the most common in the City, followed by three- to four-bedroom units. The majority of smaller units (studios, one-bedroom, and two-bedroom units) are occupied by renters. Conversely, the majority of larger units are owner occupied.

Figure 3.17 provides a comparison of housing units by number of bedrooms for Berkeley, Alameda County, and California as a whole. Berkeley has a larger proportion of smaller units with two or fewer bedrooms when compared to the County and the State. Units of two or fewer bedrooms comprise 65 percent of Berkeley's housing stock, while smaller units make up 49 percent and 45 percent of the

County and State's housing stock, respectively. Similarly, larger units containing four or more bedrooms make up just 14 percent of Berkeley's housing stock, compared to 20 percent of Alameda County units and 21 percent of California units. Berkeley's unit sizes are generally consistent with the prevalence of smaller households, particularly single person households within the City.

Figure 3.15: Berkeley Housing Stock (Units) by Type (2020)



Source: ABAG Housing Element Data Package (based on California Department of Finance, E-5 series, 2020.)

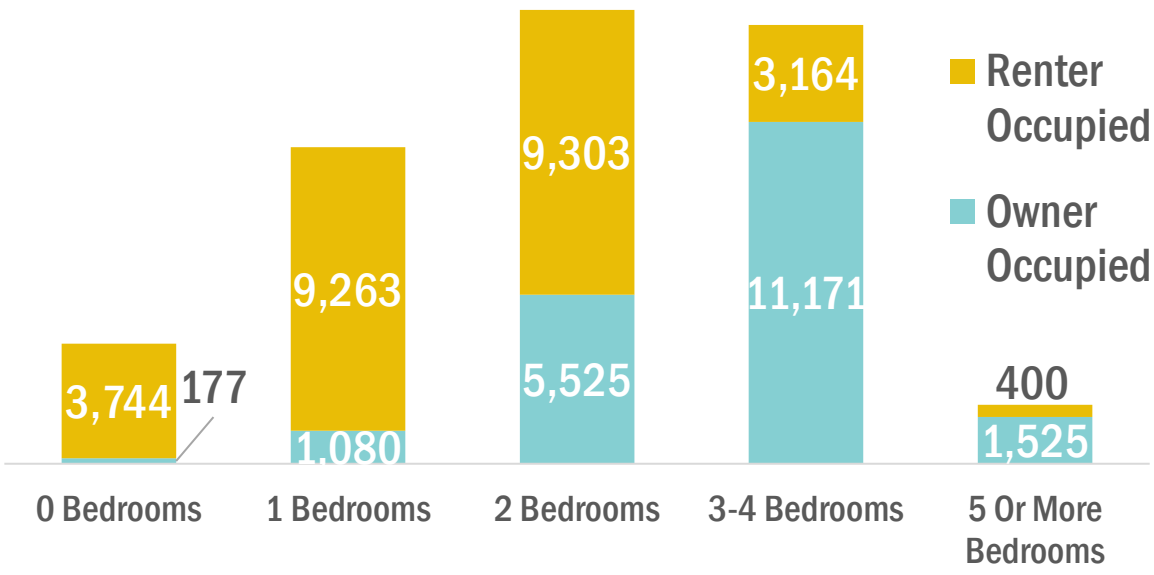
Table 3.19: Trends in Housing Types (2010-2020)

Building Type	2010	2020	Percent Change
All Single Family	22,984	23,202	0.9%
Single-Family (Attached)	2,060	2,096	1.7%
Single-Family (Detached)	20,924	21,106	0.9%

All Multifamily	26,252	28,103	7.1%
Multifamily (2-4 units)	9,980	10,075	1.0%
Multifamily (5+ units)	16,272	18,028	10.8%
Mobile Homes	218	218	0.0%
Totals	49,454	51,523	4.2%

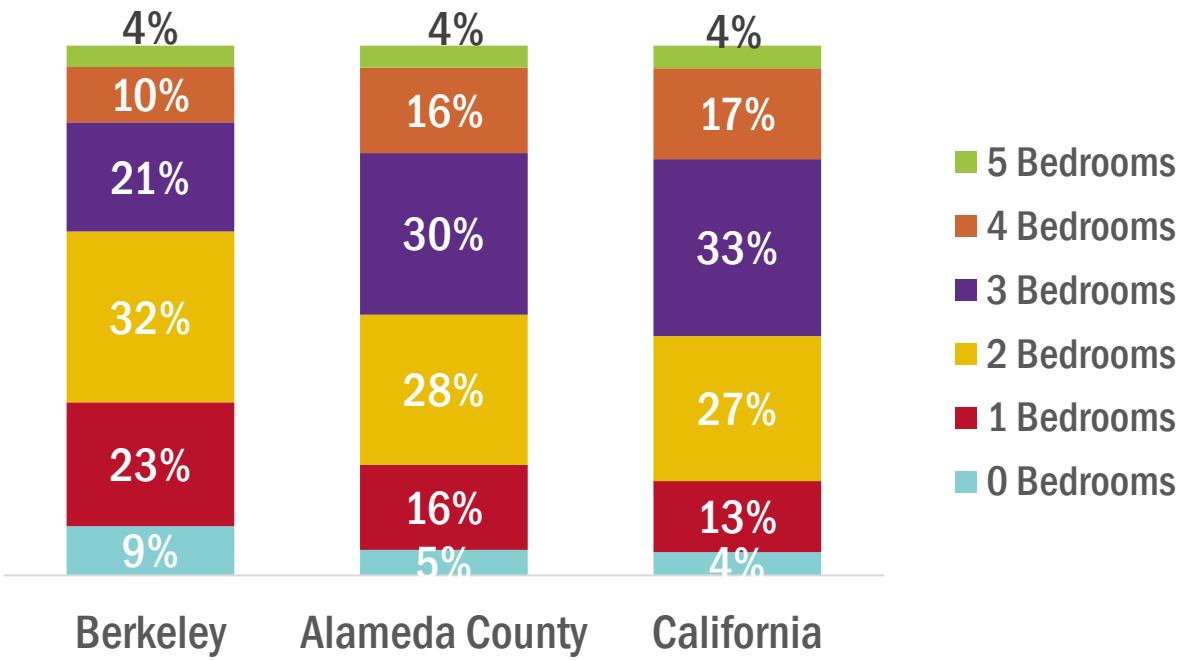
Source: ABAG Housing Element Data Package (based on California Department of Finance, E-5 series, 2010, 2020.)

Figure 3.16: Occupied Housing Units by Tenure and Number of Bedrooms (2019)



Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Figure 3.17: Housing Units by Number of Bedrooms (2019)



Source: American Community Survey, 5-Year Estimates (2015-2019)

3.5.3 VACANCY RATES

A certain number of vacancies in a community is necessary to moderate housing costs, provide some level of choice for households seeking housing, and provide incentive to keep units in decent condition. Vacancy rates for rental properties are typically higher than owner occupied properties because rental units tend to turnover more frequently. A vacancy rate is considered to be healthy if it permits adequate choices and mobility among a variety of housing units. A healthy rate is considered to be 5-6 percent for rental units and 2-3 percent for owner occupied units.

According to the American Community Survey, vacancy rates have decreased over the last several years (see Table 3.20) and are well below optimal levels. The 2015-2019 American Community Survey estimates a vacancy rate of 0.3 percent for owner occupied units and 2.4 percent for rental units. Vacancy rates in Alameda County are higher than in Berkeley; however, they are also below healthy levels.

Table 3.21 provides insight into the types of vacancies that exist within the City. The largest vacancy type in Berkeley, Alameda County, and the Bay area is "other vacant" (55%, 44%, and 36%, respectively). The Census Bureau defines "other vacant" as units that do not fit into any other year-round vacant category. It is possible that short-term vacation rentals account for a significant subset of this category. The proportion of units for sale and units for rent are lower in Berkeley than in Alameda County and the Bay area.

Table 3.20: Vacancy Rates in Berkeley and Alameda County (2019)

Vacancy Rates	Berkeley		Alameda County	
	2010-2014	2015-2019	2010-2014	2015-2019
Vacant Housing Units (% of Total)	7.6%	6.8%	6.0%	5.1%
Homeowner Vacancy Rate	0.9%	0.3%	1.3%	0.6%
Rental Vacancy Rate	3.8%	2.4%	3.9%	2.9%

Source: American Community Survey, 5-Year Estimates (2015-2019)

Note: Overall vacancy includes units that are seasonally occupied units.

Table 3.21: Vacancy by Type (2019)

Vacancy Type	Berkeley		Alameda County (Percent)	Bay Area (Percent)
	Number	Percent		
For Rent	635	19%	26%	24%
For Sale	52	2%	6%	6%
For Seasonal, Recreational, or Occasional Use	397	12%	13%	22%
Other Vacant	1,827	55%	44%	36%
Rented, Not Occupied	299	9%	5%	6%
Sold, Not Occupied	112	3%	6%	7%

Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

Note: "Other Vacant" as defined by the Census Bureau is a housing unit that does not fit into any other year-round vacant category.

3.5.4 AGE OF HOUSING STOCK AND HOUSING CONDITION

The age of a community's housing stock can provide insight into the level of maintenance and rehabilitation needs. Generally, structures over 30 years old are likely to have significant rehabilitation needs which may include a new roof,

foundation repairs, and new plumbing. Berkeley has a significant proportion of older units, with nearly half of all units constructed before 1939 (see Figure 3.18). Overall, 95 percent of Berkeley's housing stock will be over 30 years old by the end of this housing element planning cycle and 86 percent will be over 50 years old.

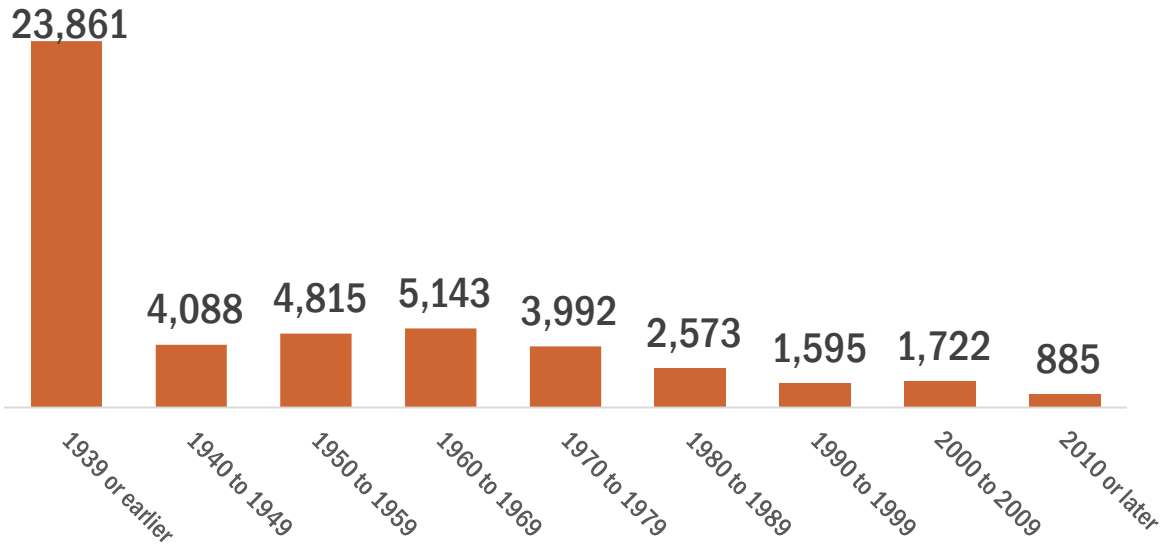
According to the 2014-2019 American Community Survey, the median year structure built for the City's housing stock is 1942. However, the City's owner occupied housing stock is significantly older with a median age older than 1939, compared to a median age of 1958 for renter occupied units. Regardless of tenure, rehabilitation and maintenance is an ongoing need to preserve the quality of the City's housing stock.

Lack of sufficient plumbing and kitchen facilities is another indicator of substandard housing condition. Although units without sufficient plumbing or kitchens are rare in Berkeley, renter households are more likely to reside in a unit with one of these issues. The 2015-2019 American Community Survey estimates that about 0.6 percent of owner occupied units and about 2.1 percent of renter occupied units lack sufficient kitchen facilities. Lack of sufficient plumbing is rarer, with 0.3 percent of owner occupied units and 1.2 percent of rental units lacking sufficient plumbing.

Local building and code enforcement divisions can also provide insight into the condition of housing units in the community, based on complaints filed, inspections, code violations, and other observations. Based on 2021 activity,

there were a total of 303 code enforcement cases reported, of which 238 were resolved. The average number of days to resolve a case was 53 days.

Figure 3.18: Housing Units by Year Structure Built (2019)



Source: American Community Survey, 5-Year Estimates (2015-2019)

Table 3.22: Substandard Housing Issues by Tenure (2019)

	Owner Occupied Units	Renter Occupied Units
Lack of Sufficient Kitchen Facilities	0.6%	2.1%
Lack of Sufficient Plumbing	0.3%	1.2%

Source: ABAG Housing Element Data Package (based on American Community Survey, 5-Year Estimates (2015-2019))

3.5.5 HOUSING COSTS AND AFFORDABILITY

Housing costs have a significant impact on the prevalence of housing issues within a community. High housing costs in comparison to household income have a direct impact on the types of units a household can afford, whether they incur a housing cost burden, or whether they live in overcrowded conditions. This section discusses the cost of renting and homeownership in Berkeley. An affordability analysis is also included in this section. Additional information on housing problems such as cost burden and overcrowding, is included in the Housing Problems section later in this chapter.

Rent Stabilized Units

The City of Berkeley adopted a Rent Stabilization Ordinance in 1980, which limits annual rental increases for units built prior to 1980. According to the Rent Stabilization Board, there are approximately 19,414 rent stabilized units within the City of Berkeley as of March 2021. Since 2005, the annual adjustment for rents has been 65 percent of the percentage increase in the Consumer Price Index for the metropolitan area.

However, in compliance with the 1995 Costa-Hawkins Act, landlords are allowed to establish market rate rents when a unit is vacated and leased to a new tenant in units constructed before enactment of the law (known as "vacancy decontrol"). Once reoccupied, the annual rent increases are limited by the local jurisdiction's rent stabilization provisions. As shown in Table 3.23, vacancy decontrol has had a significant impact on the affordability of rent controlled units. The average rent

ceiling for tenancies starting after 1999, when full implementation of the Costa-Hawkins Act began, is nearly two and a half times higher than units with tenancies starting before 1999.

Table 3.24 provides the median rents for new tenancies in rent stabilized units in 2000, 2010, and 2020. Median rents increased at a much greater rate between 2010 and 2020, when compared to the previous decade, with the cost of two-bedroom and smaller units outpacing increases in median income over the same time period. Median rents for new tenants in 2020 ranged from $1,750 for a studio apartment to $3,850 for a three-bedroom apartment.

The Ellis Act, first effective in 1986, gives property owners the right to remove apartment buildings from the rental market for development or repurposing. The term “Ellised” has been utilized to refer to a property owner’s removal of a multifamily property from the rental market. The State does not require the owner to report on the reason a property has been Ellised. However, the Ellis Act does authorize local governments to place restrictions on properties that have been Ellised to ensure that this process is not abused. Berkeley has adopted these various restrictions in the Ellis Implementation Ordinance and has monitored compliance with the Ellis Act and Ellis Implementation Ordinance since their induction.

As of June 2020, 154 properties have been Ellised, totaling 457 units, since 1986.[1] According to the Rent Stabilization Board's data on Ellised properties, the majority of properties removed from the rental market contain just one or two units. Only three properties containing ten or more units have been removed from the rental market.

In September 2017, then Governor Brown signed into law AB 1505, also known as the "Palmer Fix", which restored the authority of local jurisdictions to require the inclusion of affordable housing in new rental housing projects. BMC 23.328 Inclusionary Housing currently requires that all residential housing projects, including rental, that result in a total of five or more dwelling units must include at least 20 percent of the total number of units as inclusionary. The units must be sold or rented to very low and/or low income households.

Table 3.23: Average Rents for Pre- and Post-Costa-Hawkins Act Tenancies (2021)

Rent Stabilized Units	Number of Units	Percent of Units	Average Rent Ceiling (all units)	Average Rent Ceiling (1-BR units)

[1] City of Berkeley, Rent Stabilization Board, "Summary of Ellis Act Evictions (1986 – 6/1/2020)", October 2020.

Tenancies Starting Before 1999	1,858	9.6%	$909	$829
Tenancies Starting 1999-2021	17,556	90.4%	$2,247	$1,948

Source: City of Berkeley, Rent Stabilization Board, "Market Medians: January 1999 through March 2021".

Table 3.24: Median Rents for New Tenancies in Rent Stabilized Units (2000-2020)

Number of Bedrooms	2000	2010	2020	% Change 2000-2010	% Change 2010-2020
Studio	$800	$950	$1,750	18.8%	84.2%
One-Bedroom	$1,100	$1,225	$2,085	11.4%	70.2%
Two-Bedroom	$1,500	$1,660	$2,895	10.7%	74.4%
Three-Bedroom	$1,980	$2,395	$3,850	21.0%	60.8%

Source: City of Berkeley, Rent Stabilization Board, "Market Medians: January 1999 through March 2021".

Market Rate Rental Units

Table 3.25 summarizes a survey of units listed for rent on Zillow in November 2021; therefore, it contains information for both market rate units and units that are subject to rent stabilization. As shown, median rents from the Zillow survey are significantly higher than the median rents for rent

stabilized units listed in Table 3.24. Due to the limitations of the Ordinance, rent stabilized units are all within older buildings. The survey showed a significant proportion of units available for rent, particularly studios and one-bedrooms, were part of new large multifamily complexes. High rents in these new complexes drive up the median rent for smaller units. Larger units with three or more bedrooms are less common within the City, which may create difficulties for larger households to find affordable, appropriately sized units.

Table 3.25: Advertised Rents in Berkeley (November 2021)

Number of Bedrooms	Number of Units	Range		Median
		Low	High	
Studio	74	$959	$3,525	$2,950
One-Bedroom	179	$1,500	$4,145	$3,125
Two-Bedroom	129	$2,040	$6,193	$3,555
Three-Bedroom	29	$2,700	$11,900	$3,950
Four or More Bedrooms	11	$4,705	$16,850	$5,648

Source: Zillow.com listings of units for rent in Berkeley, accessed November 11, 2021.

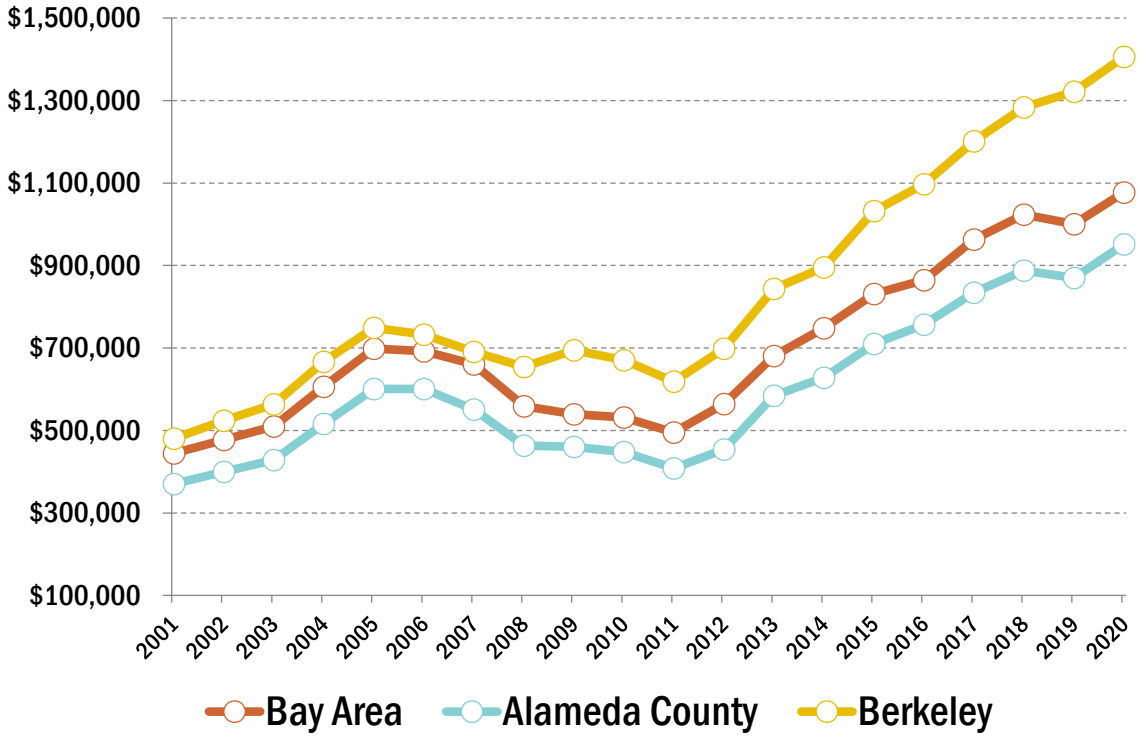
Homeownership Market

Home values in this section are based on the Zillow Home Value Index (ZHVI). The ZHVI is a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI

reflects the typical value for homes in the 35th to 65th percentile range. Figure 3.19 illustrates home values in Berkeley, Alameda County, and the Bay area for 2001 through 2020. Although values dropped slightly during the Great Recession, home values have increased steadily in all three geographies since 2011. Home values in Berkeley continue to be significantly higher than regional home values.

Between December 2010 and September 2021, there was a 129 percent increase in Berkeley home values. As shown in Table 3.26, the sharpest increase in home values occurred between 2010 and 2015. However, it should be noted that home values increased over 15 percent during the nine-month period between December 2020 and September 2021. In September 2021, the typical value for a single family home in Berkeley was over $1.6 million. The typical value for a condominium was $915,000.

Figure 3.19: Typical Home Values (2001-2020)



Source: ABAG Housing Element Data Package (based on Zillow.com, Zillow Home Value Index).

Note: This data includes all owner-occupied housing units, including both single-family homes and condominiums. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series

Table 3.26: Berkeley Home Values by Type (2010-2021)

	Home Value[1]				Percent Change		
	Dec. 2010	Dec. 2015	Dec. 2020	Sept. 2021[2]	2010 - 2015	2015 - 2020	2020 - 2021

All Homes	$691,769	$1,057,613	$1,373,932	$1,586,269	52.9%	29.9%	15.5%
Single Family	$719,997	$1,102,257	$1,422,265	$1,642,326	53.1%	29.0%	15.5%
Condominium	$435,601	$647,001	$834,586	$914,967	48.5%	29.0%	9.6%

Source: Zillow.com, Zillow Home Value Index.

Notes:

1. *Zillow Home Value Index*
2. *Most recent data available*

Housing Affordability

The Department of Housing and Community Development (HCD) defines housing affordability as paying no more than 30 to 35 percent of the household's gross income (depending on income and tenure) on housing expenses. In addition to rent or mortgage payments, housing expenses include utilities, taxes, and insurance. Table 3.27 provides an estimate of affordable rents and home prices by income level, based on HCD's 2021 household income limits for Alameda County. These figures are general estimates only and based on conservative assumptions such as low down-payment and does not take into account the tax benefits of homeownership. These estimates can be compared to the typical rents and home values in Berkeley as discussed in the previous sections to provide a general picture of affordability.

Based on the home values presented in Table 3.26 and the affordable home prices presented in Table 3.27, lower income and moderate income households cannot afford to purchase a single family home or condominium in Berkeley.

As indicated in Table 3.24 median rents for new tenancies in rent stabilized units range from $1,750 for a studio to $3,850 for a three-bedroom rental unit. Based on Table 3.27, extremely low and very low income households cannot afford this level of rent without incurring a significant cost burden. Low, median, and moderate income households may be able to afford a rent stabilized unit with two or fewer bedrooms. Larger units with three bedrooms remain unaffordable, posing an issue for large households.

When the entire rental market is considered rather than rent stabilized units only (see Table 3.25), the median rents are unaffordable for all lower income and median income households. Moderate income households may be able to afford some units without incurring a cost burden; however, they may be smaller and result in overcrowded conditions.

Table 3.27: Housing Affordability Matrix (Alameda County, 2021)

	Annual Income Limits	Affordable Monthly Housing Costs	Rental Utility Allowance (2020)	Ownership Utility Allowance (2020)	Taxes, Insurance, HOA	Affordable Rent	Affordable Home Price
Extremely Low Income (0-30% AMI)							

1-Person (studio)	$28,800	$720	$186	$203	$252	$535	$69,971
2-Person (1 BR)	$32,900	$823	$222	$243	$288	$601	$76,988
3-Person (2 BR)	$37,000	$925	$274	$306	$324	$652	$77,811
4-Person (3 BR)	$41,100	$1,028	$349	$392	$360	$679	$72,705
5-Person (4 BR)	$44,400	$1,110	$392	$463	$389	$719	$68,126
Very Low Income (30-50% AMI)							
1-Person	$47,950	$1,199	$186	$203	$420	$1,013	$151,982
2-Person	$54,800	$1,370	$222	$243	$480	$1,148	$170,776
3-Person	$61,650	$1,541	$274	$306	$539	$1,268	$183,377
4-Person	$68,500	$1,713	$349	$392	$599	$1,364	$190,048
5-Person	$74,000	$1,850	$392	$463	$648	$1,459	$194,891

Low Income (50-80% AMI)							
1-Person	$76,750	$1,919	$186	$203	$672	$1,733	$275,321
2-Person	$87,700	$2,193	$222	$243	$767	$1,971	$311,673
3-Person	$98,650	$2,466	$274	$306	$863	$2,193	$341,833
4-Person	$109,600	$2,740	$349	$392	$959	$2,392	$366,062
5-Person	$118,400	$2,960	$392	$463	$1,036	$2,569	$385,037
Median Income (80-100% AMI)							
1-Person	$87,900	$2,198	$186	$203	$769	$2,012	$323,072
2-Person	$100,500	$2,513	$222	$243	$879	$2,291	$366,491
3-Person	$113,050	$2,826	$274	$306	$989	$2,553	$403,502
4-Person	$125,600	$3,140	$349	$392	$1,099	$2,792	$434,584
5-Person	$135,650	$3,391	$392	$463	$1,187	$3,000	$458,912
Moderate Income (100-120% AMI)							
1-Person	$105,500	$2,638	$186	$203	$923	$2,452	$398,445

2-Person	$120,550	$3,014	$222	$243	$1,055	$2,792	$452,356
3-Person	$135,650	$3,391	$274	$306	$1,187	$3,118	$500,288
4-Person	$150,700	$3,768	$349	$392	$1,319	$3,419	$542,077
5-Person	$162,750	$4,069	$392	$463	$1,424	$3,677	$574,970

Sources: 2021 HCD Income Limits; Alameda County Housing Authority Utility Allowance Schedule, 2021; Veronica Tam & Associates, 2021.

Assumptions:

1. *Income limits are the 2021 HCD limits for Alameda County.*
2. *Affordable housing costs are 30 percent of gross household income.*
3. *Utility costs are based on Alameda County Housing Authority Utility Allowance Schedule for 2021.*
4. *Taxes, insurance, private mortgage insurance, and homeowners association dues are calculated at 35 percent of monthly affordable cost.*
5. *Affordable home price assumes a 30-year fixed mortgage with a 3 percent interest rate and 10 percent down payment.*
6. *Taxes and insurance costs apply to owners only.*

3.5.6 UNITS AT-RISK OF CONVERSION TO MARKET RATE HOUSING

State Housing Element law requires the Housing Element to include an evaluation of the potential for currently deed-restricted affordable rental units to convert to market-rate housing within the next ten years, or from 2023 to 2033. This section includes an inventory of all deed-restricted rental housing in Berkeley, evaluates their potential for market-rate conversion, and presents potential options for preserving at-risk units.

Assisted Housing Inventory

There are over 2,300 deed restricted affordable rental units within the City of Berkeley. A complete listing of properties containing affordable rental units is contained in Appendix A. In compliance with the City's Inclusionary Housing Ordinance, all units constructed to fulfill inclusionary requirements are deed restricted to remain affordable in perpetuity and are at no risk of being converted to market-rate housing. Density bonus units are restricted for a term of 55 years. Therefore, projects that have both inclusionary units and density bonus units may have multiple affordability terms. Table 3.28 provides a listing of the publicly assisted rental units at risk of conversion to market rate housing over the next ten years (through 2033). A total of 3 projects (92 units) are at-risk for potential conversion to market rate units between 2023 and 2033. See also Appendix A Invntory of Publicly-Assisted Housing.

All three of the at-risk projects are reliant on project-based subsidies from the U.S. Department of Housing and Urban Development (HUD) that are currently renewable on an annual basis and do not have other known restrictions recorded on the property which would prevent conversion to market rate. These vouchers allow the project owner to collect HUD's Fair Market Rent, restrict occupancy to lower income residents, and assure that the resident will only be responsible for that portion of rent equal to 30 percent of their income. Because these vouchers are contingent on annual appropriations from the federal government, the vouchers must be renewed annually; therefore, the units are constantly "at risk" due to the possibility of federal policy changes. Additionally, all three properties are beyond their original affordability expiration date and the owners could decide not to renew their subsidy on any given year. However, over time, data and experience have shown that many owners continue to renew their contracts beyond the original expiration date, providing evidence that the link between affordability expiration date and conversion is not inevitable. This is particularly true for projects owned by mission-based housing nonprofit organizations. All three of these properties are owned and operated by nonprofit organizations and the City has no indication that the owners intend to convert the units to market rate; therefore, the risk of conversion to market-rate units is low.

Table 3.28: Units At-Risk of Converting to Market Rate

Name Address	# Afford	Owner	Program	Affordability Expiration

	able Units			
Bonita House 1910-1912 Hearst St.	2	Bonita House Inc.	202	Annual Renewal
Lawrence Moore Manor 1909 Cedar St.	46	Satellite Affordable Housing Assoc.	236(J)(1) / 202	Annual Renewal
Stuart Pratt Manor 2020 Durant Ave.	44	Satellite Affordable Housing Assoc.	202	Annual Renewal
Total Units	92			

Preservation Options

There are a total of 92 units at-risk of converting to market rate within the next ten years. Preservation of at-risk units can be accomplished in a variety of ways, including provision of rental subsidies to tenants, facilitation of the transfer of units to nonprofit organizations or purchase of similar replacement units by nonprofit organizations, purchase of the affordability covenant, and new construction of replacement units.

Rent Subsidy. One potential option for preservation of at-risk units is to provide rent subsidies to tenants to cover the gap between the affordable rent and market rent. Assuming availability of funding, the City could provide a voucher to

very low income households, similar to Section 8 Housing Choice Vouchers. The level of subsidy required is estimated to equal the market rent for a unit minus the housing cost affordable by a very low income household. Table 3.29 estimates the subsidies required to preserve housing affordability for the units within the three at-risk projects. Based on the assumptions utilized, over $2.1 million in rent subsidies would be needed annually, resulting in a need of $43 million in subsidies over a 20-year period.

Table 3.29: Estimated Rental Subsidies Required to Preserve At-Risk Units

Affordable Units	Bonita House	L. Moore Manor	S. Pratt Manor	Total All Projects
Studio	-	37	28	65
1-Bedroom	-	9	16	25
2-Bedroom	-	-	-	-
3-Bedroom	2	-	-	2
4-Bedroom	-	-	-	-
Total	2	46	44	92
Total Monthly Rent Income based on Affordable Housing Cost of Very Low Income Households	$2,728	$47,813	$46,732	$97,273
Total Monthly Market Rent	$7,900	$137,275	$132,600	$277,775

Total Monthly Subsidies Required	$5,172	$89,462	$85,868	$180,502
Total Annual Subsidies Required	$62,064	$1,073,544	$1,030,416	$2,166,024
Average Annual Subsidies per Unit	$31,032	$23,338	$23,419	$23,544
Average Monthly Subsidies per Unit	$2,586	$1,945	$1,952	$1,962

Sources: See Table 3.25 and Table 3.27.

Note: The following assumptions were used to estimate subsidies:

1. *Studio units were assumed to be occupied by a 1-person household; 1-bedroom units by a 2-person houshold; 2-bedroom units by a 3-person household; 3-bedroom units by a 4-person household; 4-bedroom units by a 5-person household*
2. *Affordable monthly rent for a very low income household is based on the 2021 AMI for Alameda County (found in Table 3.27).*
3. *Market Rent is based on median market rent as present in Table 3.25).*

Transfer of Ownership. Transfer of ownership from a private owner to a nonprofit housing organization is another potential way to preserve at-risk units. However, since all of the at-risk units within Berkeley identified in this analysis are already nonprofit owned, this is an unlikely option.

Extension of Affordability Covenant. In some cases, affordability can be preserved by providing financial incentives to the project owner to maintain the affordability of the project. For example, the City of Berkeley has historically utilized Housing Trust Fund loans to complete rehabilitation work on affordable units. As part of the loan, the City requires the owner to extend the affordability covenant for an additional 55 years, thereby preserving affordability of the units. This mechanism has been utilized to extend affordability in projects such as Lorin Station and Rosewood Manor.

Replacement Costs. Many factors contribute to the cost of developing new housing, including project location, density, size and number of units, and type of construction. Based on a report completed by Street Level Advisors, the total construction cost for a new affordable housing unit in Berkeley is approximately $700,000. Utilizing this estimate, approximately $64.4 million would be needed to construct new units to replace all the units at-risk during the planning period.

City of Berkeley, City Council Report (April 27, 2021 – Item 31), Attachment 1: Street Level Advisors, "Estimating the Need for Housing Subsidy for the Ashby and North Berkeley BART Stations".

Preservation Cost Comparison and Resources. Based on past City practice, utilizing Housing Trust Funds for rehabilitation of older affordable housing developments in exchange to an extension of the affordability term is perhaps

the most viable preservation option. This approach was utilized to successfully preserve units in Rosewood Manor, a property that was identified as at-risk of conversion in the 2015-2023 Housing Element.

Approximately $43 million would be required to provide rent subsidies for all at-risk units over a 20-year period. However, these buildings would likely need rehabilitation during that time period due to age and operating a rent subsidy program would require significant administrative resources, adding to the total cost. Based on an estimated cost of $700,000 per unit, it would cost over $64 million to construct 92 replacement units. However, factors such as labor and materials costs and land costs can fluctuate significantly.

There are several nonprofit organizations operating in Berkeley which own and/or manage affordable housing developments. The organizations which have been most active in the City include: Resources for Community Development, Satellite Affordable Housing Associates, BRIDGE Housing, and the John Stewart Company. The John Stewart Company and BRIDGE Housing are based in San Francisco while the other two organizations are based in Berkeley. In the event that the City was contacted by a property owner or received a Notice of Intent for the conversion of affordable units, the City would make contact with these organizations and others that have expressed interest in acquiring affordable rental housing.

Potential funding sources that may be used to acquire and/or rehabilitate at-risk housing include:

Federal	Community Development Block Grant (CDBG) HOME Housing Opportunities for Persons with AIDS (HOPWA) Low Income Housing Tax Credits Project Based Section 8 Sections 202 and 811
State	Mental Health Services Act Housing Program Multifamily Housing Program
Local	General Funds Housing Trust Funds

3.6 HOUSING CHALLENGES

Factors including household income, market rents and home prices, available unit sizes, and household size can all contribute to cost burden and/or overcrowded conditions. This section discusses the prevalence of overcrowding and cost burden within the City of Berkeley.

The Comprehensive Housing Affordability Strategy (CHAS) dataset, released by the U.S. Department of Housing and Urban Development (HUD) is utilized in this section. The CHAS utilizes data from the American Community Survey (ACS) to provide information on housing problems, including cost burden and overcrowding. The most recent data available is derived from the 2013-2017 ACS.

3.6.1 HOUSING COST BURDEN

A household is considered to have a housing cost burden if it spends more than 30 percent of gross income on housing expenses. Housing expenses include rent or mortgage payments and utilities. For owner households, housing expenses also include taxes and insurance. Households with a cost burden may have trouble making rent, mortgage or utility payments, keeping up with home maintenance, or may have to forego other non-housing related necessities in order to keep up with housing expenses. A household is considered as having a severe cost burden if housing expenses make up over 50 percent of the household's gross income.

As summarized in Table 3.30, 42 percent of all Berkeley households are cost burdened with 23 percent experiencing a severe cost burden. Cost burden is notably more prevalent among renter households, with over half of renter households paying more than 30 percent of their income to housing expenses.

When compared to the region, cost burden is more widespread in Berkeley than in Alameda County and the Bay area as a whole. A total of 37 percent of Alameda County households and 36 percent of Bay area households are cost burdened.

As expected, cost burden occurs most frequently for households in lower income categories (see Figure 3.20). A total of 87 percent of extremely low income households pay more than 30 percent of their income on housing costs, and 77 percent pay more than 50 percent of their income on

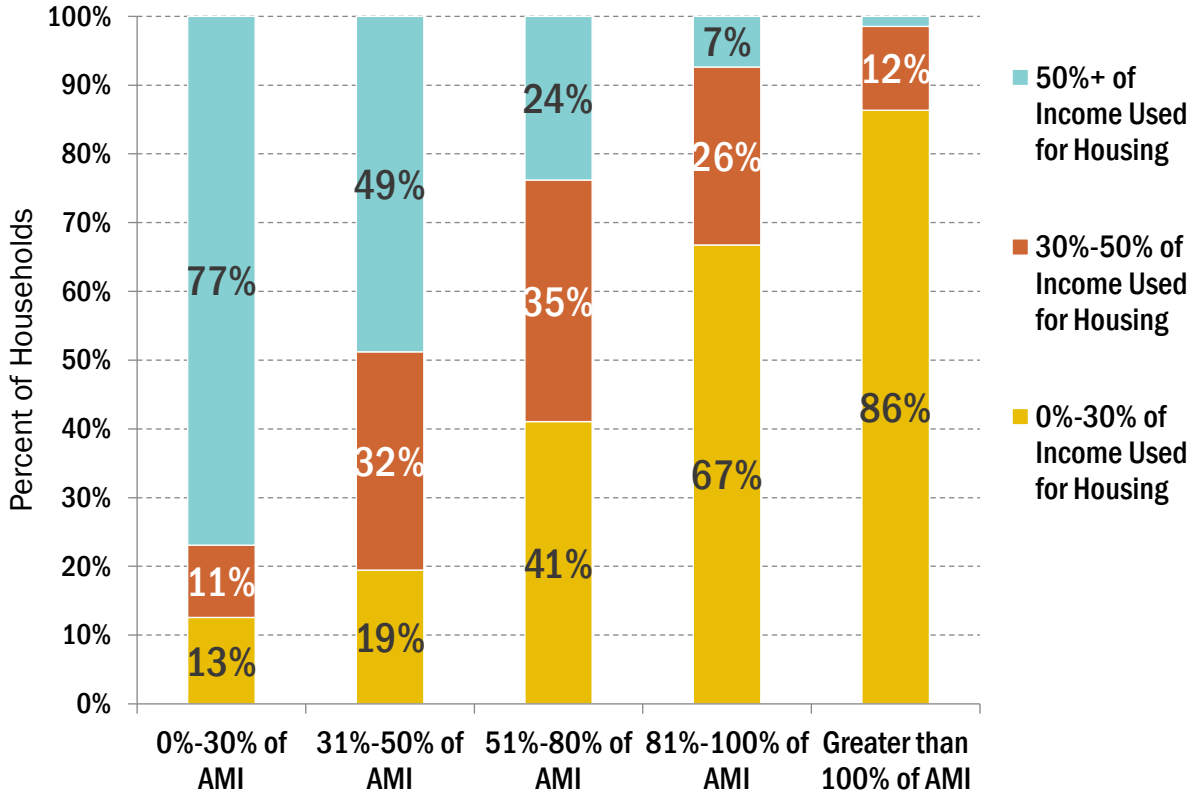
housing costs. The proportion of households with a cost burden lessens as incomes increase. However, it is a prevalent issue impacting over half of lower income households, and one third of moderate income households.

Table 3.30: Cost Burden in Berkeley, Alameda County, and the Bay Area (2017)

	Cost Burden (>30% of Income Used for Housing)		Severe Cost Burden (>50% of Income Used for Housing)	
	# of Households	% of Households	# of Households	% of Households
Berkeley				
Owner Occupied	5,298	27%	2,398	12%
Renter Occupied	13,794	53%	8,182	32%
All Households	19,092	42%	10,580	23%
Region				
Alameda County	214,197	37%	96,579	17%
Bay Area	986,937	36%	447,802	16%

Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabluation, 2013-2017 release)

Figure 3.20: Cost Burden by Income Group (2017)



Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabluation, 2013-2017 release)

Overcrowding

As defined by HCD, overcrowding occurs when there is more than one person per room in a housing unit (including the living and dining rooms, but excluding bathrooms and kitchen). Severe overcrowding occurs when there is more than 1.5 persons per room. Overcrowding typically occurs when households cannot afford a housing unit that is the appropriate size or when larger units are not available in the

market. Households then either rent a unit that too small or double up with another family in order to afford housing costs, resulting in overcrowding. Families that choose to live with extended family or in multi-generational living arrangements may also struggle to find units that are large enough at an affordable cost, particularly in a City like Berkeley where housing costs are high and there are fewer large units.

Overcrowding in less common in Berkeley than in the region. Just four percent of Berkeley households are overcrowded, which includes the UC student population, compared to almost eight percent in Alameda County and seven percent in the Bay area (Table 3.31).

As shown in Table 3.32, the proportion of lower income households living in overcrowded conditions is slightly higher than moderate and above moderate income households. Overcrowding impacts six percent of renter households, but just over one percent of owner households.

Table 3.31: Overcrowding in Berkeley, Alameda County, and the Bay Area (2017)

	Berkeley		Alameda County	Bay Area
	Number of Households	Percent of Households		
Total Overcrowded	1,813	4.0%	7.9%	6.9%
1.0 to 1.5 Occupants/Room	929	2.0%	5.0%	4.2%

>1.5 Occupants/Room	884	1.9%	2.8%	2.7%

Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabluation, 2013-2017 release)

Table 3.32: Overcrowding by Income and Tenure (2017)

	1.0 to 1.5 Occupants/Room	More than 1.5 Occupants/Room	Total Overcrowded
By Income Group			
0%-30% of AMI	3.3%	3.6%	6.9%
31%-50% of AMI	4.5%	1.4%	5.9%
51%-80% of AMI	1.6%	1.5%	3.2%
81%-100% of AMI	0.5%	1.6%	2.1%
Greater than 100% of AMI	0.8%	1.2%	2.0%
By Tenure			
Owner Occupied	0.9%	0.4%	1.3%
Renter Occupied	2.9%	3.1%	6.0%

Source: ABAG Housing Element Data Package (based on U.S. Dept. of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS), ACS tabluation, 2013-2017 release)

4 HOUSING CONSTRAINTS

This section of the Housing Element analyzes potential constraints to housing production in the City of Berkeley. State housing element law requires the Housing Element to analyze two categories of potential constraints: governmental and non-governmental.

- **Governmental constraints.** May include factors such as local land use policies and zoning regulations, permitting procedures, and development and impact fees.
- **Non-governmental constraints.** May include construction and land costs, financing availability, physical constraints, and availability of infrastructure.

If constraints are identified, the City must take action or implement programs to remove or address them. As discussed in further detail below, the City strives to minimize constraints to development and implements numerous programs, policies, and procedures to address identified constraints.

4.1 GOVERNMENTAL CONSTRAINTS

Planning policies and zoning regulations establish rules for how land may be developed, including the uses allowed and the intensity of development. Although local ordinances and policies are typically adopted to protect the health, safety, and welfare of the community's residents, they may also result in constraints to the development of housing. Permit requirements, fees, and review procedures can also impact

the cost, timeline, and approval certainty for residential development. This section discusses potential governmental constraints to housing development that may result from Berkeley's policies, procedures, and regulations.

4.1.1 GENERAL PLAN

The City of Berkeley last completed a comprehensive General Plan update in 2001. The Land Use Element of the General Plan guides the physical development of the City in conjunction with other Elements, including the Transportation Element, Urban Design and Preservation Element, and the Housing Element. A number of the policies and objectives of the Land Use Element support the production and ongoing maintenance of housing within the City. Specifically, the Land Use Element aims to increase the supply of affordable housing, encourage mixed-use development downtown and along commercial corridors, and increase resiliency to natural disasters.

The Land Use Element assigns land use classifications to areas throughout the City. Classifications describe the range of land uses and intensities allowed within an area; however, these intensity guidelines are not used as standards to determine intensity on a specific parcel, providing more flexibility in analysis of individual projects. In the commercial and mixed-use designations, intensity is expressed in terms of floor area ratio (FAR) rather than dwelling units per acre, providing additional flexibility. Table 4.1 lists the general plan land use designations which allow for residential development, along with the range of building intensity. Berkeley has four

residential land use designations in which residential development is the primary intended use. Residential development is also allowed within three of Berkeley's commercial designations (Neighborhood Commercial, Avenue Commercial, and Downtown). The Mixed Use – Residential designation is intended to preserve areas of the City for light industrial uses while also allowing for residential development where appropriate.

Table 4.1: General Plan Land Use Designations

General Plan Land Use Designation	Density (units/acre) or Floor Area Ratio (FAR)
Low Density Residential	1-10 du/ac
Low Medium Density Residential	10-20 du/ac
Medium Density Residential	20 -40 du/ac
High Density Residential	40-100 du/ac
Neighborhood Commercial	FAR: <1 – 3
Avenue Commercial	FAR: <1 – 4
Downtown	FAR: <1 – 6
Mixed Use – Residential	FAR: 1 – 1.5

Source: City of Berkeley, General Plan Land Use Element, 2001.

Berkeley's General Plan is not a governmental constraint to the development of housing. Residential development is encouraged through both the stated policies and objectives of the Land Use Element as well as the City's land use designations and associated development intensities. The

City has approved several projects with a density of over 200 dwelling units per acre in recent years, which is further evidence that the policies of the General Plan do not constrain development.

4.1.2 ZONING ORDINANCE

The Zoning Ordinance is the primary tool by which the City implements the goals and policies of the General Plan. The City is currently in the process of completing a comprehensive Zoning Ordinance Revision Project. Phase 1 of the Project included amendments to improve the overall organization, formatting, and style of the Zoning Ordinance to make it more user friendly, clarify existing requirements, and lay the foundation for future substantive revisions. The changes included in Phase 1 became effective on December 1, 2021. Phase 2 of the Project is in progress and includes incremental updates to the City's processes and procedures. The City is also in the process of developing objective standards for multi-unit development (see next subsection for additional details). Unless otherwise noted, this section discusses the Zoning Ordinance as currently adopted without the planned amendments.

Berkeley's Zoning Ordinance provides for a diverse array of housing types, from single-family dwellings that are regulated by typical zoning standards to multiple-family buildings constructed at high densities along the City's commercial corridors.

Density and Development Standards

Nearly all of Berkeley's zoning districts allow residential development. The only districts that do not allow residential-only or mixed-use are the MU-LI, M, and MM zones located in West Berkeley that are developed with and planned for manufacturing uses. The majority of opportunities for residential development are within areas zoned for multi-family and mixed-use, and development of new single-family residences is not common, though it is allowed in most districts.

A summary of the City's development standards for residential and mixed-use projects are included in Appendix B of the Housing Element. For most zoning districts, residential development standards, such as lot size, setbacks, lot coverage, etc. are similar to standards in other nearby cities.

Density is a key factor in identifying potential constraints to development. In addition to development being limited by maximum density requirements, other development standards can have the effect of preventing projects from being built at the maximum allowable density. However, in Berkeley, the development standards of the Zoning Ordinance have not had this effect. The Zoning Ordinance largely does not rely on unit-per-acre density standards. Other development standards related to setbacks, lot coverage, and open space have not limited high density development within the City. Table 4.2 and Table 4.3 include a sampling of the densities for multi-family and mixed-use projects with ten or

more units which have been entitled since 2015. As shown, the average density for these projects is over 200 units per acre and density bonuses are common. A more detailed density analysis by zone is also included in Appendix C: Sites Inventory.

Table 4.2: Density of Multi-Family Projects (10 or more Units) Entitled 2015-2021

Address	Zone	Number of Units	Density (DU/A)	Density Bonus
3031 Telegraph	C-1	110	152	35%
1950 Addison	C-DMU	107	228	20%
2190 Shattuck	C-DMU	274	596	-
2012 Berkeley	C-DMU	142	175	35%
2028 Bancroft	C-DMU	37	223	23%
2711 Shattuck	C-SA	22	169	-
2001 Ashby	C-SA	87	144	35%
2542 Durant	C-T	32	150	-
2597 Telegraph	C-T/R-2	14	53	35%

2000 Dwight	R-4	113	173	20%
Average Density			201	

Source: City of Berkeley, Planning Division, 2022

Table 4.3: Density of Mixed-Use Projects (10 or more Units) Entitled 2015-2021

Address	Zone	# Units	Density (DU/A)	Density Bonus
1717 University	C-1/R-2A	28	144	35%
2124-2126 Bancroft/2121-2123 Durant	C-DMU	50	212	25%
2072 Addison	C-DMU	66	281	-
2009 Addison St	C-DMU	45	188	-
1951 Shattuck	C-DMU	156	390	-
2352 Shattuck	C-DMU	204	189	25/35%
2176 Kittredge	C-DMU	165	165	-
2210 Harold	C-DMU	38	279	-
2000 University	C-DMU	82	571	35%
2099 M L K Jr.	C-DMU Buffer	72	257	35%

2023 Shattuck	C-DMU Core	48	600	35%
3000 Shattuck	C-SA	23	74	-
2628 Shattuck	C-SA	78	208	-
2701 Shattuck	C-SA	57	210	35%
2510 Channing	C-T	40	179	-
2556 Telegraph	C-T	24	98	-
2501 Haste	C-T	55	128	-
2580 Bancroft	C-T	122	183	35%
2590 Bancroft	C-T	87	289	35%
1740 San Pablo	C-W	51	163	35%
2100 San Pablo	C-W	96	157	-
2198 San Pablo	C-W	60	289	35%
3000 San Pablo	C-W	78	243	35%
2720 San Pablo	C-W	25	114	35%
1200 San Pablo	C-W	104	182	35%
739 Channing	MU-LI/M-UR	14	37	-
1601 Oxford	R-3	37	114	35%
2539 Telegraph	R-3/C-T	70	183	35%
Average Density			219	

Source: City of Berkeley, Planning Division, 2022

As illustrated by Table 4.3, Berkeley's development standards do not appear to constrain residential development. However, the City anticipates making several zoning amendments to facilitate additional residential development in Berkeley, even though the existing zoning standards can accommodate the City's sixth cycle RHNA. The City is working with BART to comply with AB 2923 and developing zoning standards for a new mixed-use district to facilitate residential development at North Berkeley and Ashby BART. The new zoning will primarily permit housing and includes new standards for height, floor area ratio, and minimum density. Additionally, the City is working on amendments to the Southside Plan Area, including changes to height and lot coverage and expanding the areas zoned for more intensity to allow for additional development in that Area.

Development of objective standards for "missing middle" housing (developments of two to four units) in the lower density residential zones is also in progress and anticipated to be completed by early 2023. As part of these amendments, the City is also considering allowing this type of development by-right. Amendments implementing objective standards for larger multifamily projects (with five or more units) and mixed-use projects are planned for completion later in 2023.

Parking

The City has taken significant steps to reduce constraints to development related to parking requirements in recent years. In the majority of the City, no parking is required for new

residential development of any number of units. Developments on roadways narrower than 26 feet within the Hillside Overlay have minimal requirements due to the physical constraints of this area.

Table 4.4: Parking Requirements for Residential Uses

Land Use	Required Off-Street Parking
Residential Districts	
Dwellings, including Group Living Accommodations	None required, unless if located on a roadway less than 26' wide in the Hillside Overlay: -R-3, R-4, and R-5 (1-9 units): 1 space/unit -R-3, R-4, and R-5 (10+ units): 1 space/1,000 SF of gross floor area -All other Districts: 1 space/unit
Dormitories, Fraternity/Sorority Housing, Rooming & Boarding Houses, Senior Congregate Housing	None required, unless if located on a roadway less than 26' wide in the Hillside Overlay: 1 space/5 residents plus 1 space for manager
Commercial Districts	
Dwellings, including Group Living Accommodations	None required, unless if located on a roadway less than 26' wide in the Hillside Overlay: 1 space/unit
Hotel, Residential	None required

Mixed-Use (residential use only)	None required
Senior Congregate Housing	None required
Live/Work	If workers/clients are permitted in work area, 1 per first 1,000 sq. ft. of work area and 1 per each additional 750 sq. ft. of work area
Manufacturing Districts	
Dwellings/Group Living Accommodations	None required
Live/Work	MU-LI: 1 space/1,000 SF of work area where clients are permitted MU-R: 1 space/first 1,000 SF of work area where clients are permitted plus 1 space/each additional 750 SF of work area

Source: BMC Section 23.322.030

In order to encourage the most efficient use of space and promote transit use, the City has implemented maximum parking requirements for certain locations. Projects located within one quarter mile of a major transit stop or along a transit corridor with 15-minute headways during peak periods may not develop off-street parking at a rate higher than 0.5 spaces per unit.

Demolition Controls

Chapter 23.326 of the Zoning Ordinance codifies the city's Demolition Ordinance, which regulates the demolition of dwelling units in Berkeley. Except for projects subject to ministerial approval, demolition of units is subject to the use permit process and reviewed by the Zoning Adjustments Board (ZAB). To demolish a building constructed prior to June 1980 with two or more dwelling units, one of the following findings shall be made:

- The building containing the units is hazardous or unusable and is infeasible to repair.
- The building containing the units will be moved to a different location within Berkeley with no net loss of units and no change in the affordability levels of the units.
- The demolition is necessary to permit construction of special housing needs facilities such as, but not limited to, childcare centers and affordable housing developments that serve the greater good of the entire community.
- The demolition is necessary to permit construction approved pursuant to this chapter of at least the same number of dwelling units.

The Demolition Ordinance prohibits demolition of dwelling units where a building has been removed from the rental market under the Ellis Act during the preceding five years or "there have been verified cases of harassment or threatened or actual illegal eviction during the immediately preceding three years." Applicants are generally required to provide relocation benefits, including moving expenses and

differential rent payments. In addition, displaced tenants are provided a right of first refusal to rent new units.

To mitigate the impact of the loss of housing caused by the demolition, the applicant is required to either provide permanent below market rent replacement units or pay an in-lieu fee. The City is reviewing the demolition ordinance to ensure compliance with State density bonus, SB 330, and other laws, and will amend the fee and replacement requirements accordingly. While the in lieu fee and unit requirements may add to the cost of development for projects which include demolition of existing units, they play an important role in preserving existing housing in the City, which tends to be more affordable than new.

Inclusionary Housing Ordinance

Inclusionary housing was originally adopted as City policy as part of the Neighborhood Preservation Ordinance in 1973. The inclusionary housing requirements ("Inclusionary Ordinance") originally took effect in February 1987 and have been revised in response to market conditions and various court decisions since that time. The current Inclusionary Ordinance is codified in Chapter 23.328 of the Zoning Ordinance.

The City's inclusionary requirements apply to rental and ownership projects that have a total of five or more units, though the requirements apply differently for each type. Applicants may choose to pay a fee in-lieu of constructing units on-site. The in-lieu fee amount for rental projects is set by Council resolution and in 2022 was $39,746 per unit if paid

at issuance of certificate of occupancy or $36,746 if paid at building permit issuance. For rental projects, an affordable housing mitigation fee is applied; however, projects can incorporate affordable units as an alternative to paying the mitigation fee. Fees collected through the inclusionary program are deposited in the Housing Trust Fund to be utilized for affordable housing development. New commercial developments are also required to pay an Affordable Housing Mitigation Fee, which is deposited into the Housing Trust Fund.

Although inclusionary requirements do increase the cost of market rate development, they are a key component in the City's efforts to increase the affordable housing supply in Berkeley. As of December 2021, there are a total of 530 affordable units within market rate developments as a result of this program. Additionally, a total of 1,376 affordable units have been developed with the assistance of Housing Trust Fund monies. Further, the continued level of residential development activity in the City, as evidenced by the projects listed in Table 4.2 and Table 4.3, indicates that the inclusionary program does not unduly constrain market rate development.

However, the City's various affordable housing requirements are complex and codified in multiple sections of the Municipal Code. In addition, numerous resolutions implement fee amounts and other aspects of the programs. In an effort to update and consolidate the requirements, as well as ensure that they align with City priorities, the City is in the process of

considering potential amendments. The City's overarching goals for updating affordable housing requirements are:

1. Center racial and economic equity by reversing exclusionary zoning
2. Encourage a mix of units and fees
3. Continue Berkeley's legacy of value capture
4. Continue progress on housing goals
5. Work within the City's existing administrative capacity

Proposed amendments include: consolidating all affordable housing requirements into one Chapter, including inclusionary requirements for ownership, rental, live/work, and group living accommodations; establishing a per square foot in-lieu fee rather than the existing per unit basis and standardizing owner and rental fees; requirements to incentivize units for very low-income households; adding land dedication as a potential alternative to providing on-site units; providing an option to provide family-sized units; removing the exemption for most group living accommodations; reducing fees for small projects; and, other administrative changes to facilitate program implementation. These zoning amendments are anticipated to be completed in summer 2022 (see Program 1.3: Citywide Affordable Housing Requirements in Section 5: Housing Action Plan).

Landmarks Preservation Ordinance

The City first adopted a Landmarks Preservation Ordinance (LPO) in 1974. The LPO establishes the duties of the Landmarks Preservation Commission (LPC). The LPO gives

the LPC authority to make landmark, structure of merit, and historic district designations, subject to appeal to the City Council. The LPC also reviews permit applications for alteration, construction, or demolition of landmarks, structures or merit, and structures in historic districts, also subject to Council appeal.

Proposals for designation can be initiated by petition application or motion of the LPC itself, or by the City Council, Planning Commission, or Civic Arts Commission. Petition applications must be accompanied by the signatures of at least 50 Berkeley residents. From the time a site is initiated, the LPC has 70 days to open the public hearing and 180 days to act after the public hearing is closed. BMC Section 3.24.110 contains the criteria for site designation, which is briefly summarized below.

Landmarks and Historic Districts	Architectural merit
	Cultural value
	Educational value
	Historic value
Structures of Merit (SOM)	Contemporary of, or compatible with, related City Landmark
	Exemplar of design
	Historical Significance

Once a site is designated as a landmark or structure of merit, or as part of historic district, alterations to the exterior of the building are subject to design review by the LPC. The provisions of the designation, such as the character-defining

features of the structure, are specified in the designation action by the LPC.

In cases where the site subject to initiation is also a site with a pending application for a development project, the landmark review may stay consideration of the development project review process. This could prevent the City from reviewing a project within an expedited timeframe. However, pursuant to the California Environmental Quality Act (CEQA), environmental review for cultural resources occurs whether a site is locally designated or not. In order to mitigate the uncertainty and delay that may result from the initiation of a site for local designation, the Berkeley Planning Department uses the following procedures to identify potential historic resources early in the project review process:

- Requires applicants for development to provide a cultural resources analysis for proposals that include substantial changes to structures that are more than 40 years old, consistent with the standard practices of the National Park Service and the State Historic Preservation Office.
- All applications to demolish a structure located in a non-residential district that is more than 40 years old are referred to the LPC for comment prior to consideration of the permit to demolish, in accordance with the Berkeley Municipal Code zoning ordinance.
- For sites subject to initiation, staff make every effort to facilitate the designation review process as efficiently as possible.

- Starting in 2007, the City staffed the LPC with a professional historic preservation planner. The planner provides the Commission with detailed recommendations on historic resource initiations and review of structural alteration permits.

For SB 330 preliminary applications, the City receives the project application and confirms the current local register status of the project site. If the proposal requires an LPC demolition referral per BMC 23.326.070, then the referral occurs and any local designation that may result cannot also result in conditions of approval that require preservation of the resource (notwithstanding the designation).

Density Bonus

State density bonus provisions have changed both frequently and significantly in recent years in order to further incentivize the use of this affordable housing tool. AB 1763 (2019) expanded the maximum density bonus and other provisions for projects with 100 percent affordable units, including the following:

- Up to 20 percent of the total units in an affordable project can be for moderate income households
- Density bonus of up to 80 percent required; however, no limitations on density are permitted for projects within ½ mile of a major transit stop
- Height increase of up to three additional stories or 35 feet

Additionally, AB 2345 (effective 2021) increased the maximum density bonus from 35 percent to 50 percent for projects that are not composed exclusively of affordable units.

Berkeley's density bonus provisions are contained in Chapter 23.330 of the Zoning Ordinance. The ordinance was last updated in 2019 and consistently references State law for specifics related to density bonus, incentives and concessions, and processes and procedures. In this way, the ordinance has remained compliant with changes to State law without necessitating repeated amendments. As evidenced by Table 4.2: Density of Multi-Family Projects (10 or More Units) Entitled 2015-2021 and Table 4.3: Density of Mixed-Use Projects (10 or more Units) Entitled 2015-2021, density bonus is a commonly used tool in Berkeley residential development with over half of larger projects receiving a density bonus.

4.1.3 PERMIT PROCESSING PROCEDURES

Local permit processing procedures have the potential to constrain development by lengthening the time it takes to gain project approval as well as impacting project approval certainty. Currently, the majority of new residential development in the City requires discretionary review through the use permit process. The Neighborhood Preservation Ordinance (NPO) was adopted in 1973. The NPO established the requirement for most new residential construction to obtain a use permit, as well as required the "non-detriment" finding for approval (see use permit discussion below). That said, the NPO has been superseded in

part by subsequent adoption of the master plan and zoning updates mandated by the initiative, both of which can now be amended by ordinance.

Table 4.5 provides the processing times for the permit types required for various residential developments. All projects are reviewed for completeness within 30 days, in compliance with the Permit Streamlining Act. Processing times can vary significantly based on the size and complexity of a project, the extent of required revisions and the applicant's responsiveness to feedback provided by staff or the design review committee, and the timing of applicant resubmittal.

Table 4.5: Typical Permit Processing Times

Permit Type	Processing Time	Reviewing Body
Zoning Certificate	Over the Counter	Zoning Officer
Administrative Use Permit	2 to 8 months	Zoning Officer
Use Permit	6 to 24 months	Zoning Adjustments Board
Variance	Rarely approved	Zoning Adjustments Board
Design Review – Staff Level	2 months	Zoning Officer
Design Review – Design Review Committee	6 months	Design Review Committee
Zoning Ordinance / General Plan Amendments	12 to 24 months	City Council

Tentative Parcel/Tract Map	3 to 6 months	City Manager/Planning Commission

Source: City of Berkeley, Planning and Development Department, 2022

As shown in Table 4.6: Permits Required, By Housing Type and Residential Zone and Table 4.7: Permits Required, by Housing Type and Commercial/Manufacturing Zone, both single-family and multi-family developments generally require use permit approval in Berkeley. However, due to the greater level of complexity, multifamily projects usually require a lengthier processing time (9 to 24 months) when compared to a single-family residence (6 to 12 months).

Consistent with SB 330, eligible housing development projects that require discretionary review and comply with applicable general plan and zoning standards are subject only to the development standards and fees that are in effect when the SB 330 Preliminary Application is submitted. Housing development projects include the following uses: residential-only, mixed-use where at least two-thirds of the square footage is designated for residential use, and transitional or supportive housing.

The City is in the process of creating objective development standards for multifamily developments. These amendments are anticipated to be adopted in 2023 and will streamline project review by providing clear, predictable expectations for buildable envelope and floor area. A by-right approval process is also being considered for smaller "middle housing"

residential projects in single- and lower-density residential districts, which would further shorten permit processing times.

Zoning Certificate

Zoning certificates are reviewed and approved ministerially by staff and the purpose is to confirm that a use or structure complies with the zoning ordinance objective standards and establishes a record of the initial establishment of a use or structure; therefore, the processing time for zoning certificate approval is minimal. The zoning certificate process is utilized for ADU applications, as well as community care facilities, emergency shelters, and live/work units under certain circumstances. For ADUs, a zoning certificate is approved as part of the building permit review workflow.

Use Permit / Administrative Use Permit

Use permits and administrative use permits are discretionary permits intended to ensure that proposed developments do not adversely impact neighboring properties or the general public.

Administrative use permits are reviewed and approved by the Zoning Officer and do not require a public hearing. Use permits require a public hearing before the Zoning Adjustments Board. The required findings for approval are the same for use permits and administrative use permits. To approve a use permit or administrative use permit, the approval authority must find that the proposed project or use:

1. Will not be detrimental to the health, safety, peace, morals, comfort, or general welfare of persons residing or visiting in the area or neighborhood of the proposed use; and
2. Will not be detrimental or injurious to property and improvements of the adjacent properties, the surrounding area or neighborhood, or to the general welfare of the City.

Due to the public hearing requirement, the discretionary process creates the potential for projects to be scrutinized for their impacts on the surrounding neighborhood. The process also increases the overall project review time, particularly if multiple public hearings are necessary.

For CEQA determination, the City reviews all applications according to the procedures in the Berkeley Municipal Code Section 23.404.030.E, which is consistent with Public Resource Code sections 21080.1 and 21080.2. Once an application is deemed complete, staff determines the level of environmental review within 30 days; however, the decision-making body makes the final determination on whether a project has a significant effect on the environment. Project status, particularly when an application has been deemed complete, is not readily available to the public and the determination of the level of environmental review is not clearly documented in cases where CEQA exemption is recommended to the decision-making body.

In response to concerns that the permit process was a constraint, the Planning Department hired Zucker Systems in order to improve customer service to the Berkeley community. The final report was issued in May 2017. As

described below, the City has taken many steps to improve the development review process with the specific intent to provide more direction and certainty to applicants.

To provide greater responsiveness to customers and applicants, the City implemented the following changes:

- Timely Communication. Return all phone calls and emails within 24/48 hours.
- Plan Check Backlog. Work to reduce plan check backlog, then set reliable baselines.
- Minor Plans Reviews. Assign to Permit Service Center (PSC) Plans Examiner to provide faster review for clients with simple projects.
- AUP Timelines. Using Accela permit software, reduce AUP process timelines and allows for ongoing monitoring and reporting of performance.
- Customer Handouts. Update all handouts to be more clear and germane, and make them easily available. Provide customers with clear and accessible resources to learn about specific building permit application requirements for themselves.
- Minimum Application Checklists. Provide customers with clear understanding of what applications must include, so they can submit without undue time spent or unnecessary visits to the PSC.

To provide faster processing of Use Permits, an applicant can request and pay for expedited processing. By outsourcing some of the project review work, this allows staff resources

to be allocated fairly while also providing an opportunity for faster review.

Design Review

Design review ensures high quality buildings that fit into their neighborhood and comply with the City of Berkeley Design Guidelines. The design review process provides an opportunity for neighbors to communicate with the developer and influence the design of the project. Redesign of the interface between a new building and the adjacent neighbors can mitigate land use conflicts inherent in the transition between medium-density residential neighborhoods and high-density mixed-use buildings. For this reason, the City believes design review is essential in a nearly built-out city with a strong sense of community character and citizen participation. Design review is required for:

- Projects in all non-residential zones;
- Mixed use and community and institutional projects in the R-3 district within the Southside Plan area; and
- Commercial, mixed-use, and community and institutional projects in the R-4, R-SMU, and R-S districts (BMC Section 23.406.070).

Design review is conducted at the staff level under the direction of the Zoning Officer for projects that do not require a use permit. In this case, the Zoning Officer may add conditions of approval related to project design and projects are reviewed for conformance with the conditions during issuance of the building permit or zoning certificate.

For projects requiring a use permit, design review is conducted by the Design Review Committee (DRC). In this case, a preliminary design review is held prior to the ZAB making a decision on the Use Permit. The ZAB may require additional review by the DRC as part of the use permit review process and may also require final design review after use permit approval to ensure that the project complies with any required conditions prior to building permit issuance.

In order to avoid delay resulting from the design review process, the Planning Department administers the design review and land use review processes concurrently. In most cases, preliminary design review requires two to three meetings for larger, more complex projects. This is typically completed within the time frame of Use Permit preparation and review process (from complete application to action by the ZAB). Cases with lengthy design review are rare, and are generally caused by project applicants who are unresponsive to direction from the DRC. Concurrent review processes enable a more streamlined Zoning Adjustments Board (ZAB) review that typically takes one or two meetings. Additionally, preparation of construction documents for building permit review is generally done concurrent with final design review. By running these reviews concurrently, the design review process does not delay the project review process and therefore is not a constraint on development of new multi-family housing.

State Streamlining

Under the 5th Cycle Housing Element reporting period (2015-2023), the City of Berkeley has made insufficient progress toward its very low and low income RHNA and is subject to SB 35 streamlining provisions for projects that include at least 50% affordability. SB 35 requires that eligible projects be reviewed for compliance and consistency with the City's objective standards and are not subject to discretionary processes, such as CEQA environmental review and public hearings. Eligible projects with 150 units or fewer must be approved within 90 days and projects with more than 150 units must be approved within 180 days. Since 2018, 4 projects have been approved through SB 35 ministerial approval.

In addition, AB 1397 requires that 5th cycle opportunity sites re-used in the 6th cycle and identified to accommodate lower income units (Very Low-Income and Low-Income) be subject to by-right approval if projects include 20% affordable units for lower income households on-site. As shown in Appendix C: Sites Inventory, AB 1397 streamlined review will be applied to 18 opportunity sites with an estimated capacity of 1,419 units, primarily located along Berkeley's commercial corridors adjacent in transit-rich locations.

4.1.4 PROVISION FOR A VARIETY OF HOUSING TYPES

State housing element law requires local jurisdictions to identify adequate available sites through appropriate zoning and development standards to encourage the development of

a variety of housing types for all economic segments of the population as well as housing types that serve special needs groups such as persons with disabilities, farmworkers, and persons experiencing homelessness. The City of Berkeley Zoning Ordinance allows for a wide variety of residential uses in its residential zones as well as its commercial zones. Table 4.6 and Table 4.7 summarize the permit requirements for various residential uses in each zone. The Zoning Ordinance currently requires a discretionary use permit for the majority of residential development in Berkeley. The use permit process is discussed in further detail in the Permit Processing section of this Chapter. The remainder of this section includes further discussion on various housing types, their permit requirements, and any other specific standards that apply to them.

Table 4.6: Permits Required, By Housing Type and Residential Zone

Housing Type	R-1	R-1A	ES-R	R-2	R-2A	R-3	R-4	R-5/R-S/R-SMU
Single-family Detached	UP	UP	UP	UP	UP	UP	UP	UP
Duplex	NP	UP	NP	UP	UP	UP	UP	UP
Multi-family	NP	NP	NP	UP	UP	UP	UP	UP
Accessory Dwelling Units[1]	ZC	ZC	NP	ZC	ZC	ZC	ZC	ZC

Community Care Facilities[6]	ZC/UP[3]	ZC/UP[3]	ZC/UP[4]	ZC/UP[3]	ZC/UP[3]	ZC/UP[3]	ZC/UP[3]	ZC/UP[3]
Emergency Shelters	NP	NP	NP	NP	NP	NP	ZC/UP[5]	ZC/UP[5]
Senior Congregate Housing	NP	NP	NP	NP	ZC/AUP/UP[2]	ZC/AUP/UP[2]	ZC/AUP/UP[2]	ZC/AUP/UP[2]
Mixed-Use Projects	NP	NP	NP	UP	UP	UP	UP	UP
Group Living Accommodations	NP	NP	NP	NP	NP	UP	UP	UP
ZC=Zoning Certificate AUP=Admin. Use Permit UP=Use Permit NP=Not Permitted								

Source: Berkeley Municipal Code, 2022.

Notes:

1. *Provided ADU/JADU complies with BMC Section 23.306.*
2. *ZC required for change of use (6 or fewer residents); AUP required for change of use (7 or more residents); UP required for new construction (any number of residents). See BMC Section 23.302.070.H).*

3. *ZC required for change of use; UP required for new construction.*
4. *ZC required for change of use from a legally established single family dwelling; maximum of 6 residents. All others prohibited.*
5. *Permit required based on number of beds. See BMC Section 23.308.020.*
6. *Community Care Facilities include residential care facilities and supportive housing.*

Table 4.7: Permits Required, by Housing Type and Commercial/Manufacturing Zone

Housing Type	C-C/C-N/ C-E/C-NS/ C-T/C-SO/ C-AC/C-DMU	C-U	C-SA	C-W	MU-LI	MU-R
Single-family Detached	UP	UP[1]	UP	UP	NP	UP[2]
Duplex	UP	UP[1]	UP	UP	NP	UP[2]
Multi-family	UP	UP[1]	UP	UP	NP	AUP/ UP[2,3]
Accessory Dwelling Units[4]	ZC	ZC	ZC	ZC	NP	ZC

Community Care Facilities[5]	AUP	AUP	AUP	ZC	NP	ZC[6]
Emergency Shelters	ZC/UP[7]	ZC/UP[7]	ZC/UP[7]	ZC/UP[7]	NP	NP
Single Room Occupancy Units	UP	UP1	UP	UP	NP	NP
Senior Congregate Housing	ZC/AUP/UP[8]	ZC/AUP/UP[8]	ZC/AUP/UP[8]	ZC/AUP/UP[8]	NP	ZC/AUP/UP[8]
Live/Work Units	ZC	ZC	UP	AUP/UP[9]	AUP/UP[10]	AUP/UP[10]
Mixed-Use Projects	UP	UP[1]	ZC/UP[11]	ZC/AUP/UP[12]	NP	AUP/UP[2,3]
Group Living Accommodation	UP	UP[1]	UP	UP	NP	UP[2]
ZC=Zoning Certificate AUP=Admin. Use Permit UP=Use Permit NP=Not Permitted						

Source: Berkeley Municipal Code, 2022.

Notes:

1. *Residential uses must be part of a mixed-use development within University Avenue Node Areas; outside of Node*

Areas exclusively residential projects are permitted with a use permit.

2. *UP required within 150' of M or MM district or a construction product manufacturing or primary product manufacturing use. See BMC Section. 23.206.090.B.8.*
3. *AUP required for 3-4 units; UP required for 5 or more units. See BMC Section 23.206.090.B.7. For mixed use projects see also Section 23.206.090.B.9.*
4. *Provided ADU/JADU complies with BMC Section 23.306.*
5. *Community Care Facilities include residential care facilities and supportive housing.*
6. *Change of use only. New construction of a community care facility is not permitted.*
7. *Permit required based on number of beds. See BMC Section 23.308.020.*
8. *ZC required for change of use (6 or fewer residents); AUP required for change of use (7 or more residents); UP required for new construction (any number of residents). See BMC Section 23.302.070.H).*
9. *AUP required when project has 9 or fewer live/work units and does not involved conversion of an existing dwelling unit. All other live/work projects require a use permit. See BMC Section 23.312.030.C.3.*
10. *Permit required dependent on floor area, number of units, and other factors. See BMC Section 23.312.030.D.*
11. *ZC required for projects under 5,000 square feet in gross floor area with only residential above ground floor,*

provided the project complies with applicable standards. Use permit required for all other mixed-use projects. See BMC Section 23.204.100.B.4.

12. Permit required dependent on project size and other factors. See BMC Section 23.204.140.B.2.

Single Family Housing

As defined by the Berkeley Zoning Ordinance, a single-family dwelling is a building designed for and occupied exclusively by one household. Detached single family housing is permitted with approval of a use permit in all residential zones and all commercial zones within the City.

Mobile homes or manufactured homes, as defined in the Berkeley Zoning Ordinance and consistent with State law, are considered dwelling units if they are mounted on a permanent foundation and connected to all utilities. Therefore, mobiles homes intended for single family occupancy are subject to the same permit requirements and development standards as conventional single-family housing.

Multi-Family Housing

Multi-family housing developments of three or more units are permitted with a use permit in Berkeley's multi-family residential zones (R-2, R-2A, R-3, R-4, R-5, R-S, and R-SMU) and all commercial zones. In the MU-R zone, smaller multi-family projects of three to four units are permitted with an administrative use permit provided they are not within 150 feet of the M or MM zones or a manufacturing use. Multi-

family projects with five or more units in the MU-R zone or those not meeting the distance requirements described require use permit approval.

The Zoning Ordinance also allows duplexes with use permit approval in all zones where larger multi-family projects are permitted. Additionally, duplexes are permitted with a use permit in the R-1A zone. As noted previously, the City is working on proposed amendments to the Zoning Ordinance which would allow for the development of smaller "missing middle" residential projects in the lower density residential zones.

Mixed-Use Development

The Zoning Ordinance defines mixed-use residential as "a development project with both residential and non-residential uses which are either 1) located together in a single building; or 2) in separate buildings on a single site of one or more contiguous properties."

Mixed-use residential developments are permitted with a use permit in all zones that allow multi-family residential uses (R-2, R-2A, R-3, R-4, R-5, R-S, and R-SMU). A use permit is also required for mixed-use development within the majority of the City's commercial zones. However, in the C-SA zone, mixed-use projects can be approved administratively with a zoning certificate if they have less than 5,000 square feet of gross floor area and the residential component is located above the ground floor.

In the C-W zone, certain mixed-use projects can be approved administratively. Mixed-use projects less than 5,000 square

feet in size are subject only to zoning certificate approval. Additionally, projects which are less than 20,000 square feet and where the retail space comprises 15-33 percent of the gross floor area can also be approved with a zoning certificate. Projects that are 5,000 to 9,000 square feet in size can be approved with an administrative use permit. All other mixed-use projects in the C-W zone are subject to use permit approval.

Accessory Dwelling Units

The State legislature has passed numerous bills in recent years with the goal of facilitating the development of accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs). These bills, including AB 68, AB 587, AB 881, and SB 13, limit how local jurisdictions can regulate ADUs and JADUs with provisions related to development standards, application and approval process, and fees.

The City's provisions related to ADUs are located in Chapter 23.306 of the Berkeley Zoning Ordinance and were most recently updated in 2022. ADUs and JADUs which comply with the standards set forth in State law are permitted with zoning certificate approval on any lot with at least one existing or proposed dwelling unit. Chapter 23.306 states that the purpose is to implement California Government Code Sections 65852.2 and 65852.22 and ensures that the City's provisions are compliant with State law and will remain in compliance even if the Legislature makes changes to ADU regulations.

Group Living Accommodations

The Berkeley Zoning Ordinance defines group living accommodations as "a building or portion of a building designed for or accommodating a residential use by persons not living together as a household. This use includes dormitories, convents and monasteries, and other types of organizational housing, and excludes hospitals, nursing homes and tourist hotels. Group living accommodations typically provide shared living quarters without separate kitchen or bathroom facilities for each room or unit. Residential hotels and senior congregate housing are separately defined types of group living accommodations each with their own permit requirements."

With the University of California located within the City, group living accommodations are an important housing type in Berkeley. Group living accommodations are permitted with a use permit in all of the City's commercial zones. Additionally, they are allowed with use permit approval in the R-3, R-4, R-5, R-S, and R-SMU.

Single Room Occupancy (SRO)

Single room occupancy (SRO) units are small units intended for occupancy by a single individual and differ from studio apartments or efficiency units in that they may have shared kitchen or bathroom facilities. SRO units provide an affordable housing option for extremely low income or formerly homeless individuals because they are typically rented on a monthly basis and do not require a rental deposit.

The Berkeley Zoning Ordinance permits SRO units within residential hotels. Residential hotels are defined by the Zoning Ordinance as "a type of group living accommodations which provides room for rent for residential purposes, including single residential occupancy (SRO) rooms." Residential hotels are permitted with approval of a use permit in all of the City's commercial zones.

Emergency Shelters and Low Barrier Navigation Centers

SB 2 (2007) requires local jurisdictions to identify at least one zone where emergency shelters are permitted by right if adequate capacity in existing shelters is not sufficient to serve the population in need of emergency shelter. This determination is based on the number of individuals experiencing homelessness identified in the most recent point in time count.

In 2019, the State Legislature passed AB 139, which limits the development and performance standards that a local jurisdiction can impose on emergency shelters. Local provisions can only impose standards that apply to other commercial or residential uses in the same zone along with the following standards:

- Maximum number of beds;
- Sufficient parking to accommodate all staff, provided that this standard does not require more parking for shelters than other residential or commercial uses in the same zone;
- Size and location of onsite client waiting and intake areas;

- Proximity to other shelters, provided that shelters are not requires to be more than 300 feet apart;
- Length of stay;
- Lighting;
- Provision of onsite management; and,
- Securing during operating hours.

Chapter 23.308 of the Berkeley Zoning Ordinance contains the City's regulations pertaining to emergency shelters. The City permits emergency shelters by-right with approval of a zoning certificate in several zones based on the number of beds provided in the facility, as shown in Table 4.8. Shelters with 60 or fewer beds are permitted by right in the C-DMU zone. Within all other commercial zones, facilities with 25 or fewer beds are permitted by right. Additionally, shelters with 15 or fewer beds are permitted by right within the R-4, R-5, R-S, and R-SMU zones. Therefore, the City has complied with the requirements of SB 2 by providing opportunities for the by right development of emergency shelters in various zones throughout the City.

Based on the 2019 Point-in-Time Count, an estimated 1,108 homeless persons are located in Berkeley. As demonstrated in Appendix C: Sites Inventory, the City has many underutilized commercially designated properties where emergency shelters are permitted by right. Furthermore, adaptive reuse of existing structures is another option for establishing shelter facilities without redevelopment of the properties. The City has sufficient properties in these zones to accommodate its unsheltered homeless.

Table 4.8: Emergency Shelter Permit Requirements by Zone

Zones	Permit Required
Residential Zones	
R-4, R-5, R-S, R-SMU	
15 beds or fewer	Zoning Certificate
More than 15 beds	Use Permit
Commercial Zones	
C-C, C-U, C-N, C-E, C-NS, C-SA, C-T, C-SO, C-W, C-AC	
25 beds or fewer	Zoning Certificate
More than 25 beds	Use Permit
C-DMU	
60 beds or fewer	Zoning Certificate
More than 60 beds	Use Permit

Source: Berkeley Municipal Code, Table 23.308-1

For larger emergency shelters approval of a use permit is required, as indicated in Table 4.8. In addition to the required findings for approval for all use permits, the Zoning Adjustments Board must also make the following required findings specifically for emergency shelters:

1. A larger shelter facility will help meet the City's goals pertaining to emergency housing of the homeless;
2. The circumstances of the subject property make the larger facility appropriate; and,

3. Design features will minimize impacts on the surrounding area.

Separate from the permit approval process, shelter providers are required to conduct a community meeting for a proposed shelter after providing notification of the meeting to owners and occupants within a 100-foot radius of the proposed shelter location (BMC Section 23.308.030.A.9). However, the purpose of the community meeting is informational and does not impact the decision of the Zoning Officer or Zoning Adjustments Board to approve or deny an application.

The development and performance standards for emergency shelters are contained in Section 23.308.030.A of the Zoning Ordinance. The City's requirements include the following:

- A client intake area equal to one-quarter of the area provided for client beds. The area may be multi-use.
- Shower and restroom facilities.
- Lighting shall be provided in all exterior areas and must be directed in a manner that does not cast light onto neighboring properties.
- Provision of on-site management during all hours of operation and at least one hour before and after facility operation hours.
- Preparation and implementation of a Shelter Safety and Management Plan which addresses aspects of shelter operations, including staffing levels, security, procedures for client queuing and enforcement of rules, and others.

There are no parking requirements for emergency shelters and the provision of vehicle and/or bicycle parking is stated as optional (BMC Section 23.308.030.A.5.g). The City's standards are in compliance with AB 139 and therefore, do not constrain the development of emergency shelters within the City.

Low Barrier Navigation Centers

AB 101 (2019) defines "low barrier navigation centers" and requires local jurisdictions to permit them by right in zones that allow mixed-use development and nonresidential zones that permit multifamily uses, provided the facility meets certain standards. Per AB 101, a low barrier navigation center is "a Housing First, low-barrier, service enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." Housing First refers to an overall approach to serving individuals experiencing homelessness where a decent, safe place to live is provided before addressing any other barriers or factors that may have resulted in the person's homelessness. Low barrier shelters may also provide additional flexibility, such as allowing partners to share living space or allowing pets.

In addition to requiring local jurisdictions to permit low barrier navigation centers by right in certain areas, AB 101 requires jurisdictions to act on applications for these facilities within a specified timeframe. The provisions of AB 101 are

effective through the end of 2026, at which point they are repealed. Low barrier navigation centers are not addressed in the Berkeley Zoning Ordinance. Therefore, the Housing Programs chapter of this Housing Element includes a Zoning Ordinance amendment to permit low barrier navigation centers as required by AB 101 (see Program Zoning Code Amendments: Special Needs Housing in Section 5.4 Housing Programs). In the meantime, the city applies the law in a manner that supersedes local zoning to the extent necessary.

Transitional and Supportive Housing

Pursuant to State law (SB 2 of 2007 and SB 745 of 2013), transitional and supportive housing are residential uses that shall only be subject to the same permitting requirements and development standards as other residential dwellings of the same type in the same zone.

The Zoning Ordinance defines transitional housing as follows:

> *From Health and Safety Code Section 50675.2: Any dwelling unit or a Group Living Accommodation configured as a rental housing development, but operated under program requirements that call for the termination of assistance and recirculation of the assisted units to another eligible program recipient at some predetermined future point in time.*

The Zoning Ordinance does not specifically call out transitional housing as a use in the Allowed Uses table for the residential or commercial zones (BMC Tables 23.202.1 and 23.204-1). However, based on the definition above, the Zoning Ordinance permits transitional housing in the same

manner as the housing type in which it is located (i.e., single-family home, multi-family residence, or group living accommodation). Therefore, the City's requirements pertaining to transitional housing are compliant with State law and do not constrain their development.

While the Berkeley Zoning Ordinance provides a definition of supportive housing, supportive housing is permitted as a community care facility within the residential and commercial zones. In all of the residential zones, applications for supportive housing facilities which involve the conversion of an existing dwelling unit(s) are permitted by right with zoning certificate approval. New construction of a supportive housing facility requires approval of a use permit, which is the same review procedure applied to other residential development.

With the exception of the C-W zone, an administrative use permit is required for supportive housing within the City's commercial zones, regardless of the number of individuals the facility serves. However, within the C-W zone, supportive housing is permitted ministerially with zoning certificate approval.

AB 2162 (2018) introduced new regulations to facilitate the development of supportive housing. For cities with a population of less than 200,000, supportive housing projects with 50 or fewer units must be permitted by right in all zones where multifamily and mixed-use residential development is permitted, provided the project meets other specified criteria. Additionally, local jurisdictions may not require parking for

supportive housing projects located within one half mile of a public transit stop. Reviewing the Zoning Ordinance and making necessary amendments to comply with AB 2162 has been included in Section 5.4 Housing Programs as Zoning Code Amendments: Special Needs Housing.In the meantime, the city applies the law in a manner that supersedes local zoning to the extent necessary.

Employee and Farm Employee Housing

The Employee Housing Act (Health and Safety Code Section 17021.5) requires local jurisdictions to consider employee housing providing accommodations for six or fewer employees as a single-family structure with a residential land use designation. The Berkeley Zoning Ordinance allows unrelated individuals to live together as a household, but does not include any specific provisions related to employee housing; therefore, the Housing Action Plan include a program to make necessary Zoning Ordinance amendments to address employee housing (see Program HP-35: Zoning Code Amendments for Special Needs Housing).

The City's Zoning Ordinance does not identify farm worker housing separately as a permitted use. There is no agricultural land located in Berkeley and the 2015-2019 American Community Survey estimated just 132 workers employed in agriculture, forestry, and fishing industries residing in the City. According to the 2017 Census of Agriculture compiled by the U.S. Department of Agriculture, there were a total of 120 farms, employing 593 seasonal and permanent farmworkers in Alameda County. Among these

farms, 35 farms employed 142 workers who worked fewer than 150 days a year. Only 11 farms employed migrant workers, with an estimated 34 migrant workers. Therefore, specific zoning regulations for farmworker housing are not necessary.

4.1.5 HOUSING FOR PERSONS WITH DISABILITIES

Individuals with disabilities may have special housing needs related to restricted mobility, the ability to care for oneself, and the ability to live independently. State law requires the Housing Element to analyze the City's zoning regulations, permitting procedures, and building codes to identify any potential constraints to the development of housing for persons with disabilities.

Definition of Family

Zoning Ordinance definitions of "family" or "household" may constraint the development of housing for persons with disabilities, specifically group homes or care facilities, when they limit the number of members of a family or household or require that family or household members be related. The Berkeley Zoning Ordinance definitions for "family" and "household" are provided below. The Zoning Ordinance does not provide a separate definition for family, and instead references the definition for household. The definition for household is not restrictive based on relation or number of household members. Therefore, the Zoning Ordinance definitions do not constraint the development of housing for persons with disabilities.

Family. See Household.

Household. One or more persons, whether or not related by blood, marriage or adoption, sharing a dwelling unit in a living arrangement usually characterized by sharing living expenses, such as rent or mortgage payments, food costs and utilities, as well as maintaining a single lease or rental agreement for all members of the household and other similar characteristics indicative of a single household

Residential Care Facilities

The State Lanterman Developmental Disabilities Services Act (Lanterman Act) requires that licensed residential care facilities serving six or fewer individuals be treated as residential uses and permitted by right in all residential districts. Berkeley Zoning Ordinance Section 23.502.020 (Defined Terms) includes residential care facilities in the definition for community care facility. These definitions are compliant with state law and are provided below:

Residential Care Facility. See Community Care Facility.

Community Care Facility. A state-licensed facility for the non-medical care and supervision of children, adolescents, adults or elderly persons. This use includes community care facilities as defined in California Health and Safety Code (H&SC) Section 1500 et seq, residential care facilities for the elderly (H&SC Section 1569 et seq.), facilities for the mentally disordered or otherwise handicapped (California Welfare and Institutions Code Section 5000 et seq.), alcoholism or drug abuse recovery

or treatment facilities (H&SC Section 11834.02), supportive housing (California Government Code Section 65582), and other similar facilities. This use excludes medical care institutions, skilled nursing facilities, nursing homes, foster homes, family day care homes, child care facilities, and transitional housing.

Section 23.202.040(A) includes the permit requirements for community care facilities, including residential care facilities, in the residential zones. Conversion of an existing dwelling into a community care facility is permitted through the zoning certificate process, regardless of the number of residents the facility serves. New construction of a community care facility requires approval of a use permit, which is the same review procedure applied to other residential development.

In all of Berkeley's commercial zones, except the C-W zone, residential care facilities are permitted with approval of an Administrative Use Permit, regardless of the number of individuals the facility serves. The Administrative Use Permit is a discretionary permit approved by the Zoning Officer. Unlike the Use Permit required of most other residential uses in commercial zones, it does not require a public hearing. The Administrative Use Permit process and approval findings are described in greater detail in the Permit Processing section of this Chapter. In the C-W zone, residential care facilities are approved ministerially though the Zoning Certificate process.

There are no specific development standards that apply to community care facilities that do not also apply to other residential development in the same zone, except for parking.

The parking requirement for community care facilities in the residential and manufacturing zones is one space per two non-resident employees. There are no parking requirements specific to community care facilities located in commercial zones. Based on this analysis, the City proposes program HP-35 Zoning Code Amendments: Special Needs Housing to ensure that there is no minimum parking requirement for residential care facilities in Berkeley, in compliance with the Lanterman Act.

Reasonable Accommodation

In some circumstances, development standards which may otherwise be acceptable may constrain the development of housing for persons with disabilities. For example, wheelchair access to a dwelling may not be able to be constructed without a ramp encroaching into the front yard setback. In such cases, state and federal law require local jurisdictions to provide relief from specific requirements or standards to accommodate the needs of persons with disabilities.

The City of Berkeley first added reasonable accommodation procedures to the Zoning Ordinance in 2001. Section 23.406.090 contains the application and review requirements for reasonable accommodations. The Zoning Officer is the approval authority for reasonable accommodations, unless the reasonable accommodation application is submitted concurrently with another permit application reviewed by the Zoning Adjustments Board (ZAB). Under these circumstances, the reasonable accommodation is reviewed by

the ZAB. There is no required fee to apply for a reasonable accommodation.

Building Codes

The City of Berkeley has adopted by reference, and enforces, the 2019 California Building Code (CBC) including local amendments. The City actively enforces CBC provisions that regulate access and adaptability of buildings to accommodate persons with disabilities. The City has adopted no local amendments to the CBC which constrain development of housing for persons with disabilities.

4.1.6 PLANNING AND DEVELOPMENT FEES

Cities charge permits fees to recover the costs associated with reviewing and processing applications for development. Cities also charge impact fees, which are intended to mitigate the impact of a development on local facilities or infrastructure. Common examples of impact fees include school fees and utility connection fees.

Berkeley's planning fee schedule was last updated in May 2022. State law requires that these fees are true cost recovery fees and may not exceed the cost to the City to review and process the permit. As part of fee schedule updates, the City reviews the staff time and other resources necessary to process permits to ensure that fees are set at an appropriate level in compliance with state requirements. Table 4.9 shows a comparison of planning fees for Berkeley, Fremont, and Richmond. As shown, all three cities are in a similar range for

use permit fees. Berkeley's fees for design review are generally lower than Fremont and Richmond.

Table 4.9: Comparison of Planning Fees for Berkeley, Fremont, and Richmond

Permit Type	Berkeley	Fremont	Richmond
Administrative Use Permit	$1,840-$5,520[6]	$4,600	$2,112
Use Permit	Tier 1: $5,520 Tier 2: $5,520[1]	$7,000	A/C[2] ($5,000 deposit)
Variance (Tier 1)	$3,680	$4,000	A/C[2] ($3,500 deposit)
Zone Change/Zoning Amendment	A/C[2] ($9,200 deposit)[3]	Amendment: $9,360 Rezone: $10,000	A/C[2] ($13,000 deposit)
General Plan Amendment	A/C[2] ($9,200 deposit)[3]	$16,000	A/C[2] ($13,000 deposit)
Design Review			
Staff Level	$1,840-$3,680[5, 6]	$4,000	$2,376
Design Review Committee	$2,760-$5,520[5, 6]	$20,000	A/C ($4,400-$15,00 deposit)[6]
Environmental			

Initial Study/Negative Declaration	$5,520[4]	$5,400	30% of consultant contract cost
Environmental Impact Report	$9,200[4]	$5,400	30% of consultant contract cost

Sources: City of Berkeley, Land Use Planning Fees, Effective July 1, 2022; City of Fremont, Planning Division, 2022; City of Richmond, Planning Division Fee Schedule, Effective August 20, 2020.

Notes:

1. *Base fee. Staff time in excess of 24 hours charged at rate of $230/hr.*
2. *A/C = Actual Cost*
3. *Excess staff time charged at $230/hr.*
4. *Or, at City's discretion, cost of consultant contract plus $200/hr. for staff time for contract management*
5. *Base fee, excess staff time charged at $230/hr.*
6. *Where a cost range is given, the cost generally increases as project size/complexity increases based on defined thresholds.*

Since some fees are based on project valuation (i.e. building permit fees) and some are charged on a per unit or per square foot basis, it is difficult to generalize the total fees which apply to residential projects. Therefore, Table 4.10. provides a comparison of the applicable fees for several recent

developments. 2035 Blake was entitled prior to the current affordable housing fee and 1950 Addison provided four very low income units on site and paid a pro-rated in-lieu fee. 2628 Shattuck provided no on-site affordable units and paid the full inclusionary fee amount.

Table 4.10: Fee Comparison for Sample Single-Family, Multi-Family, and Mixed-Use Development

	Single Family Residential	Multi-family Residential	Mixed-Use Residential	Mixed-Use Residential
Project Details and Assumptions				
Address	455 Vincente	1950 Addison	2628 Shattuck	2035 Blake
Certificate of Occupancy Issue Date	10/26/17	10/16/17	7/16/21	BP Issued 8/10/17
Building Permit Valuation	$470,000	$16,649,000	$11,106,567	$15,800,000
Sq Ft/unit	2,758	970	703	1020
Units	1	107	89	82
Value per sq. ft.	$476.42	$721.52	$996.26	$686.38
Value per unit[1]	$1,313,974	$700,000	$700,000	$700,000
Full value	$1,313,974	$74,900,000	$62,300,000	$57,400,000

Full sq ft (incl. parking)[2]	2,758	128,308	73,024	106,873
Building Permit Fees				
Plan Check and Filing Fees	$6,809	$238,170	$162,923	$234,380
Fire & Life Safety / Fire Plan Check Fees	$726	$25,642	$17,501	$25,510
Traffic Plan Check Fee	$864	$102,959	$62,509	$97,440
Building, Plumbing, Electrical, Mechanical Permit Fees	$10,935	$407,176	$266,374	$370,243
State Fees[3]	$2,570	$90,746	$62,216	$88,488
Zoning Certificate	$360	$360	$460	$360
Community Planning Fee	$519	$18,316	$12,221	$17,382
Technology Fees	$519	$18,934	$13,300	$18,420
Sustainable Development Fee	$622	$21,979	$14,665	$20,858
Subtotal	$23,924	$924,282	$612,168	$873,081
Planning Fees[4]				
Use Permit	$16,780	$19,261	$14,075	$25,939

Design Review	-	$3,684	$3,734	$4,550
Subtotal	$16,780	$22,945	$17,809	$30,489
Impact Fees				
Art	N/A	Provided on site	$88,879	$126,400
Affordable Child Care[5]	N/A	N/A	N/A	N/A
Affordable Housing – Commercial[5]	N/A	N/A	N/A	N/A
Affordable Housing Mitigation	N/A	$1,260,000	$2,720,952	$760,000
SOSIP (Downtown only)	N/A	$231,492	N/A	$189,673
Schools	N/A	$361,252	$218,822	$218,822
Sewer Connection Fee	$3,536	$193,117	$191,590	$182,911
Subtotal	$3,536	$3,305,861	$5,941,195	$2,237,807
Total Project Fees	$44,240	$4,230,143	$6,553,363	$3,110,888
Total Fees Per Unit	$44,240	$39,534	$73,633	$37,937

Source: City of Berkeley, Building and Safety Division, 2022

Notes:

1. *For SF: Zillow Spring 2021 median home price. For MF, based on following analysis: City of Berkeley, City Council Report (April 27, 2021 – Item 31), Attachment 1: Street Level Advisors, "Estimating the Need for Housing Subsidy for the Ashby and North Berkeley BART Stations".*
2. *Assume 350 sq. ft. per parking space.*
3. *State of California fees include: Title 24: Energy Fee; Title 24: Disabled Access Fee; SMIP Fee; and, Building Standards Fee.*
4. *Fees associated with environmental review were not included because infill housing is often exempt from CEQA.*
5. *The Affordable Child Care and Affordable Housing – Commercial fees apply to commercial development, including the commercial component of mixed-use developments. However, the threshold for these fees is net new commercial square footage of 7,500 sq. ft. or more. Neither mixed use project included in the Table meets this threshold; therefore, the fee does not apply.*

Impact Fees

The City of Berkeley charges several impact fees to ensure that new residential development pays its fair share of funding for its impact to the City's services, facilities, and infrastructure. Residential development in Berkeley is subject to the following impact fees:

1. **Public Art.** Public art requirements apply to multifamily residential projects of five or more dwelling units. Projects

must include on-site publicly accessible art valued at 1.75 percent of the construction cost. Alternatively, applicants can pay an in-lieu fee equal to 0.80 percent of the construction cost. Projects where at least 60 percent of units are affordable are exempt from public art requirements.

2. **Street, Open Space and Improvement Plan (SOSIP) Fee.** The SOSIP fee applies to the Downtown area only and is intended to ensure that new development contributes to the street and open space needs and demands of additional residents and businesses. The fee applies to all development greater than 1,000 square feet and is calculated at $2.23 per square foot of new residential use.
3. **Affordable Housing Mitigation Fee (AHMF).** As previously discussed, projects can reduce or eliminate their AHMF obligation by providing up to 20 percent affordable units within the project.

In addition to the fees listed above, Berkeley has an Affordable Child Care fee and Affordable Housing Linkage fee which apply to commercial development. These fees also apply to the commercial portions for mixed-use projects.

As part of ongoing efforts to improve and consolidate the City's affordable housing requirements, amendments to impose on-site affordable housing requirements with an in-lieu fee alternative (rather than a mitigation fee) are proposed for both rental and ownership projects. Additionally, changing the fee from a per unit basis to a per square foot basis is proposed. See also HP-3 Citywide

Affordable Housing Requirements. This proposal is supported by a 2019 fee comparison analysis conducted by Street Level Advisors, which compared fees amongst Berkeley and a number of other jurisdictions. The study also compared Berkeley's fees as they applied to various housing products (i.e., microunit projects versus large units). One notable finding was that projects consisting of higher density microunits were paying a significantly higher proportion of total construction costs in fees when compared to a lower density project with the same square footage. Changing the affordable housing in-lieu fee to a per square foot fee basis should help to address this issue. Initially, the fee is proposed to be set at $45 per gross residential square foot and would be adjusted annually based on change to an established index, such as the California Construction Cost Index. This change is anticipated to be considered by the City Council for adoption in Summer 2022.

In addition to City fees, fees are charged by outside agencies that provide services within Berkeley, including school fees charged by the Berkeley Unified School District and sewer connection fees charged by the East Bay Municipal Utility District. The City of Berkeley does not have control over the fees charged by outside agencies.

4.1.7 BUILDING CODES AND ENFORCEMENT

The City of Berkeley's Building and Safety and Code Enforcement Divisions enforce the 2019 California Building Code (CBC) and locally adopted amendments. When development plans are submitted for plan check, they are

reviewed by the Building and Safety Division for compliance with the CBC. Inspections at various milestones throughout project construction ensure that the project is built according to the approved plans.

The City has adopted several local amendments to the CBC. Most notably, the City has incorporated additional restrictions for structures within the City's designated fire hazard zones, including limitations on roofing materials, requirements for spark arrestors on appliances using solid fuel, and undergrounding of utilities. While these requirements may add to the cost of construction of residential units, they are necessary to help mitigate the risk of damage by wildfire in these areas.

Building code enforcement is handled primarily on a complaint-basis by building inspectors; neighborhood complaints are handled by the City's Code Enforcement staff. In addition, housing inspectors respond to housing code complaints initiated by Berkeley tenants or by other City programs; however, if substandard conditions pose an immediate threat to the health and safety of the tenant, they are referred to the City's Building Official for immediate follow up. City policy is to resolve residential code violations without displacing residents whenever possible; however, when tenants must move, the Municipal Code requires the owner to provide relocation assistance.

In accordance with State law, the City also enforces statutory and code restrictions related to Fire Protection Plans and vegetation management.

4.1.8 DEVELOPMENT REVIEW TRANSPARENCY

The City of Berkeley strives to be transparent in its development review process by providing as much information as possible related to the City's regulations, processes, procedures, and fees on the City website. The Municipal Code (including Zoning Ordinance), application forms, fee schedules, and other information are all readily available for viewing on the website.

The City uses the Accela permitting system, which facilitates not only internal routing and plan check review, but also has an externally facing Accela Citizen Access (ACA) portal where applicants can submit online and community members can search for project status and download project materials and correspondences. The City's Building Eye interactive mapping page links to Accela building and planning permit data to show the spatial location of recent projects.

Table 4.11: Development Information Provided on Berkeley's Website

Information	Link
General Plan	https://berkeleyca.gov/your-government/our-work/adopted-plans/general-plan
Zoning Ordinance	https://berkeley.municipal.codes/BMC/23
Zoning Map	https://berkeleyca.gov/city-services/community-gis-portal?config=config_PlanningandProperty.json

Forms / Applications	https://berkeleyca.gov/construction-development/permits-design-parameters/permit-types/permit-forms
Planning Fee Schedule	https://berkeleyca.gov/sites/default/files/2022-02/Fee%20Schedule%20Residential%202013.pdf
Other Adopted Plans	https://berkeleyca.gov/construction-development/land-use-development/general-plan-and-area-plans
Accela Citizen Access	https://aca.cityofberkeley.info/CitizenAccess/Welcome.aspx
Building Eye	https://berkeley.buildingeye.com/

4.1.9 ON- AND OFF-SITE IMPROVEMENTS

In some areas, on- and off-site improvement requirements can pose a significant constraint to development due to the need to install new infrastructure. However, in Berkeley, the majority of residential development occurs on infill sites that are served by existing roads and other existing infrastructure. Typical on- and off-site improvements which may be required for new development on infill sites include improvements to the adjacent streets and sidewalks and sanitary sewer and storm water connections. In cases where water or wastewater infrastructure may need to be enlarged or repaired to accommodate new construction, developers are responsible for paying the direct costs of improvements. Although requirements for on- and off-site improvements do add to the overall cost of development, they are necessary to

ensure provision of vital infrastructure services and therefore, do not create an undue constraint on development.

4.2 NON-GOVERNMENTAL CONSTRAINTS

Non-governmental constraints include those caused by market conditions, environmental hazards and limitations, and infrastructure operated by outside agencies.

4.2.1 INFRASTRUCTURE CONSTRAINTS

The availability of infrastructure and services to meet new demands created by new residential development is another potential constraint to housing development. Although Berkeley is highly urbanized with most of the necessary infrastructure in place, increases in demand along with capacity and supply factors are monitored and analyzed to ensure adequate provision of services in the future.

The East Bay Municipal Utility District (EBMUD) provides water and wastewater treatment for all properties located within Berkeley. The primary water source for the EBMUD water system is the Mokelumne River and the Mokelumne Aqueduct conveys this water to local storage and treatment facilities in the EBMUD service area. EBMUD's 2020 Water Shortage Contingency Plan provides an analysis of water demand, including water supplies for fire suppression, and supplies over the next 30 years. While the analysis is for EBMUD's entire service area and does not provide a breakdown for the City of Berkeley, it provides helpful information on the availability of water through the 2023-2031 planning period. According to the Plan, water demand

for the service area was 181 million gallons per day (MGD) in 2020. The total projected demand for EBMUD's service area is 190 MGD in 2030 and 194 MGD in 2035. Based on the Base Condition Scenario analyzed, EBMUD will have sufficient supply to meet demand over this time period.

> *East Bay Municipal Utility District, Water Shortage Contingency Plan 2020.*
> *https://www.ebmud.com/water/about-your-water/water-supply/urban-water-management-plan/*

For wastewater treatment, Berkeley is within EBMUD's Special District No. 1 and is served by EBMUD's largest wastewater treatment plant which is located in Oakland. According to EBMUD's 2020 Urban Water Management Plan, wastewater treatment demand for Special District No. 1 is projected to be 56 MGD in 2030 and 58 MGD in 2035, well below the treatment plant's capacity of 168 MGD.

> *East Bay Municipal Utility District, Urban Water Management Plan 2020.*
> *https://www.ebmud.com/water/about-your-water/water-supply/urban-water-management-plan/*

While adequate water supply and wastewater treatment capacity is available for the 2023-2031 planning cycle, SB 1087 (2006) further prioritizes the development of affordable housing by requiring service providers to grant priority to development that includes housing affordable to lower income households.

Pacific Gas & Electric (PG&E) provides electrical and gas service for the City. New construction in Berkeley is required

to be designed without natural gas infrastructure per the City's Natural Gas Prohibition adopted in 2019. As of Jan 1, 2020, the State of California began requiring solar on newly constructed low-rise residential buildings (single family homes, duplexes, and townhouses of 3 stories or less, including ADUs) through the 2019 California Building Standards Energy Code (also known as the Energy Code or Title 24, Part 6).

In addition, Berkeley adopted local amendments (also known as a reach code) to the Energy Code which requires the installation of solar PV systems on the "solar ready zone" required by the Energy Code. As a result, Berkeley also currently requires solar PV systems on newly constructed hotel/motels and high-rise multifamily buildings with 10 habitable stories or fewer, and nonresidential buildings with 3 habitable stories or fewer. These requirements also have exceptions as described in Title 24, Part 6, Section 110.10. Berkeley's adoption of these solar PV system requirements is in the reach code, Berkeley Energy Code, BMC Chapter 19.36.

Building codes are updated every three years, with increasing energy efficiency requirements. The 2022 Energy Code will expand solar and introduce battery storage standards to new high-rise multifamily (apartments and condos).

4.2.2 ENVIRONMENTAL CONSTRAINTS

Geologists warn repeatedly of the high risk of a major earthquake in the San Francisco Bay Area, including the northern section of the Hayward Fault that runs through the Berkeley Hills east of the University of California. The effects

of a strong earthquake along any portion of the Hayward fault would severely affect the area. The Housing Element includes policies and programs to mitigate the risk of damage to existing units (see Seismic Preparedness Programs). The Berkeley Hillside area is the most vulnerable to seismic impacts and landslides. However, no multifamily development is currently permitted in this area and the amount of vacant land is limited; therefore, seismic hazards are not a significant constraint to development in the Hillside area. In addition, portions of the ground along Berkeley's western edge, including west of the railroad tracks, could liquefy in a major quake. Additionally, all new development, including single family and multifamily units, are subject to the stringent requirements of the CBC related to seismic safety.

Some areas of the City (near the waterfront and near Codornices Creek) are within the 100-year floodplain. Chapter 17.12 of the Berkeley Municipal Code contains the City's Flood Zone Development Ordinance, which complies with FEMA flood plain management requirements. None of the areas within the 100-year floodplain are zoned for high density residential development; therefore, flooding is not a significant constraint to residential development in the City.

Fires are a significant threat in the wildland urban interface (WUI) in the hillside communities along the City's eastern border. The City has implemented a comprehensive strategy to mitigate Berkeley's WUI fire hazard, which includes annual property inspections, more restrictive local building code amendments, vegetation management and defensible space,

improvement of access and evacuation routes, and infrastructure improvements to support firefighting efforts.

> *City of Berkeley, 2019 Local Hazard Mitigation Plan. https://berkeleyca.gov/safety-health/disaster-preparedness/local-hazard-mitigation-plan*

Two areas of the City have particular environmental or physical constraints which make them unfeasible for new housing development. The waterfront area west of Interstate 80 has been designated for open space and low-density waterfront-oriented commercial development. Housing development is not environmentally feasible in this area due to a combination of environmental sensitivity and seismic/soil stability problems in an area composed mostly of landfill materials.

The Panoramic Hill area, designated as the Environmental Safety-Residential District (ES-R) on the Zoning Map, has significant constraints due to its proximity to the Hayward Fault and vegetated wildlands, limited vehicular access, inadequate water pressure, and steep slopes. After a two-year moratorium on construction, in 2010 the City passed an ordinance prohibiting any new residential units in this district until the City Council has adopted a specific plan in compliance with all applicable law that shows the proposed distribution, location, and extent of land uses in the ES-R zone and the location and extent of the public facilities and services required to serve the land uses described in the Panoramic Hill Specific Plan (the Plan). There is no specified timeline for development of the Plan. However, there are only 14 vacant

lots affected by the building prohibition, a negligible percentage of housing production opportunities citywide.

While significant environmental constraints exist, the City has taken measures to mitigate the risk where appropriate, such as public health and safety.

4.2.3 MARKET CONSTRAINTS

Cost and Availability of Land

The cost of land is a significant contributor to the overall cost of housing. Land values fluctuate with market conditions and have generally been increasing since the Great Recession, and substantially increasing since 2012. The City of Berkeley has little vacant land, particularly land that is appropriate for higher density development. An informal survey of vacant land listed for sale on Zillow and Loopnet in January 2022 found three vacant lots for sale within hillside areas of east Berkeley at a price per square foot ranging between $30 to $40. Due to the physical constraints of this area, these lots would not be appropriate for multi-family development. Vacant lots within higher density areas of the City are very rare and are sometimes advertised with approved entitlements, adding to their list price. The majority of sites in areas zoned for high density development are infill sites that may have existing structures, further adding to the cost of development. For example, one 0.24-acre lot with an existing triplex is entitled for 11 condominium units and listed for $190 per square foot (1915 Berryman St.). Another listing for a 0.3-acre vacant lot indicates that it is in the entitlement process for 66-units and has a list price of $420 per square

foot (1201 San Pablo Ave.). As shown in Appendix C: Sites Inventory, lot consolidation and infill small lot development at high density is the primary strategy for housing development.

The cost per square foot of land varies greatly in the City and lots located in denser areas, with more development potential, can cost significantly more. However, the per-unit land cost is directly impacted by density. Higher density allows the cost of land to be spread across more units and ultimately reduces the per unit cost. While land costs are high, the densities permitted in the City's high density residential and commercial districts allow a developer to distribute this cost amongst a greater number of units.

Construction Costs

The cost of construction, including labor and materials, has a significant impact on the overall cost of new housing units and can be a significant constraint to development. According to a report by the Terner Center for Housing Innovation, construction costs for apartment buildings in the Bay Area are the highest in the State and have increased more dramatically than costs statewide. Construction costs in the Bay Area increased 119 percent between 2008 and 2018, compared to an increase of 25 percent statewide. According to the Report, construction costs for apartment buildings in the Bay Area averaged $380 per square foot in 2018, compared to about $225 per square foot statewide. Higher wages for construction related jobs in the Bay Area, along with a lack of construction workers that can afford to live in the region due

to the high cost of living, may contribute to higher costs in the region.

The Terner Center Report also found that construction costs are an average of $48 per square foot higher for affordable housing projects, when compared to mixed affordability and market rate projects, likely due to prevailing wage, local hire, and other requirements.

> *Raetz, H., Forscher, T., Kneebone, E., & Reid, C. (2020). (rep.). The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California. Berkeley, CA: University of California.*

Timing

Many factors outside of the local jurisdiction's control can constrain the timing between project approval and when the developer requests building permits. Potential reasons for a delay between these milestones include inability to secure financing for construction or availability of design professionals to complete construction documents or make corrections. For projects with two or more units approved over the previous planning cycle, the average time between project entitlement and building permit issuance was 604 days. For larger projects, the average is about three years.

Based on this average timelapse, the City's strategy for meeting its Regional Housing Needs Assessment (RHNA) assumes only projects entitled since 2018 would proceed to issuing building permits (see Appendix C: Sites Inventory). Older entitlements are likely to require resubmittal sometime

in the future with product types that would more appropriately reflect the current market conditions.

Density

In some regions, market factors such as the demand for a single-family product or larger high-end condominiums can lead to properties being developed below the maximum allowable density. However, due to high land and construction costs in Berkeley, projects are typically developed at high densities and density bonuses are common.

For projects located in high density residential and commercial zones entitled over the previous planning cycle, the average density was 183 units per acre.

Availability of Financing

The City of Berkeley does not vary greatly from other communities with regard to the availability of home financing. The Great Recession and impacts to the housing and mortgage industry had the effect of limiting the availability for real estate loans and increasing the rate of foreclosure for some time. However, at present, mortgages are generally available for qualified buyers. Table 4.12 provides information on home mortgage applications for the Oakland-Berkeley-Livermore MSA. In 2020, 69 percent of purchase loan applications were approved and 10 percent were denied. The denial rate was highest for home improvement loans at 33 percent.

In a housing market such as Berkeley's, the down payment requirement may be a greater obstacle to homeownership for

many households. With condominium values over $900,000 in Berkeley, a household would need to save $90,000 to provide a 10 percent down payment.

Table 4.12: Home Mortgage Application Data for the Oakland-Berkeley-Livermore MSA/MD (2020)

Loan Type	Total Applications	Percent Approved	Percent Denied	% Withdrawn/ Incomplete
Conventional Purchase	253,916	69%	10%	20%
Government Backed Purchase	18,190	62%	12%	26%
Home Improvement	8,890	51%	33%	16%
Refinance	165,588	69%	9%	22%
Total	446,584	69%	10%	21%

Source: www.ffiec.gov, Home Mortgage Disclosure Act (HMDA) data for Oakland-Berkeley-Livermore MSA/MD, 2020.

5 HOUSING RESOURCES

This chapter summarizes the sites inventory and strategies to meet the RHNA and the City's state policies, including housing programs and measurable actions for implementation.

5.1 SUMMARY OF LAND AVAILABLE FOR HOUSING

5.1.1 REGIONAL HOUSING NEEDS ALLOCATION

The Regional Housing Needs Allocation (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing within each jurisdiction for the eight-year period. Communities then determine how they will address this need through the process of updating the Housing Element of the General Plan.

Under state law, regional councils of governments are required to develop housing needs plans for use by local governments in their Housing Element updates. The regional housing needs analysis is derived from the statewide growth forecast, which is then allocated to regions, counties, and cities. The statewide determination is based on population projections produced by the California Department of Finance and the application of specific adjustments to determine the total amount of housing needs for the region. The adjustments are a result of recent legislation that sought to incorporate an estimate of existing housing need by requiring the State Department of Housing and Community Development (HCD) to apply factors related to a target

vacancy rate, the rate of overcrowding, and the share of cost-burdened households. The 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. The RHNA for Bay Area jurisdictions was adopted by the Association of Bay Area Governments (ABAG) in December 2021.

For the 2023-2031 Housing Element, ABAG has assigned the City of Berkeley a RHNA of 8,934 units. This RHNA is divided into four income categories. The sections below assess the City's progress and strategies toward meeting its RHNA. Detailed information is provided in Appendix C to the Housing Element.

Table 5.1: City of Berkeley RHNA for 2023-2031

Berkeley	Extremely /Very Low	Low	Moderate	Above Moderate	Total
RHNA	2,446	1,408	1,416	3,664	8,934
% Total	27.4%	15.8%	15.8%	41.0%	100.0%

The RHNA does not include the extremely low category. It is estimated to be ½ of the very-low-income need, per Government Code §65583.a.1. The total very-low-income RHNA is 2,446; therefore, 1,223 units are designated as extremely-low-income and 1,223 units are designated as very-low-income. However, the sites inventory purposes, no separate accounting is required for the extremely low income category

Source: ABAG 6th Cycle Final RHNA Allocation Plan, adopted December 2021

5.1.2 PROJECTED ACCESSORY DWELLING UNITS (ADUS)

Pursuant to State law, the City may credit potential ADUs to the RHNA requirements by using the trends in ADU construction to estimate new production. Between 2018 and 2021, the City issued 419 building permits ADUs with an average of 105 ADUs per year over this period. Specifically, ADU permit activities accelerated significantly within the last two years. Assuming this trend continues, the City expects to produce around 100 ADUs per year or 800 ADUs over the eight-year planning period. Based on the ADU rent survey conducted by ABAG, the affordability distribution of ADUs in the region is: 30% very low income; 30% low income; 30% moderate income; and 10% above moderate income. Therefore, the 800 ADUs projected for January 2023 through January 2031 can be allocated toward the RHNA as follows: 240 very low income; 240 low income; 240 moderate income; and 80 above moderate income.

5.1.3 BART STATION SITES

The City of Berkeley is working collaboratively with the Bay Area Rapid Transit District (BART) to convert surface parking lots at two of the City's three BART stations (Ashby and North Berkeley) into transit-oriented development. The City and BART have signed an MOU on the potential development of these lots and the entities are actively working together to release RFQs for private developers for each station. BART's

development of these parcels is permitted under AB 2923, which allows BART to enable TOD through land-use zoning on BART-owned property in collaboration with local jurisdictions. Each station can accommodate up to 1,200 units and the expectation is that 35% of these units will be affordable and the Very Low and Low income categories. This Housing Element takes a more conservative approach and assumes only 600 units at each station (Table 5.2).

Table 5.2: BART Station Sites

Station	Extremely /Very Low	Low	Moderate	Above Moderate	Total
North Berkeley	105	105	0	390	600
Ashby	105	105	0	390	600
Total	210	210	0	780	1,200

5.1.4 ENTITLED PROJECTS

While the 6th cycle Housing Element planning period covers from January 31, 2023, through January 31, 2031, the RHNA projection period begins June 30, 2022. Housing units that have been entitled for construction but are not anticipated to receive a Certificate of Occupancy until after June 30, 2022 can be credited towards the 6th cycle RHNA. In total, the City has approved 3,128 units (176 very low, 182 low, 15 moderate, and 2,755 above-moderate), that are expected to be constructed during the 6th Cycle planning period. The affordability of the units was determined based on the affordability specified on the project proposal as approved by

the City. See Appendix C: Sites Inventory for a list of these projects.

5.1.5 REMAINING RHNA

Accounting for projected ADUs, units at the Ashby and North Berkeley BART stations, and entitled projects, the City has a remaining RHNA of 4,249 units (1,824 very low income; 780 low income; 1,167 moderate income; and 478 above moderate income units). The City must identify adequate sites capacity for this remaining RHNA.

Table 5.3: Remaining RHNA

Station	Extremely / Very Low	Low	Moderate	Above Moderate	Total
RHNA	2,446	1,408	1,416	3,664	8,934
Projected ADUs	240	240	240	80	800
BART Station Sites	210	210	0	780	1,200
Entitled Projects	172	178	9	2,326	2,685
Remaining RHNA	1,824	780	1,167	478	4,249

5.1.6 AVAILABILITY OF LAND TO ADDRESS REMAINING RHNA

Government Code Section 65583.2(c) requires that local jurisdictions determine their realistic capacity for new housing growth by means of a parcel-level analysis of land

resources with the potential to accommodate residential uses. The analysis of potential to accommodate new housing growth considered physical and regulatory constraints, including lot area and configuration, environmental factors (e.g., slope, sensitive habitat, flood risk), allowable density, existing density, building age, and improvement-to-land ratio among others.

Prepared with the Infill-First strategy in mind, the housing sites inventory for the 2023-2031 planning period demonstrates that new housing growth in the City of Berkeley over this eight-year period will largely conform to these patterns. The 6th Cycle Sites Inventory is made up of two types of sites:

- ***Applications Under Review or Expected.*** These pending projects include applications approved in 2021, applications submitted between 2018 and 2020 (but not yet entitled), and anticipated projects based on expressed developer interest.
- ***Opportunity Sites.*** Include vacant or underutilized sites with near-term potential for residential or mixed-use development.

The housing sites inventory includes both vacant and nonvacant (underutilized) land with the potential for additional housing during the 6th Housing Element cycle. The analysis of nonvacant properties included only those properties with realistic potential for additional development or "recycling", in light of:

- Existing uses on the site;

- Prevailing market conditions;
- Recent development trends;
- Expressed interests in housing development from property owners or developers; and
- Regulatory and/or other incentives to encourage recycling or intensification of existing development

Based on the current General Plan, objective criteria, and local knowledge used to identify available sites with near-term development potential pursuant to State adequate sites standards, combined with units from pending projects, the City's sites inventory offers capacity for approximately 11,454 units (3,681 lower income, 2,954 moderate income, and 4,820 above moderate income). This capacity can fully accommodate the City's remaining RHNA of 3,606 units for the 6th cycle without rezoning. Importantly, this excess capacity means the City is also able to satisfy the needs of different income catgories, as more fully discussed below.

A detailed sites inventory and explanation of the methodology and assumptions for estimating the development capacity is provided in Appendix C.

Table 5.4: Summary of 6th Cycle Opportunity Sites to Accommodate Remaining RHNA

Project Status	Units by Income Category				
	Extremely / Very Low	Low	Moderate	Above Moderate	Total

Applications under Review or Anticipated	204	180	68	1,975	2,426
Opportunity Sites	1,649	1,649	2,886	2,845	9,028
Total Capacity	1,853	1,829	2,954	4,820	11,454

5.1.7 SUMMARY OF RHNA STRATEGIES

Overall, the City is able to accommodate its RHNA, with a 28% buffer for the remaining lower income RHNA and a 126% buffer for the remaining moderate income RHNA. While the City is not required to rezone or up-zone to meet its RHNA, as a pro-housing community, the City is pursuing a rezoning project to increase its residential capacity. The rezoning program is described in Section 5.4 Housing Programs within this chapter.

Table 5.5: Summary of RHNA Strategies

Project Status	Units by Income Category				
	Extremely / Very Low	Low	Moderate	Above Moderate	Total
RHNA	2,446	1,408	1,416	3,664	8,934
Likely Sites	622	628	249	3,186	4,685
▪ Potential ADUs	240	240	240	80	800
▪ BART Sites	210	210		780	1,200
▪ Entitled Projects	172	178	9	2,326	2,685

Remaining RHNA Need	1,824	780	1,167	478	4,249
Pipeline Projects	204	180	68	1,962	2,414
Applications Submitted in 2021	135	66	68	1,355	1,624
Applications Submitted before 2021	43	20	---	452	515
Anticipated Applications	26	94	---	168	287
Opportunity Sites	3,297		2,886	2,845	9,028
High Priority (>0.5 acre)	1,972		297	740	3,009
Medium Priority (0.35-0.5 acre)	1,325		386	382	2,093
Low Priority (<0.35 acre)	---		2,203	1,723	3,926
Total Capacity (Likely + Pipeline + Opportunity)	4,931		3,203	7,993	16,127
Surplus	1,077		1,787	4,329	7,193
% Buffer over Remaining Lower Income RHNA	28%		126%		

Figure 5.1: Residential Sites Inventory

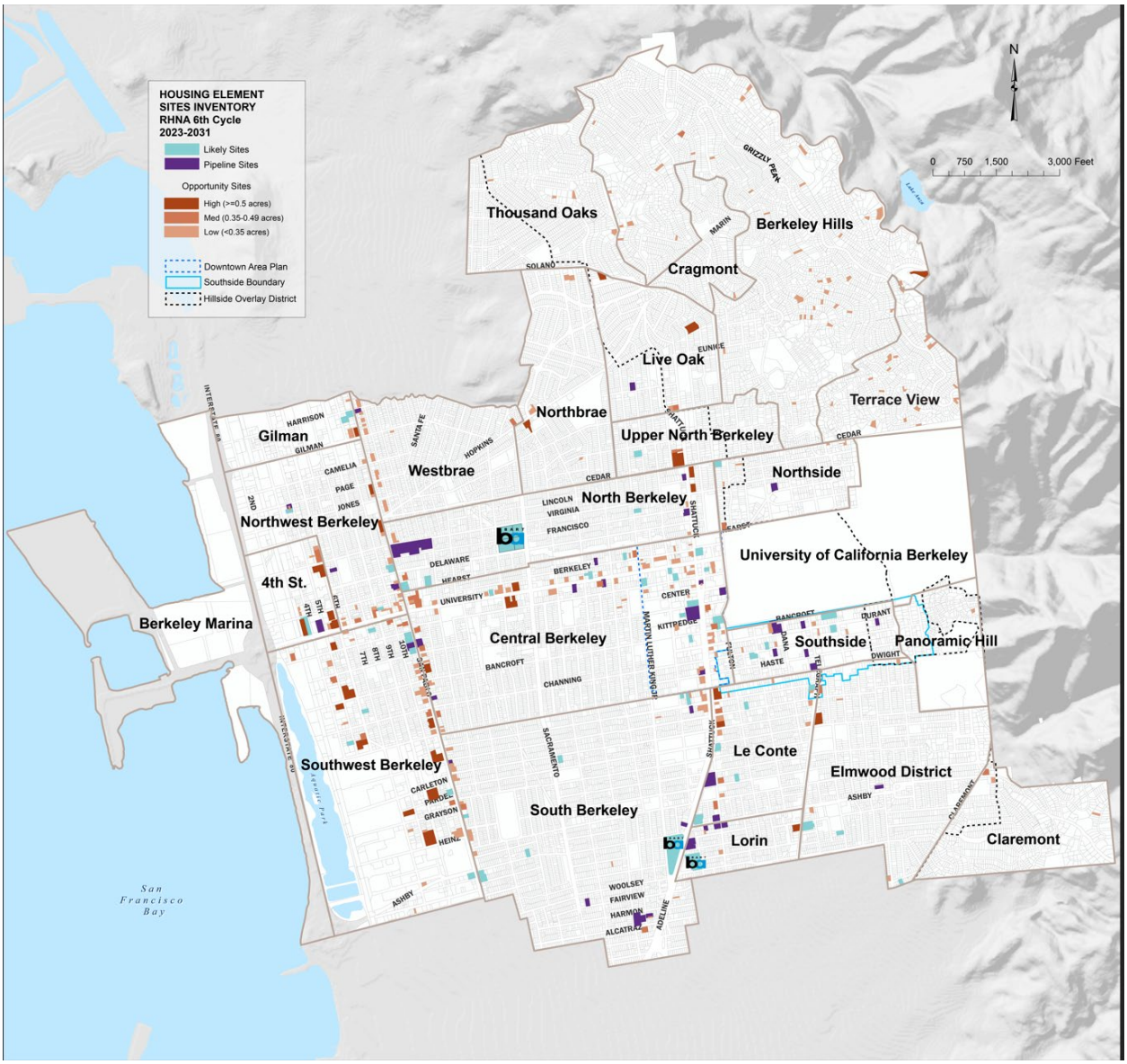


Figure 5.1 is a map showing the parcels identified for Likely, Pipeline, and Opportunity Sites.

The Likely Sites are shaded blue and represent projects that have been entitled since 2018. A table with a list of the Likely Sites is available in a table format in Appendix C, Table C.3 Entitled Projects since 2018.

The Pipeline Sites are shaded purple and represent development applications which are currently under review or anticipated. A table with a list of the Pipeline Sites is available in a table format in Appendix C, Table C.6 Applications Under Review or Expected.

The Opportunity Sites are shaded red, with darker red for sites in categories High (greater than or equal to 0.5 acres), medium red for Medium (0.25 to 0.49 acres), and light red for Low (less than 0.35 acres). A table with the list of the opportunity sites is available in a table format in Appendix C, Table C-10: Opportunity Sites – No Rezone Required.

5.2 RESOURCES FOR HOUSING PROTECTION, PRESERVATION, AND PRODUCTION

5.2.1 RENT STABILIZATION BOARD

The Berkeley voters passed the Rent Stabilization and Good Cause for Eviction Ordinance in 1980 (Berkeley Municipal Code, Chapter 13.76). In 1982, the voters passed a Charter Amendment establishing an elected Rent Stabilization Board (Berkeley Charter, Article XVII, section 121). From 1980 to 1998 rents in units built prior to 1980 were controlled permanently, so that the rent did not change when a tenant moved out and new tenants moved in. Since the Costa-Hawkins Rental Housing Act went into full effect in California in 1999, landlords have been able to establish initial rents for new tenancies at whatever price the market will bear (Civil Code sections 1954.50 through 1954.535). Under the law, the initial rent for new tenancies is not controlled but subsequent

rent increases are controlled. This system is usually called "vacancy decontrol" although it is really "vacancy decontrol, recontrol." The law also removed single-unit properties first re-rented after 1996 from rent control, including single-family houses and most condominiums.

The Rent Stabilization and Good Cause for Eviction Ordinance provides a stable housing environment for tenants while assuring that landlords are able to receive a fair return on their investment. It assures tenants in rent stabilized units that once they move in their rents will not drastically increase, a situation similar to that of homeowners who are protected from rapid cost increases by the state property tax limitation and fixed-rate mortgages. Annual rent increases (the Annual General Adjustment or AGA) are set at 65% of the increase in the Consumer Price Index and landlords can apply for individual rent adjustments if the increases they receive through tenant turnover and the AGA are not sufficient to provide them with the legally required rate of return. The ordinance also protects tenants from arbitrary evictions through a system of eviction controls and twelve defined just causes for eviction. Good cause for eviction requirements apply to virtually all rental units, including those built after 1980, condominiums and single-family houses.

The good cause for eviction provisions of the ordinance govern nearly the entirety of the approximately 27,000 rental units in Berkeley, while the rent stabilization provisions apply to approximately 21,000 units in multi-family properties built before 1980. About 19,000 of these units are required to register at any given time and the other 2,000

units are temporarily exempt. The most common reason for temporary exemption is that the unit is rented to a tenant who participates in either the Section 8 Portable Voucher or Shelter Plus Care programs. Permanently exempt units include those built after 1980 and most single-family and condominium units.

Vacancy decontrol took effect during the "dot.com" boom in the mid-90s, which rapidly increased rents and home prices throughout the Bay Area and peaked in 2001. From 2001 to 2004 market rents in Berkeley declined somewhat and then began to rise again. By 2008 the market rents for registered units in Berkeley had increased beyond the 2001 peak levels. After the 2008 financial crisis, market rents decreased slightly and then remained stable through 2011. Beginning in 2012, rents in Berkeley began a steady increase, making new highs each year from 2012 to 2018. Overall, market rents for units subject to rent control increased by over 70% in units with between 0-3 bedrooms. Rents in Berkeley began to show signs of stabilizing in 2019, and then declined in 2020 by between 1.45% and 6%, due to the fallout from the Covid-19 pandemic and associated shelter in place orders.

Approximately 90% of registered rental units have had a new tenancy since 1999 while 10% have long-term tenants. The approximately 1,800 tenant households that have remained in place since the beginning of vacancy decontrol are usually paying a rent that is significantly below current market rates.

The Rent Board engages in public education about the importance of the rent stabilization and good cause for

eviction ordinance and works to educate both tenants and landlords about their respective rights and responsibilities under the law. Rent Board counselors typically provide information to landlords and tenants at between 40 to 50 different events each year, but outreach events have been reduced to online webinars due to Covid-19 safety concerns. Over the course of the year Rent Board counselors generally had more client contacts with property owners and property managers than with tenants.

The Rent Board monitors foreclosures to ensure tenants are notified that they do not have to move simply because a financial institution has taken over ownership of the property and works with owners to help them stave off foreclosure by informing the lending institution that they will not be able to simply evict all the tenants and vacate the property but rather will need to take on the responsibility of property management. The Rent Board monitors all filings by owners evicting tenants on the grounds that they are going out of the rental business to ensure that the owners make the required relocation payments and follow all the notice requirements of state and local laws.

The Berkeley City Council adopted the Ronald V. Dellums Fair Chance Access to Housing Ordinance (BMC Chapter 13.106) in 2020. The Ordinance prohibits housing providers from advertising, directly or indirectly, that they will not consider applicants with criminal histories except as required by state or federal law. Rent Board staff implements the ordinance on behalf of the City by counseling landlords and tenants on the Ordinance, working with the City Attorney's Office to draft

administrative regulations related to the implementation of the hearings process, including an administrative review process, and holding full evidentiary hearings.

In 2020, Berkeley voters passed Measure MM which required owners register rental units that are partially covered by the Rent Ordinance (not subject to rent control but covered by good cause for eviction protections and security deposit interest provisions). Registration allows the Rent Board staff the ability to provide more comprehensive housing services to both tenants and landlords. As of March 2022, approximately 4,750 rental units have registered due to Measure MM.

5.2.2 CITY HOUSING TRUST FUND

The City of Berkeley also has a number of funding sources available to implement its housing programs, including the preservation of housing units at risk of converting to market-rate housing.

The City of Berkeley's Housing Trust Fund (HTF) was established in 1990. The purpose of the HTF is to support the creation and preservation of affordable housing in Berkeley. Federal funds such as HOME Investment Partnerships Program (HOME) and the Community Development Block Grant (CDBG) are combined in the HTF with local funds such as revenue from mitigation fees on commercial development (Resolution 66,617-N.S.), new market rate housing (BMC 22.20.065 Affordable Housing Mitigation Fee and BMC 23C.12 Inclusionary Housing Ordinance), and condominium conversions (BMC 21.28). The City Council may approve

additional sources of funding for the HTF at any time, such as the 2018 Measure O bond measure, or state and federal sources. The Council may allocate general funds such as those generated through Measure U1. The City's Housing Advisory Commission (HAC) advises the City Council on HTF allocations.

A significant source of the HTF is the City's Affordable Housing Mitigation Fee. As of March 2022, the fee is set at $36,746 per unit if paid at building permit issuance, or $39,746 per unit if paid at Certificate of Occupancy. The City also allocates a portion of the HOME funds to the HTF it receives annually as an entitlement jurisdiction under HUD's Community Planning and Development programs.

As of March 2022, the City has $108.8M reserved or in contract for affordable housing projects, representing over 700 units in 19 projects. The City is committed to continuing to support projects in predevelopment and future development opportunities as additional HTF revenue becomes available.

5.2.3 SB 2 PLANNING GRANT AND PERMANENT LOCAL HOUSING ALLOCATION

In 2017, Governor Brown signed a 15-bill housing package aimed at addressing the State's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2, 2017), which establishes a $75 recording fee on real estate documents to increase the supply of affordable homes in California. Because the number of real estate

transactions recorded in each county will vary from year to year, the revenues collected will fluctuate.

The first year of SB 2 funds are available as planning grants to local jurisdictions. Berkeley received $310,000 for planning efforts to facilitate housing production. This funding is primarily used to develop zoning standards for both Ashby and North Berkeley BART stations for transit-oriented development.

For the second year and onward, 70 percent of the SB 2 funding will be allocated to local governments for affordable housing purposes. A large portion of subsequent years' allocation will be distributed using the same formula used to allocate CDBG funds. SB2 PLHA funds can be used to:

- Increase the supply of housing for households at or below 60 percent of AMI;
- Increase assistance to affordable owner occupied workforce housing;
- Assist persons experiencing or at risk of homelessness;
- Facilitate housing affordability, particularly for lower and moderate income households;
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation.

The City of Berkeley adopted a five-year PLHA allocation plan as required by HCD in July 2020. The City received a PLHA allocation of $1,293,584 in year-one (FY2021) and will receive an allocation of $2,010,631 in year-two (FY2022). The

City's PLHA allocation over the next five years is projected at $7,761,504. However, initial projections for the transaction fees were created by the State prior to COVID-19. The actual amounts in years three through five may be lower and therefore result in different, possibly lower, disbursements. In December 2021, the City amended its allocation plan to support a Project Home Key homeless housing acquisition project in Year 2. The plan for years three to five will support new affordable housing construction initiatives via two avenues: 1) operating subsidies for homeless households and 2) supplementing the Housing Trust Fund program.

5.2.4 PROJECT HOMEKEY

HCD offers grant funding for local entities to support a variety of housing types for persons experiencing homelessness or who are at risk of homelessness. For FY 2021-2022, HCD set aside $1.4 billion in grant funding and is accepting applications on a rolling basis until funds are exhausted or May 2, 2022, whichever comes first. The various housing types it supports include multifamily and single-family housing, hostels, motels, hotels, adult residential facilities, and manufactured housing. The funding can also support adaptive reuse of projects into permanent or interim housing for this population. The City is pursuing the acquisition of the Golden Bear Inn for Project HomeKey.

5.2.5 COVID-RELATED FUNDING

Due to COVID, the City received additional funding from HUD to address the impacts of the pandemic. Specifically, the City received $2.5 million in CDBG-CV and $6.7 million in ESG-CV

(Emergency Solutions Grant) in FY 2020. An additional $2.7 million in American Rescue Plan (ARP) funds was also made available to the City in FY 2021. The funds were used to respond to and address economic effects of COVID-19, including assistance to households and small businesses, as well as balance budget deficits.

5.3 PUBLIC/PRIVATE PARTNERSHIPS

5.3.1 BERKELEY HOUSING AUTHORITY

Established in 1966, BHA provides rental assistance to a total of 1,939 low-income households units through the Section 8 and Moderate Rehabilitation Program. BHA administers two basic types of housing programs: tenant-based assistance (that is, Housing Choice Voucher Program (Section 8) and project-based assistance.

5.3.2 AFFORDABLE HOUSING BERKELEY

The BHA Board has established a non-profit entity - Affordable Housing Berkeley, Inc. (AHB) – as the development arm of BHA to produce affordable housing units in Berkeley. BHA's former low income public housing properties were sold to a developer in 2014. The proceeds from the sale will be used by AHB Inc. to develop the new deed-restricted units. The BHA board also serves as the Board of AHB.

5.3.3 BAY AREA REGIONAL ENERGY NETWORK

The Bay Area Regional Energy Network (BayREN) is a coalition of the Bay Area's nine counties — a network of local governments partnering to promote resource efficiency at the

regional level, focusing on energy, water and greenhouse gas reduction. BayREN provides technical assistance, rebates, financing for energy efficiency and electrification projects. These BayREN resources are recommended by the City's Building Emissions Saving Ordinance (BESO) assessments to support voluntary upgrades.

5.3.4 EDEN COUNCIL FOR HOPE AND OPPORTUNITY (ECHO)

ECHO was established by community volunteers dedicated to equal housing opportunities and the prevention and elimination of homelessness. Established as a fair housing agency, ECHO has expanded to a full-service housing counseling organization providing services to very low and moderate income clients. The City of Berkeley contracts with ECHO Housing to provide fair housing services in the community.

5.3.5 EAST BAY COMMUNITY LAW CENTER (EBCLC)

EBCLC seeks to promote justice by providing:

- Legal services and policy advocacy that are responsive to the needs of low income communities; and
- Law training that prepares future attorneys to be skilled and principled advocates who are committed to addressing the causes and conditions of racial and economic injustice and poverty.

The City partners with EBCLC to provide no cost legal advocacy help to low income tenants.

5.4 HOUSING PROGRAMS

The City of Berkeley is committed to implementing the goals and policies in Chapter 2, addressing the housing needs identified in Chapter 3, and responding to the constraints in Chapter 4 through the housing programs listed in this section to facilitate the development of housing to meet RHNA.

The following programs have been developed through an extensive public engagement process and in concert with staff from departments and divisions throughout the city in order to identify specific programs that would realistically facilitate implementation of the City's goals and achieve the stated policies. Many of the housing programs reflect City Council referrals that are funded and/or staffed and are already included in the future workplans for departments.

HP-1 Affordable Housing Berkeley

The Berkeley Housing Authority (BHA) was recently selected by HUD to be a Move to Work Agency (MTW) that allows for flexibility programmatically; the cohort for which BHA was selected is "Landlord Incentives" and will allow BHA to attract additional landlords to participate with BHA to house voucher holders in Berkeley. Some of the flexibilities include: 120% Payment Standard; one-month contract rent signing bonus for brand new landlords; and funds for accessibility unit modifications. Additional programmatic flexibilities will focus on expansion of the Project-based Section 8 program. BHA is currently working on the process, including future public hearings, to be able to fully implement these flexibilities, and it is expected that will happen by mid-2023.

Furthermore, the BHA Board has established a non-profit entity - Affordable Housing Berkeley, Inc. (AHB) – as the development arm of BHA to produce affordable housing units in Berkeley. BHA's former low income public housing properties were sold to a developer in 2014, and those units were converted to Project-based Section 8. The proceeds from the sale will be used by AHB Inc. to develop the new units. The BHA board also serves as the Board of AHB and has just hired Mosaic Urban Development to assist with its Strategic Planning Process.

Specific Actions and Timeline	Complete Strategic Plan for Affordable Housing Berkeley Inc. by 2023
Lead Department(s)/Agency	BHA/AHB
Funding Source(s)	BHA Low Income Public Housing Disposition proceeds
AFFH	n/a
Policies Implemented	H-1, H-2, H-3, H-4, H-7, H-14, H-18

HP-2 Housing Choice Vouchers

BHA provides a range of rental housing assistance to very low income, and low income households through a number of

programs, including Housing Choice Vouchers, Project-Based Section 8 Vouchers, and Moderate Rehabilitation (SROs).

BHA also operates several Special Purpose Voucher programs including:

- Emergency Housing Vouchers (EHV): 51 EHVs awarded by HUD to house homeless households.
- Mainstream Voucher Program: 91 vouchers to house non-elderly and disabled homeless or at-risk households.
- Veterans Affairs Supportive Housing (VASH): 40 VASH vouchers for homeless veterans.

BHA provides all disabled households the opportunity to apply for Reasonable Accommodations so that they can fully participate in our programs. Some examples of Reasonable Accommodations include an extra bedroom for a 24-hour Live in Aide, or an extra room to store bulky medical equipment.

Specific Actions and Timeline	Continue to assist up to 2,000 households through: Moderate Rehabilitation SRO Program – 98 units Housing Choice Vouchers – 1,500 households (and growing) Project-Based Vouchers – 400 households Emergency Housing Vouchers – 51 households Mainstream Voucher Program – 91 households VASH – 40 households

Lead Department(s)/Agency	BHA
Funding Source(s)	HUD
AFFH	Housing Mobility; BHA will work to expand all areas of Berkeley with rental housing units. Provide targeted outreach to educate the community on Source of Income protection with the goal of increasing acceptance of HCVs in high resource areas. Increase baseline by 200 households by 2031.
Policies Implemented	H-1, H-2, H-3, H-4, H-7, H-23, H-25, H-26, H-27, H-29, H-30

HP-3 Citywide Affordable Housing Requirements

The City is revising its Citywide Affordable Housing Requirements to enhance the effectiveness of the program in delivering affordable housing, especially for extremely low-income households. Proposed changes include:

- Rate of Rent Increases. Cap the annual rate of rent increases for the Citywide Affordable housing Requirements (AHR) using both Consumer Price Index (CPI) and Area Median Income (AMI). Currently rent increases are based on AMI alone. Recent trends have resulted in sharper increases in AMI due to a greater share

of higher-income earners moving to the county rather than from increases in wages, resulting in the existing approach having unintended adverse impacts to tenants. While changes in CPI-U have traditionally been more stable than changes to AMI, this may change as we enter into a more inflationary cycle. The overall goal of this proposed program is to ensure that rent increases do not result in high housing cost burden or displacement of existing tenants.

- Extremely Low Income Units. Incentivize the provision of extremely low income (ELI, 30 percent of AMI) units by offering low income units to voucher holders prior to other income eligible households.
- In-Lieu Fee Based on Unit Size. Establish a per-square-foot in-lieu fee, instead of the existing per-unit basis for fees.
- Alternative Housing Types. Consolidate requirements, including live/work units and group living accommodations.
- In-Lieu Options for Compliance. Add land dedication as a potential alternative to providing on-site units.

Specific Actions and Timeline	By 2023, amend Berkeley Municipal Code (BMC) Chapter 23.38, updating the Citywide Affordable Housing Requirements (AHR) in the Zoning Ordinance. By 2023, adopt a Resolution addressing regulations for a voucher program and establishing an in-lieu fee pursuant to BMC Section 23.328.020(A)(2).

Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund; SB 2 Grant Funding; Enterprise Fund – Community Planning Fee
AFFH	Anti-Displacement and Tenant Protection New Opportunities in High Resource Areas Disproportionate Needs
Policies Implemented	H-2, H-3, H-4, H-6, H-18, H-32, H-34

HP-4 Housing Trust Fund

Berkeley's Housing Trust Fund (HTF) pools funds for affordable housing construction from a variety of sources with different requirements, and makes them available to developers through one single application process. Affordable housing developers and land trusts can find funding opportunities on this page as they become available. The Affordable Housing Mitigation Fee/Inclusionary fee is the primary driver of the HTF program. The HTF is also regularly supported by fees collected from condo conversions and new commercial development, as well as federal HOME funds.

The City has significantly expanded its capacity since the adoption of the Measure O bond for affordable housing in 2018. The City's funding commitments typically leverage

federal tax credits and State funds to complete 100 percent affordable projects. During the upcoming cycle, the City will complete over 500 units across 7 projects currently in the pipeline – as well as future opportunities. The City will also commit $53 million in HTF - $40M of Measure O and $13 in local funds – to fund a minimum of 35% affordable units at North Berkeley and Ashby BART.

Funding recipients will follow the standard Loan Terms, requiring 55-year development loans, unless variations are granted by the City Manager or City Council.

Specific Actions and Timeline	Fund a minimum of 500 units of nonprofit affordable housing Fund a minimum of 35% affordable housing at Ashby & North Berkeley BART
Lead Department(s)/Agency	HHCS
Funding Source(s)	Measure O, AHMF, Condo Conversion Mitigation Fee, Commercial Linkage Fee, HOME
AFFH	Anti-Displacement and Tenant Protection New Opportunities in High Resource Areas Disproportionate Needs
Policies Implemented	H-2, H-3, H-4, H-6, H-18, H-32, H-34

HP-5 Affordable Housing Overlay

The City will analyze the feasibility and effectiveness of an Affordable Housing Overlay Local Density Bonus to streamline approval of 100 percent affordable development projects and to increase achievable floor area and density through raised height limits, lot coverage, and/or floor area ratio (FAR) in certain residential zoning districts. As part of the Affordable Housing Overlay project, City staff will conduct targeted outreach in neighborhoods where the overlay would apply, including areas around downtown and the UC Berkeley campus, and along and adjacent to major commercial corridors.

Specific Actions and Timeline	By 2026, adopt a Affordable Housing Overlay Density Bonus, concurrent with the residential financial feasibility study, Residential Design Standards, and the General Plan Land Use Element Update
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	New Opportunities in High Resource Areas Targeted outreach in downtown, Southside, and major commercial corridors

Policies Implemented	H-2, H-3, H-4, H-6, H-15, H-16, H-18, H-20, H-32, H-33

HP-6 Preservation of At-Risk Housing

The City will monitor and assist in preserving deed-restricted housing. There are over 2,300 deed restricted affordable rental units within the City of Berkeley. Three projects (92 units) are at risk for potential conversion to market-rate units between 2023 and 2033. These are Bonita House (2 affordable units), Lawrence Moore Manor (46 affordable units), and Stuart Pratt Manor (44 affordable units). These projects are subject to annual renewal of its project-based Section 8 certificates with HUD.

Specific Actions and Timeline	Continue to implement the City's affordable housing policies and administer the Housing Trust Fund and Small Sites Programs that subsidize both new affordable housing development and rehabilitation of existing projects to preserve and extend their affordability. Annually monitor status of the at-risk project with the goal of preserving the 92 at risk units Ensure tenants are properly noticed by the property owners should a Notice of Intent to opt out of low income use is filed. Notices must be

	filed three years, one year, and six months in advance of conversion. Pursue acquisition of the affordable units through Affordable Housing Berkeley should conversion to market rate housing
Lead Department(s)/Agency	HHCS
Funding Source(s)	Housing Trust Fund
AFFH	Anti-Displacement and Tenant Protection
Policies Implemented	H-1, H-2, H-3, H-4, H-5, H-7

HP-7 Replacement Housing / Demolition Ordinance

Development on nonvacant sites with existing residential units is subject to replacement requirement, pursuant to AB 1397. Specifically, AB 1397 requires the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements set forth in State Density Bonus Law.

The City of Berkeley is currently working on a Demolition Ordinance in partnership with the Rent Board that goes beyond the protections afforded by State and Federal

legislation. Once adopted, all future development projects will be subject to these regulations.

Specific Actions and Timeline	By December 2022, update the Zoning Code to address the replacement requirements in a revised Demolition Ordinance.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	Anti-Displacement and Tenant Protection
Policies Implemented	H-4, H-5, H-8

HP-8 Rental Housing Safety

The City of Berkeley performs inspections of rental units to ensure they meet safety requirements defined by the California Building Standards Code. Both tenants and property owners can request inspections by the City. The program focuses on tenant-occupied housing and is both complaint-driven and proactive program. Code enforcement inspections will respond to requests for service from tenants as well as conduct proactive inspections on a regular cycle. Units where tenants have submitted a complaint to Housing Code Enforcement will be prioritized.

If the inspector finds any code violations, the City will provide a written report of the issue and set a timeline for correction. The property owner is responsible for correcting the violation before the City returns for a re-inspection. If the re-inspection finds that the property owner resolved the violation, the City will not charge a fee. If the re-inspection finds that the violation remains, the City will charge an inspection service fee, with costs increasing with each additional re-inspection.

	The City is currently working on expanding the proactive inspections program. Hiring 5 new staff, specifically hiring 2 inspectors and 1 administrative staff person in 2022, and 2 additional inspectors in 2023
Specific Actions and Timeline	Complete the Housing Inspector Manual by 2022 Rewrite and adopt the Berkeley Housing Code by 2023 Long-term goal of the Rental Housing Safety Program is to inspect every building during a 5-year cycle
Lead Department(s)/Agency	Building and Safety
Funding Source(s)	Program Fees: Annual, Inspection Service and Penalty Fees.

AFFH	Place-Based Strategy for Neighborhood Improvements
Policies Implemented	H-8, H-10, H-11

HP-9 Livable Neighborhoods

The City Manager's Office (CMO) provides guidance and resources to make neighborhoods safer and more livable for residents through its Livable Neighborhoods program. The Neighborhood Services Code Enforcement (NSCE) unit responds to requests for traffic calming, street lighting, and mediates complaints of noise and wood smoke disturbances, sewage releases, rodent and pests, and abandoned vehicles.

The NSCE leads on complex code enforcement cases that require multi-departmental response. The program is also updating the protocols by which such cases are referred and handled, which will lead to more efficient response times.

Currently there are three NSCE officer staff, who work closely with one zoning code enforcement officer in Planning. The City is in the process of updating its implementation of the Group Living Accommodations (GLAs) ordinance and has created an online registry system for GLAs or mini-dorms, as well as short-term rentals, to register. Mini-dorms are buildings in residential districts that are occupied by six or more adults. Sororities, Fraternities, and Student Co-ops are not considered Mini-Dorms, as long as they have a resident manager. Group living accommodations (GLA) are buildings

or units that are occupied by individuals. GLAs are characterized by separate sleeping rooms without individual kitchen facilities, and containing congregate bath and/or dining facilities or rooms.

Specific Actions and Timeline	Create an updated registry of GLAs by 2022. Expand NSCE by one additional officer by 2023. Update the process so that eligible GLAs can apply to receive a functionally equivalent exemption from certain requirements of the GLA ordinance, as specified in the ordinance itself.
Lead Department(s)/Agency	City Manager's Office – Neighborhood Service Code Enforcement (NSCE) Unit
Funding Source(s)	General Fund
AFFH	Place-Based Strategy for Neighborhood Improvements Neighborhood - Southside. Work with stakeholders and city staff to develop a process, with a targeted timeline to notify impacted GLAs by June 2022 and implement the new application by Sept 2022.
Policies Implemented	H-8, H-10, H-11

HP-10 Lead-Poisoning Prevention

The City of Berkeley's Environmental Health Division will incorporate "Proactive Lead-Based Paint Inspections" as part of the Childhood Lead Prevention Program (CLPP), and will continue documenting these types of inspectional activities throughout the 2023-2031 period. CLPP contains three levels: Tier I: Response to elevated blood-lead levels in children; Tier II: Proactive inspections; and Tier III is contractor enforcement.

Conducting proactive lead-based paint inspections satisfies State requirements as part of the CLPP program. These inspections (in coordination with Housing Code Enforcement staff) also provide a community service by responding to tenant concerns, particularly those with toddlers and young children. The City will inspect the presence of lead in the residential environment, especially where peeling lead paint has been identified. These inspections also provide documentation on lead levels in soil before and after any remediation.

Specific Actions and Timeline	Conduct an Environmental Investigation (EI) for presence of lead when peeling lead paint has been identified or if/when a child has elevated blood lead levels. The average inspection process from start to finish should take approximately 30 days to complete. Environmental Investigation timeframes – If blood lead level is:

	9.5 – 14.4 mcg/dL → Perform EI within four weeks of PHN referral. 14.5-19.4 mc/dL→ Perform EI within two weeks of PHN referral 19.5-44.4 mcg/dL → Perform EI within one week of PHN referral 44.5-69.4 mcg/dL → Perform EI within 48 hours of PHN referral Greater than 69.4 mcg/dL → Perform EI within 24 hours of PHN referral
Lead Department(s)/Agency	HHCS – Environmental Health
Funding Source(s)	California Department of Public Health's (CDPH) Childhood Lead Poisoning and Prevention Program (CLPP) Annual Grant
AFFH	Place-Based Strategy for Neighborhood Improvements Environmental Investigations will target neighborhoods which have been identified as having one or more cases of toddlers or young children with elevated blood lead levels, presumably linked to environmental sources.
Policies Implemented	H-8, H-10, H-11

HP-11 Housing Quality Standards

BHA implements HUD's housing inspection protocol, called Housing Quality Standards (HQS) to ensure safe and decent living conditions for Housing Choice Voucher holders. Each assisted unit is inspected before a contract is approved, and at least once every 12 months thereafter. The inspection is performed to determine compliance with HUD's HQS. The program withholds rental subsidies to landlords if the property fails inspection twice, as an incentive for landlords to make repairs.

Specific Actions and Timeline	Conduct an Annual Inspection approximately 9 months after the initial inspection, and every 9-10 months thereafter. Written notice of the inspection is mailed to the tenant and landlord approximately 2 weeks prior to the scheduled inspection. A person 18 or older must be present to grant the inspector permission to enter the unit. Minor repairs to be conducted on the spot if a maintenance person is available in order to avoid the need for a reinspection. If all deficiencies noted at the inspection are not repaired and confirmed by the scheduled reinspection date, rental subsidies will be withheld effective the first day of the month following the failed inspection. Payments will resume effective upon confirmation of all required repairs.

Lead Department(s)/Agency	BHA
Funding Source(s)	HUD
AFFH	Housing Mobility
Policies Implemented	H-7, H-8, H-10, H-11

HP-12 Home Modification for Accessibility and Safety

The City partners with Rebuilding Together, Habitat for Humanity, and Center for Independent Living (CIL) to fund home modifications for lower income households. Both organizations bring volunteers and communities together to provide free repair services for low-income homeowners.

Specific Actions and Timeline	Assist home modifications for approximately 13 homes annually or 104 homes over eight years
Lead Department(s)/Agency	HHCS
Funding Source(s)	Rebuilding Together: General Fund Habitat for Humanity: CDBG Center for Independent Living: CDBG

	Housing Mobility
AFFH	Targeted outreach to areas identified by the California Tax Credit Allocation Committee (TCAC) map as low or moderate resource census tract.
Policies Implemented	H-8, H-10, H-11, H-29, H-30

HP-13 Accessible Housing

The City promotes housing accessibility for persons with disabilities. The City also promotes its reasonable accommodation to property owners. The City also requires community-based organizations to conduct outreach throughout the community targeting the low and moderate income households, including seniors and people with disabilities, served by these programs.

BHA has a robust Reasonable Accommodation program for all of its program participants who are disabled – each time they conduct a new voucher holder intake, and in annual recertification packets, clients receive the Notice of Right to Request a Reasonable Accommodation, and a Form to Request a Reasonable Accommodation. All disabled households have the right to request a Reasonable Accommodation at any time, and BHA staff are trained to respond properly, adhering to Fair Housing Law.

All Project-based Voucher long term contracts have a requirement to adhere to current Section 504/ADA designs in the number of units.

	By 2026, encourage residential units to be developed with universal design and visitability principles in future PBV Master Contracts or exemptions for requiring a modified unit to be returned to its original state upon vacating the unit.
Specific Actions and Timeline	As part of BHA's MTW application addressed in Affordable Housing Berkeley, the fiscal flexibilities include the ability to spend up to $500 per unit to help landlords pay for unit modifications. This benefit cannot be combined with the CIL program addressed in Home Modification for Accessibility and Safety.
Lead Department(s)/Agency	BHA, Planning
Funding Source(s)	General Fund
AFFH	Housing Mobility Tenant Protection and Anti-Displacement
Policies Implemented	H-25, H-26, H-28, H-29

HP-14 Senior / Disabled Home Improvement Loan

The purpose of the Senior and Disabled Home Rehabilitation Loan Program is to assist low income senior and disabled homeowners in repairing/modifying their homes, to eliminate conditions that pose a threat to their health and safety and to help preserve the City's housing inventory. Qualified borrowers can receive interest-free loans of up to $100,000.

The building to be rehabilitated has to be located within the City of Berkeley boundaries. The property will contain no more than two units. Only the unit occupied by the senior or disabled homeowner is eligible to receive assistance.

Specific Actions and Timeline	Provide two interest-free loans up to $100,000 annually for a total of 16 loans over eight years.
Lead Department(s)/Agency	HHCS
Funding Source(s)	CalHome Reuse Account (program income) and CDBG
AFFH	Housing Mobility
Policies Implemented	H-25, H-26, H-28, H-29

HP-15 Seismic Safety and Preparedness Programs

The City implements, and supports, a number of programs to address seismic preparedness:

- Soft Story Program. Continue program management for buildings newly added to the soft story inventory, as well as code enforcement for non-compliant soft story buildings subject to Berkeley Municipal Code Section 19.39. [Soft Story Ordinance (Ord. No. 7,318-N.S.) adopted December 3, 2013.]
- Unreinforced Masonry (URM) Ordinance. Continue code enforcement for non-compliant URM buildings subject to Berkeley Municipal Code Section 19.38. (Ord. 6604-NS § 2, 2000) as of November 15, 1991.
- Retrofit Grants Program. In early 2017, the City launched its first Retrofit Grants Program to incentivize individual property owners to retrofit their seismically vulnerable buildings. This ground-breaking program leveraged both federal and state hazard mitigation grant funding from FEMA and the California Governor's Office of Emergency Services (CalOES) to reimburse property owners for a portion of their design and construction costs. In May 2020, the City received approval for additional hazard mitigation grant funding, enabling the City to launch a second round of the Retrofit Grants Program. The City will continue to seek additional hazard mitigation grant funding throughout 2023-2031, in an effort to provide further financial assistance to building owners, and encourage retrofit of additional Berkeley buildings.

- Seismic Retrofit Transfer Tax Rebate Program. This Program provides refunds of Berkeley transfer taxes for seismic upgrades to residential properties that are completed within one year of property transfer. Up to 1/3 of the base 1.5% transfer tax rate may be refunded on a dollar-for-dollar basis, for all expenses incurred on or after October 17, 1989, for seismic upgrades to residential property. This program applies to structures that are used exclusively for residential purposes, or any mixed-use structure that contains two or more dwelling units. Between 2013 and 2019, 702 rebates have been distributed, amounting to over $4M.
- Earthquake Brace and Bolt. Earthquake Brace and Bolt, a program of the California Residential Mitigation Program, provides rebates of up to $3,000 for homes that make qualifying seismic safety upgrades. For the first time, in 2022, this program will also provide grants for up to 100% of the costs for low-income homeowners. Berkeley is proactively making residents aware of and is utilizing the Brace and Bolt program, through news releases, distribution of flyers in the Permit Service Center, and workshops during annual registration to answer questions and encourage participation. The City actively promotes and tracks participation in the Earthquake Brace and Bolt rebate program.

Specific Actions and Timeline	Soft Story Program: As of March 1, 2022, out of 360 soft-story buildings, 265 buildings (containing approximately 2,995 units) have

complied with the soft story program requirements, and 35 soft story buildings (containing ~306 dwelling units) must still come into compliance with mandatory retrofit requirements. Of the remaining 35 buildings, 8 owners have obtained building permits, 13 have applied for permits and 14 have yet to apply. Facilitate the compliance of the remaining 14 buildings by 2025. Identify additional buildings may be added to the inventory for improvements.

Unreinforced Masonry Ordinance: Of the approximately 600 buildings originally included in the City's unreinforced masonry (URM) inventory, roughly 99 percent have been seismically retrofitted, demolished or demonstrated to have adequate reinforcement. As of March 1, 2022, four buildings remain on the city's URM list and are required to retrofit in order to avoid further penalties. Two of the four building owners have applied for retrofit permits, and two have expired permit applications. Facilitate the retrofitting of the remaining four building by 2025.

Provide Retrofit Grants to 50 property owners by 2023.

Seismic Retrofit Transfer Tax Rebate Program: Continue to issue building permit seismic upgrades and facilitate transfer tax rebates for qualifying properties.

	The City will continue to promote the Earthquake Brace and Bolt program, with the goal of helping at least 50 homeowners complete seismic retrofits and obtain rebates annually.
Lead Department(s)/Agency	Building and Safety
Funding Source(s)	Transfer Tax Rebate Program Retrofit Grants Program California Residential Mitigation Program
AFFH	Place-Based Strategy for Neighborhood Improvements Anti-Displacement and Tenant Protection
Policies Implemented	H-8, H-10, H-11, H-12

HP-16 Berkeley Pilot Climate Equity Fund

The Resilient Home Retrofit portion of the Berkeley Pilot Climate Equity Fund Program seeks to support building decarbonization that enhances resilience, supports occupants and reduces GHG emissions.

Many lower and moderate income (LMI) homes would benefit from health, safety, efficiency, and electrification upgrades. While there are some resources to support these repairs for income qualified homes, it is difficult for low income residents

to access multiple programs that have different application processes and eligibility requirements. The Resilient Home Retrofit aspect of the new Berkeley Pilot Climate Equity Fund Program seeks to demonstrate how retrofit funding available to income-qualified households can be combined with other programs to leverage greater benefits, and achieve meaningful home improvements for LMI residents.

This initial funding ($250,000) for this program will be used to retrofit approximately 15 LMI units (multi-family and single-family), and the hope is to get additional funding after this initial pilot funding is exhausted.

Specific Actions and Timeline	Select contractor to establish and implement program in 2022 Program implementation between 2022-2024, with the goal of retrofitting 15 low and moderate income homes. Depending on program effectiveness, pursue additional funding to continue program.
Lead Department(s)/Agency	OESD
Funding Source(s)	City Council authorized $600,000 from the General Fund in FY22 for the Berkeley Pilot Climate Equity Fund Program (2022-2024); $250,000 of this fund will support resilient retrofits for LMI homes. Hopeful that additional funding will become available.

AFFH	Place-Based Strategy for Neighborhood Improvements Disproportionate Housing Needs Homes for this Program may be anywhere in Berkeley, but are most likely to be in formerly red-lined areas in south and west Berkeley. Goal with existing funding is to retrofit 15 low and moderate income homes between 2022-2024.
Policies Implemented	H-8, H-10, H-13

HP-17 Berkeley Existing Buildings Electrification (BEBE) Strategy

The BEBE Strategy identified home repair and maintenance needs that accompany building electrification as a major challenge to decarbonizing existing residential buildings in Berkeley. The strategy seeks to transition existing buildings in Berkeley from natural gas appliances to all-electric alternatives in a way that benefits all residents, especially members of historically marginalized communities. The strategy focuses on how to equitably electrify all of Berkeley's low-rise residential buildings.

Specific Actions and Timeline	By 2023, complete Energy Equity for Renters Technical Assistance program with ACEEE and receive its research results. This is one

	implementation of BEBES that is tied to housing preservation. Within two years of receiving research results, develop programs and policies that promote energy efficiency while protecting tenants from displacement. By 2025, explore funding opportunities for equity programs, including integration of electrification measures into housing protection and preservation programs, such as the City's Senior and Disabled Home Loan Program or Section 8 housing voucher program.
Lead Department(s)/Agency	OESD
Funding Source(s)	General Fund ACEEE-funded program, with foundation support
AFFH	Place-Based Strategy for Neighborhood Improvements Disproportionate Housing Needs Anti-Displacement and Tenant Protection Neighborhoods most targeted would be those with the largest proportion of renters in older buildings: Southside, central Berkeley, and west and south Berkeley. Goal with existing funding is

	to retrofit 15 low and moderate income homes between 2022-2024
Policies Implemented	H-8, H-10, H-13

HP-18 Building Emissions Saving Ordinance (BESO)

Berkeley's Building Emissions Saving Ordinance (BESO) requires building owners and homeowners, at the time of listing a property for sale, to complete and publicly report comprehensive energy assessments with tailored recommendations on how to save energy, eliminate fossil fuels and link building owners to incentive programs for energy efficiency and electrification upgrades.

Specific Actions and Timeline	On average, around 400 buildings complete BESO assessments each year. Requirements for building upgrades are anticipated in the next ordinance amendment in 2023-2025.
Lead Department(s)/Agency	OESD
Funding Source(s)	General Fund

AFFH	Place-Based Strategy for Neighborhood Improvements Disproportionate Housing Needs BESO applies to homes anywhere in the City of Berkeley; distribution of eligible homes is dependent on the geography of home listings.
Policies Implemented	H-8, H-10, H-13

HP-19 BayREN Single-Family Homes and Multi-Family Homes Programs

The City of Berkeley actively promotes participation in this technical assistance, rebate, and financing program for renovation projects improving health, comfort, utility costs, and resilience. Higher energy burdens have real implications on the health and wellbeing, and housing stability for families and individuals. These programs include energy efficiency measures that reduce energy burden on low and moderate income residents. BayREN provides technical assistance, rebates, financing for energy efficiency and electrification projects that are recommended by BESO assessments and currently promoted by Berkeley for voluntary upgrades. Berkeley tracks BayREN rebate receivers as a performance metric. The City has program influence and has been successful in recruiting participants for the program, particularly through BESO.

Specific Actions and Timeline	Continue to assist in recruiting participants to BayREN's rebate programs through BESO and other outreach, with the goal of assisting at least 75 single-family homes and 125 multi-family dwelling units annually in receiving BayREN incentives for qualifying renovations (or 600 single-family homes and 1,000 multi-family dwelling units over eight years).
Lead Department(s)/Agency	OESD
Funding Source(s)	BayREN is funded by utility ratepayer funds through the California Public Utilities Commission, as well as other sources.
AFFH	Place-Based Strategy for Neighborhood Improvements Disproportionate Housing Needs Targets neighborhoods with the greatest proportion of homes in need of energy efficiency, health, and safety retrofits; most likely to be in areas with older, less maintained homes, such as Southside, central, west, and south Berkeley. Goal is to get 75% of total BayREN projects in these neighborhoods (so 450 single-family homes and 750 multi-family dwelling units over eight years)

Policies Implemented	H-8, H-10, H-13

HP-20 Priority Development Areas (PDAs)

The City will be developing a San Pablo Avenue Corridor PDA Specific Plan, which will study potential zoning and General Plan amendments to increase allowed densities and development capacity and mechanisms to incentivize affordable housing. The specific plan process is anticipated to begin in summer 2022.

The City will also be pursuing zoning map and height amendments in the Southside Plan Area, which comprises a portion of the Telegraph PDA. These proposed zoning modifications are intended to increase housing capacity and production in the Southside through changes in a targeted number of zoning parameters: building heights, building footprints (including setbacks and lot coverage), parking, ground-floor residential use, and adjustments to the existing zoning district boundaries.

Specific Actions and Timeline	During 2022-2024, develop San Pablo PDA Specific Plan. Conduct analysis, public and stakeholder engagement, and policy options, including zoning and General Plan amendments, with the goal of adopting Specific Plan summer 2025.

	By June 2023, complete Telegraph PDA/Southside Plan Area zoning map amendments and up-zoning.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund, ABAG/MTC PDA Planning Grant
AFFH	New Opportunities in High Resource Areas
Policies Implemented	H-15, H-16, H-18, H-20, H-21, H-32, H-34

HP-21 BART Station Area Planning

The City and the San Francisco Bay Area Rapid Transit District (BART) are collaborating to advance equitable transit-oriented development (TOD) at the Ashby and North Berkeley BART station areas. The development of the Ashby and the North Berkeley BART station sites is a multi-year, multi-phase process, including ongoing community engagement. The preliminary planning stage has focused on milestones outlined in the March 2020 MOU to prepare to issue Requests for Qualifications (RFQs) for potential developer teams for the two sites, anticipated in summer 2022. These milestones include: a provisional reservation by the City Council to reserve $53 million of City affordable housing funding for the two sites (April 2021), adoption of

zoning consistent with AB 2923 and a City-BART Joint Vision and Priorities document based on City and BART adopted policies and plans and a community process that included a Council-appointed Community Advisory Group.

Specific Actions and Timeline	By Summer 2022, adopt zoning and associated General Plan amendments consistent with AB 2923; adopt City – BART Joint Vision and Priorities for Transit-Oriented Development at the Ashby and North Berkeley BART Station Areas and certify EIR on these documents.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	Place-Based Strategy for Neighborhood Improvements BART's TOD Performance Targets prioritize below market rate units for low and very low income households and transit dependent populations. Complete streets and active transportation improvements are underway at North Berkeley BART.
Policies Implemented	H-14, H-15, H-16, H-18, H-21, H-34

HP-22 Middle Housing

The City is currently in the process of amending the Zoning Code and applicable objective development standards to encourage and promote a mix of dwelling types and sizes, particularly infill housing in high resource neighborhoods. The zoning updates would allow for by-right multi-unit development on one lot to encourage housing for middle- and moderate-income households and increase the availability of affordable housing in a range of sizes to reduce displacement risk for residents living in overcrowded units or experiencing high housing cost burden.

Modeling conducted by the Terner Center indicates that the City of Berkeley could anticipate approximately 1,100 new market-feasible units through SB 9. Using HCD's 70th percentile methodology, the Housing Element assumes 770 additional units distributed throughout the lower density residential districts for the 2023-2031 period. (July 21, 2021. Terner Center. https://ternercenter.berkeley.edu/wp-content/uploads/2021/08/Terner-Center-SB9-model-jurisdiction-output.xlsx)

To facilitate middle housing while balancing the need for affordable units, the City will also introduce a reduced inclusionary housing fee for middle housing projects with less than 12,000 gross square feet (GSF), with a sliding scale increase for projects with floor areas between 0 and 12,000 GSF.

Specific Actions and Timeline	By Spring 2023, amend Affordable Housing Fee schedule. By Summer 2023, amend Zoning code to allow two- to four-unit development on one lot.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	New Opportunities in High Resource Areas Anti-Displacement and Tenant Protection Targeted outreach in lower density Residential districts: R-1, R-1A, R-2, R-2A, and MU-R
Policies Implemented	H-2, H-3, H-4, H-18, H-24, H-31, H-32, H-33, H-34

HP-23 Accessory Dwelling Units

The City will continue to implement Chapter 23.306 of the Berkeley Municipal Code (Zoning) to allow accessory dwelling units by right Citywide. On January 8, 2022, the City adopted maximum ADU building heights of 20 feet in areas outside of the Very High Fire Severity Zones, which is more permissive than the State law requirement of 16 feet. The City will monitor the latest hazard and risk science and assessments for natural and manmade hazards in Berkeley.

The City may modify ADU development standards based on changing understanding of conditions of risks and hazards.

The City will facilitate ADU production by:

- Prioritizing accessory dwelling unit permit applications;
- Promote ADU standards by including information on the City's website and making fact sheets available at the City's permit counter; and
- Providing one dedicated ADU planner to respond to questions and offering office hours and other educational programs for those interested in creating ADUs.

Specific Actions and Timeline	Permit on average 100 ADUs or JADUs per year (800 ADUs or JADUs over eight years) Provide contact info for ADU planner on ADU webpage Update ADU webpage on an annual basis to ensure information addresses questions raised by applicants Provide annual update on ADU permit progress to Planning Commission and City Council Coordinate ADU policies with the Community Wildfire Protection Plan (CWPP) and Fire Department Standards of Coverage assessment.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund

AFFH	New Opportunities in High Resource Areas
Policies Implemented	H-8, H-17, H-18, H-19, H-33

HP-24 Adequate Sites for RHNA and Monitoring of No Net Loss

The City of Berkeley has been allocated 8,934 units (2,446 very low income, 1,408 low income, 1,416 moderate income, and 3,664 above moderate income units). Based on projected ADUs, BART station area planning (HP-21) and entitled projects, the City has met 4,685 of its RHNA. Based on existing uses, zoning and development standards, the City has identified an inventory of sites with potential for redevelopment over the eight year planning period to accommodate 9,028 units (1,649 very low income, 1,649 low income, 2,886 moderate income, and 2,845 above moderate income units), adequate to address the remaining RHNA.

To ensure that the City comply with SB 166 (No Net Loss), the City will monitor the consumption of residential and mixed use acreage to ensure an adequate inventory is available to meet the City's RHNA obligations. To ensure sufficient residential capacity is maintained to accommodate the RHNA, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863. Should an approval of development result in a reduction of capacity below the

residential capacity needed to accommodate the remaining need for lower income households, the City will identify and if necessary, rezone sufficient sites to accommodate the shortfall and ensure no net loss in capacity to accommodate the RHNA.

Specific Actions and Timeline	Maintain an inventory of the available sites for residential development and provide it to prospective residential developers. By Summer 2024, implement a formal evaluation procedure pursuant to Government Code Section 65863 to monitor the development of vacant and nonvacant sites in the sites inventory and ensure that adequate sites are available to meet the remaining RHNA by income category.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	New Opportunities in High Resource Areas
Policies Implemented	H-8, H-18, H-19

HP-25 Homeless Services

The City of Berkeley is committed to addressing homelessness and is working on a large variety of new and potential homeless programs, including:

- Acquisition of the Golden Bear Inn for Project HomeKey;
- Leasing with the Rodeway Inn to provide sheltering for people currently living at People's Park; and
- A drop-in center for the unhoused in People's Park and Telegraph Ave district jointly funded by UC Berkeley

Preliminary discussions are underway to assist Berkeley Food and Housing Project in acquiring Russell Street Residence.

The City is also working to implement a new rental assistance program ("Shallow Subsidies") for people who are unhoused but do not need supportive services, and the City is administering a County contract to place unhoused people in motels to provide respite from the streets.

Finally, the City is also assisting Larkin Street to purchase the property at 3404 King Street, currently owned by Fred Finch and operated as transitional housing for homeless youth, for the same purpose.

Specific Actions and Timeline	Establish programs and services by the end of 2025 with the goal of assisting: Increase capacity for housing the homeless by 43 beds/persons at Golden Bear Inn Increase capacity for housing the homeless by 43 beds/persons at the Rodeway

	Serve an average of 15-25 unhoused persons the drop-in center daily Maintain transitional housing for 12 transition aged youth at 3404 King Street
Lead Department(s)/Agency	HHCS and CMO
Funding Source(s)	Local (Measure P, general fund); State HomeKey; State Encampment Resolution Fund grant; City of Berkeley - University of California Settlement Payment funds
AFFH	Tenant Protection and Anti-Displacement Place Based Strategies for Neighborhood Improvement New Opportunities in High Resource Areas Housing Mobility
Policies Implemented	H-1, H-3, H-4, H-18, H-22, H-23, H-27

HP-26 Shelter Plus Care

Shelter Plus Care is a housing subsidy program for individuals who are chronically homeless and disabled in Berkeley. Participants pay approximately 30% of their income towards rent, and receive ongoing supportive services. Shelter Plus Care participants must have a disability due to mental illness,

drug or alcohol dependence, physical disability, or chronic medical condition, and meet the following criteria for homelessness:

- Continuously homeless on the streets or in shelters for last 12 consecutive months;
- Currently on the streets or in a shelter for less than 12 months, with at least 4 separate occasions of being homeless and on the streets/in shelters during the past 3 years as long as the combined occasions equal at least 12 months; OR
- Staying in an institutional care facility for fewer than 90 days and prior to that met the above criteria for being chronically homeless (Institutional care facilities include jails, substance abuse or mental health treatment facilities, hospitals or other similar facilities).
- Residing in transitional housing and prior to that met the above criteria for being chronically homeless (Persons in transitional housing do not meet HUD criteria, but may qualify for City of Berkeley program on a limited basis).

The City continues to administer 300 Shelter Plus Care vouchers for the homeless, along with supportive services.

Specific Actions and Timeline	Enroll 10 new clients annually as vouchers become available due to existing clients exiting the program
Lead Department(s)/Agency	HHCS

Funding Source(s)	Federal S+C Funding
AFFH	Housing Mobility Tenant Protection and Anti-Displacement
Policies Implemented	H-1, H-22, H-23, H-27

HP-27 Housing for Homeless Persons with Disabilities

The City plans to provide local subsidy to Resources for Community Development (RCD) for a 119-unit very low income development for households earning between 10 and 50 percent AMI (Supportive Housing in People's Park) with at least 50 percent of the units dedicated to previously unhoused residents with mental health conditions. This project has been allocated 27 project-based vouchers by BHA.

Specific Actions and Timeline	Assist in the development of a 119-unit very low-income housing project; begin construction in 2023/2024.
Lead Department(s)/Agency	HHCS Mental Health
Funding Source(s)	MSHA funding and others to be determined
AFFH	Tenant Protection and Anti-Displacement

Policies Implemented	H-1, H-3, H-4, H-20, H-22, H-23, H-26, H-28, H-29, H-30

HP-28 Rental Assistance

The City utilizes CDBG and local Measure P funding to contract with Community Based Organizations (CBOs) to provide supportive services. These services help stabilize households in rental assistance programs and to move unhoused community members into permanent supportive housing.

Specific Actions and Timeline	Provide rental assistance to 50-75 new households annually (or 400-600 new households over eight years)
Lead Department(s)/Agency	HHCS
Funding Source(s)	CDBG; local Measure P
AFFH	Tenant Protection and Anti-Displacement
Policies Implemented	H-1, H-2, H-3, H-23

HP-29 Fair Housing Outreach and Enforcement

The City contracts with ECHO Housing for Fair Housing services and ensure the public has access to information through the City's website, and other modes of communication, including newsletters and through local Community-Based Organization (CBO) partners. The City also partners with East Bay Community Law Center (EBCLC) to provide no cost legal advocacy help to low income tenants.

The City's approach is to be collaborative with landlords through the Berkeley Property Owners Association (BPOA) to provide trainings to rental property owners.

Specific Actions and Timeline	Continue to provide fair housing services to residents, landlords, and housing professionals. Increase outreach and education to Homeowners Associations. Conduct 9 education/training workshops annually for tenant-focused CBOs and property owner associations. Provide annual 70 training sessions on fair housing rights and requirements to rental property owners. Conduct 22 outreach events to inform Berkeley residents of their rights. Conduct 10 tenant/landlord mediation sessions to resolve disputes and/or legal problems. Conduct an Equity Study to target program marketing

Lead Department(s)/Agency	HHCS
Funding Source(s)	CDBG
AFFH	Fair Housing Outreach and Enforcement: ECHO is tasked with reaching specific target demographics including people with disabilities, female heads of households, homeless households, and chronically homeless households. Echo records income and demographic data for each client served to ensure the City is consistent with AFFH goals. ECHO's counselor will respond to all inquiries and complaints from City of Berkeley regarding illegal housing discrimination based on race, sex, sexual orientation, gender identity, national origin, marital status, familial status, physical and mental disability, religion, source of income, and all other arbitrary forms (immigration status, LEP, personal characteristics) of discrimination as defined in state and federal fair housing law. ECHO will deliver services to any Berkeley renter who feels they have experienced illegal housing discrimination or any housing provider requiring education or training with regard to federal, state, and local fair housing laws and ordinances.

	As a Qualified Fair Housing Enforcement Organization (QFHO), ECHO continues to coordinate and collaborate with cooperating attorneys, the Department of Housing and Urban Development, and the Department of Fair Employment and Housing on cases we have investigated and referred for litigation.
Policies Implemented	H-5, H-28

HP-30 Rent Stabilization and Tenant Protection

The Rent Stabilization Board (RSB) works closely with other City departments to ensure that tenants are protected from retaliation when they complain about code violations and to assist landlords in following the requirements of the law when they need to temporarily relocate tenants in order to make repairs. The Board also assists with the enforcement of the Fair Housing Ordinance (BMC Section 13.30.050) by providing funding for the East Bay Community Law Center and the Eviction Defense Center, which provide legal services to the low-income community.

In March 2022, the Board proposed three amendments to the Rent Ordinance for Council to place on the November ballot. These amendments are designed to ensure that the Rent Ordinance better serve its purpose; namely the prevention of arbitrary, discriminatory or retaliatory evictions in order to maintain the diversity of the Berkeley community and to

ensure compliance with legal obligations relating to the rental of housing.

The proposed amendments include an amendment to allow for rent control protections to attach to new units that were built as a result of demolition under Senate Bill 330; an amendment to expand eviction protections for tenant households that exceed the number of occupants allowed at the inception of the tenancy; and an elimination of City Council's ability to exempt rent control from units when the vacancy rate reaches a certain level.

Specific Actions and Timeline	Proposed amendments to the Rent Stabilization and Eviction for Good Cause Ordinance for November 2022 ballot.
Lead Department(s)/Agency	RSB
Funding Source(s)	Fees
AFFH	Anti-Displacement and Tenant Protection
Policies Implemented	H-4, H-5, H-9, H-11, H-26

HP-31 Tenant Survey

The City has issued an RFP to conduct a Tenant Survey to gather a representative sample of tenants' experiences in Berkeley today. The data collected will be used to ensure the

City's elected Rent Stabilization Board adopts legislation that promotes policies and services stated in the Berkeley Rent Ordinance. Based on data from Tenant Survey, the Board will make changes to the Rent Stabilization Ordinance.

Specific Actions and Timeline	Conduct Tenant Survey in Spring 2022 with summary of data to the Board by end of calendar year 2022.
Lead Department(s)/Agency	RSB
Funding Source(s)	Fees
AFFH	Anti-Displacement and Tenant Protection
Policies Implemented	H-5, H-8

HP-32 Housing Preference Policies

Currently, the BHA Housing Choice Voucher waitlist provides preference points for households or families that—at the time of selection from the waiting list—reside in the City of Berkeley, or formerly resided in Berkeley, or include a member who works or has been hired to work in the jurisdiction. Use of this preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender,

religion, disability, or age of any member of an applicant family.

The City is developing a housing preference policy to assist residents at-risk of displacement and those who have already been displaced to receive priority for new, local affordable housing units. The City intends for this policy to apply to units created via its HTF and BMR programs to the extent permissible by Fair Housing law.

Specific Actions and Timeline	By 2023, the City will adopt a housing preference policy. The City plans to conduct outreach on an ongoing basis, coordinate preferences with the Alameda County Housing Portal for applications, and collect data and monitor annually to asses impact.
Lead Department(s)/Agency	BHA and HHCS
Funding Source(s)	General Fund
AFFH	Anti-Displacement and Tenant Protection
Policies Implemented	H-1, H-7, H-28

HP-33 Tenant Opportunity to Purchase Act

The proposed Tenant Opportunity to Purchase Act (TOPA) is a policy that empowers tenants to determine the future of

their housing when a rental property owner is ready to sell, by giving tenants or qualified nonprofits, the opportunity to collectively purchase the property they live in. It does this by creating legal rights for tenants to purchase or assign rights to an affordable housing developer, and providing technical assistance, education, and financing to help make these purchases possible. TOPA provides a way to stabilize existing housing for tenants and preserve affordable housing in Berkeley. It also creates pathways for tenants to become first-time homeowners and facilitates democratic residential ownership. TOPA will apply to all rental properties in Berkeley, subject to a number of exemptions:

- Any rental property comprised entirely of owner occupied Rental Units, including any owner occupied single-family dwelling
- Single-family and duplex properties in which the owner owns one rental property in the City of Berkeley, excluding investor-owned properties
- Any Accessory Dwelling Unit (inclusive of any junior Accessory Dwelling Unit) located on the same parcel of an owner occupied single-family dwelling or owner occupied ADU
- Transfers to family members
- Transfers by inheritance

Owners of rental properties that are exempt can receive the benefit of TOPA incentives if they comply voluntarily with TOPA policies and procedures.

Specific Actions and Timeline	Within 30 days after adoption, the requirement to provide notice of sale and the right of first offer requirements would apply. All other provisions would be suspended until adoption of Administrative Regulations. Create detailed Administrative Regulations and identify a well-funded infrastructure to administer and enforce TOPA, including funding to support property acquisition. Once adopted, provide education, legal and technical assistance to tenants.
Lead Department(s)/Agency	Office of the Mayor
Funding Source(s)	General Fund, Small Sites Program, Measure U1 tax receipts, Housing Trust Fund, Measure O, grant and future regional subsidies
AFFH	Anti-Displacement and Tenant Protection
Policies Implemented	H-3, H-4, H-6, H-8, H-28

HP-34 By-Right Approval on Reused Sites for Affordable Housing

Pursuant to AB 1397 passed in 2017, the City will amend the Zoning Code to provide by-right approval of housing

development in which the project includes 20 percent of the units as housing affordable to lower income households, on sites being used to meet the Sixth Cycle Housing Element RHNA that represent "reused sites" from previous Housing Element cycles. The "reused" sites are specifically identified in the inventory and will be identified and monitored in a publicly accessible map.

Specific Actions and Timeline	By January 2024, amend the Zoning Code to provide by-right approval of projects with 20 percent lower income units on sites that are reused from the previous Housing Element cycles. By January 2024, create an additional GIS layer in the public facing Community Map portal to identify all Sites Inventory sites, with a color to identify the 18 reused sites that must be approved by-right for 20 percent lower income units. As projects are entitled, permitted, and constructed, the GIS layer must be updated, by unit count and affordability categories.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	New Opportunities in High Resource Areas

Policies Implemented	H-1, H-3, H-4, H-6, H-18, H-19, H-32, H-33, H-34

HP-35 Zoning Code Amendment: Special Needs Housing

The City will update the Zoning Code to align with required State laws for special needs housing:

- Lanterman Act. Remove minimum parking requirement for non-resident employees to ensure that development standards do not constrain the development of residential care facilities.
- AB 101. Low Barrier Navigation Center must be permitted by-right where multi-family residential land use is permitted
- AB 2162. Supportive housing must be permitted by-right where multi-family and mixed-use residential development is permitted, if:
    - At least 25% of the units in a development or 12 units, whichever is greater, are restricted to residents in supportive housing who meet criteria of the target population; or
    - If the development consists of fewer than 12 units, then 100 percent of the units restricted to residents in supportive housing who meet criteria of the target population.

- Health and Safety Code Section 17021. Any employee housing providing accommodations for six or fewer employees is deemed a single-family structure with a residential land use designation. For the purpose of all local ordinances, employee housing cannot be included within the definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling.

Specific Actions and Timeline	By 2023, review and adopt new zoning provisions to align land use standards with State law requirements for special needs housing.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	Housing Mobility
Policies Implemented	H-1, H-26, H-27, H-32, H-33

HP-36 Zoning Code Amendment: Residential

Currently, the Berkeley Zoning Code does not contain a minimum or maximum density standard expressed in "units per acre" for the majority of its residential and mixed-use zoning districts. While the zones have no density caps, a

minimum density threshold can ensure adequate baseline capacity to meet RHNA targets and achieve Housing Element compliance.

Specific Actions and Timeline	By January 2024, as part of the Multi-Unit Residential Objective Standards project, minimum densities will be applied to all residential and mixed-use developments with five or more units. By 2026, develop Objective Design Standards for residential and mixed use developments.
Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	Place-Based Strategy for Neighborhood Improvements New Opportunities in High Resource Areas
Policies Implemented	H-18, H-31, H-32, H-33

HP-37 Permit Processing

Delays in processing development applications can increase the costs of development. The City plans to update its Planning and Building technology systems, including digital permitting software and inspections software, to move all

applications and processes online and reduce time and cost for both the applicant and the City.

To provide additional transparency regarding project permit status, the City will maintain its permit tracking software so that permit status and completeness determination is available publicly and kept up-to-date.

In addition, in cases where CEQA exemption or documentation is recommended to the decision-making body, the determination of the level of environmental review is not clearly documented. The City will draft a template for completeness letters to include a preliminary CEQA level of environmental review determination.

Specific Actions and Timeline	By July 2022, the City will add a section in its completeness letter template regarding the preliminary determination for CEQA level of review. By December 2024, conduct needs assessment, develop RFP for the Planning and Building technology systems, and hire a consultant. Complete scope of work within 24 months of executed contract. By 2024, the City will maintain its permit tracking software so that permit status and completeness determination is available publicly and kept up-to-date when CEQA and decisions are made.

Lead Department(s)/Agency	Planning
Funding Source(s)	General Fund
AFFH	n/a
Policies Implemented	H-19, H-31, H-32, H-33

5.5 QUANTIFIED OBJECTIVES

State law (Government Code Section 65583[b]) requires that the Housing Element contain quantified objectives for the maintenance, preservation, improvement, and development of housing. The quantified objectives are separate from the City's sites inventory capacity detailed in Section 5.1 Summary of Land Available for Housing.

State law recognizes that the total housing needs identified by a community may exceed available resources and the community's ability to satisfy this need. Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall, however, establish the target number of housing units by income category that can be constructed, rehabilitated, and conserved over the eight-year planning period.

For the 2023-2031 Housing Element planning period, the City has established the following quantified objectives for the number of units—by income level—likely to be constructed,

rehabilitated, or conserved based on the programs described above and existing and anticipated resources.

Table 5.6: Summary of Quantified Objectives (2023-2031)

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	1,614	832	1,408	1,416	3,664	8,934
Construction	277	815	881	231	7,284	9,488
Entitled Projects	-	172	178	9	2,326	2,685
Pipeline Projects	-	204	180	68	1,962	2,414
▪ HP-4 Housing Trust Fund	107	213	213	-	-	533
▪ HP-21 BART Station Area Planning	84	126	210	-	780	1,200
▪ HP-22 Middle Housing	-	-	-	154	616	770
▪ HP-23 Accessory Dwelling Units	-				800	800
▪ HP-25 Homeless Services	86	-	-	-	-	86
▪ HP-36 Zoning Code Amendment	-	100	100	-	800	1,000
Rehabilitation	115	27	132	16	0	290

▪ HP-2 Housing Choice Vouchers	98	-	-	-	-	98
▪ HP-4 Housing Trust Fund	17	27	28	-	-	72
▪ HP-12 Home Modification for Accessibility and Safety	-	-	104	-	-	104
▪ HP-14 Senior / Disabled Home Improvement Loan	-	-	-	16	-	16
Conservation	46	46	-	-	-	92
▪ HP-6 Preservation of At-Risk Housing	46	46	-	-	-	92
TOTAL	438	888	1,013	247	7,284	9,870

Pursuant to AB 2634, in estimating the number of extremely low-income households, a jurisdiction can apportion the very low-income figure based on Census data. As shown in Table 3.8: Household Income by Tenure, extremely low- and very low-income households total 14,565 households, with extremely low-income households comprising 66% of the 14,565 households. Therefore, the City's very-income RHNA of 2,446 can be split into 1,614 extremely low-income and 832 very low-income units.

Construction of units are based on projected development trends and anticipated economic conditions. Actual housing

production relies on the private, non-profit, and public housing development community, as well as property owner decisions, market conditions, and other factors that are outside of the control of the City. Ongoing operations subsidies are necessary for extremely low income units, which have historically been underfunded at the State and Federal level.

The Rehabilitation objective for the eight-year planning period are based on the HTF guidelines and the number of rehabilitated units funded by the HTF in the past, as well as based on the past performance of Berkeley's rehabilitation programs. Condominium conversions are assumed to be in the above moderate-income category. Senior and Disabled Home Loans are in the moderate-income category. All others are assumed to rehabilitate housing for low-income households.

Housing Trust Fund	ELI 107 units (9 units / year) VLI 213 units (18 units / year) LI 213 units (18 units / year)
Home Rehabilitation (CESC and Rebuilding Together)	LI 104 units (13 units / year)
Senior and Disabled Home Loans	Mod 16 units (2 units / year)

The Conservation objective represents the conservation of the 92 units at risk of converting to market rate through the City's program HP-6 Preservation of At-Risk Housing.