



# Densifying Berkeley: Potential Impacts on Displacement and Equity

**A REPORT BY THE ANTI-EVICTION MAPPING PROJECT**



# Overview

**Berkeley, like many California and Bay Area cities, is experiencing an affordable housing crisis.**

- Between 2005-2019, the median gross rent for the city **increased by over 50%**
- **In 2019, 53% of tenant households in Berkeley were rent burdened, and almost a third spent more than 50% of their income on rent**

As the City of Berkeley contemplates how to implement SB 9 and revise the Housing Element with zoning laws that promote denser housing development, this study investigates the impacts of upzoning and densification, especially on Black, brown, and low-income renters.

**Our recommendations focus on how Berkeley can use zoning reform in combination with its strong tenant protections to distribute the benefits of upzoning more equitably and to mitigate the risks of displacement and of racial exclusion.**

# DEBATES AROUND UPZONING



# Densification and the false YIMBY vs. NIMBY dichotomy



Image sources: Leslie Dreyer / Shelterforce;  
Stephen Woods / WAMU; Patrick Range  
McDonald



# ZONING IN BERKELEY



# Current residential zoning in Berkeley reflects legacies of racist exclusionary practices: A majority of the city is zoned for R1-R1A, R2-R2A

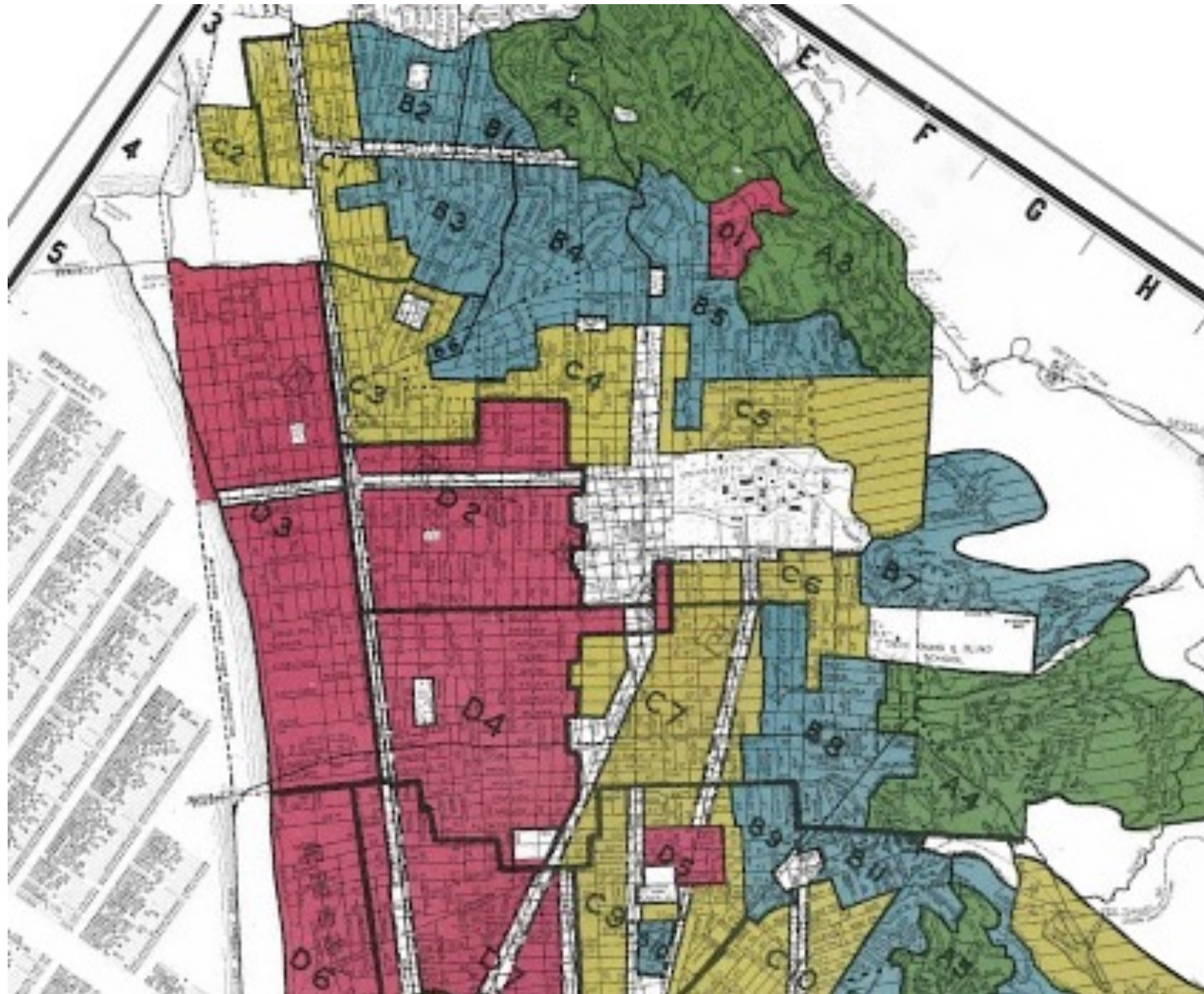


Image shows racially discriminatory HOLC map of Berkeley. Areas in North and southeast Berkeley are drawn green as "Best" and blue "Still Desirable", indicating majority white populations, while West and South Berkeley are red or "Hazardous", indicating neighborhoods with majority Black or Asian communities.

- Single Family, Limited two family (R1, R1A)
- Two-family Residential, Restricted Multiple-family Residential (R2, R2A)
- Multi-family Residential (R3, R4)
- Residential High Density SubArea (RS, RSMU)
- Mixed Use Residential (MUR)
- Commercial Zones

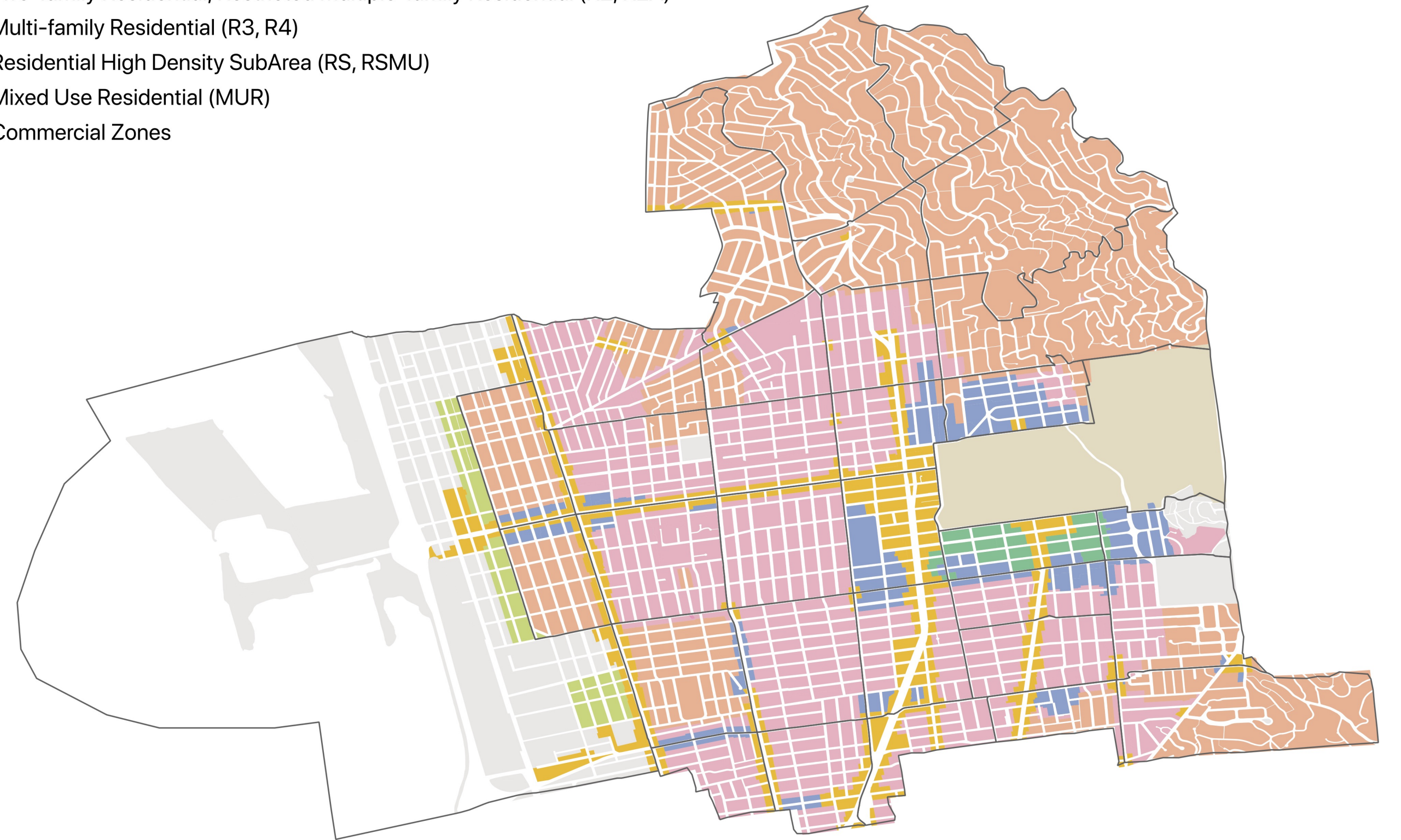


Image shows current residential zones in Berkeley.



## Current development practices favor market-rate housing

**Affordable housing, most of which are achieved through inclusionary bonuses, have only accounted for 8.6% of all permits in this RHNA cycle (2015-2023)**

**Our studies shown in future slides indicate that upzoning policies must address this deficit in housing development in order to protect low income communities and further racial equity**

**Table 2. 2020 RHNA Allocation Progress**

<b>Income Level<sup>1</sup></b>	<b>5<sup>th</sup> Cycle RHNA Allocation</b>	<b>Units Permitted (2020)</b>	<b>Total Units Permitted (2015-2020)</b>	<b>Remaining Units</b>	<b>Percent Progress</b>
Very Low (< 50% AMI)	532	38	172	360	32%
Low (50 – 80% AMI)	442	13	61	382	14%
Moderate (80 – 120% AMI)	584	-	-	584	0%
Above Moderate (> 120% AMI)	1401	539	2476	-	177%
<b>Total RHNA</b>	<b>2959</b>				
<b>Total Units Permitted</b>		<b>590</b>	<b>2709</b>		



# BERKELEY'S AFFORDABLE HOUSING CRISIS

## KEY FINDINGS FROM THIS SECTION:

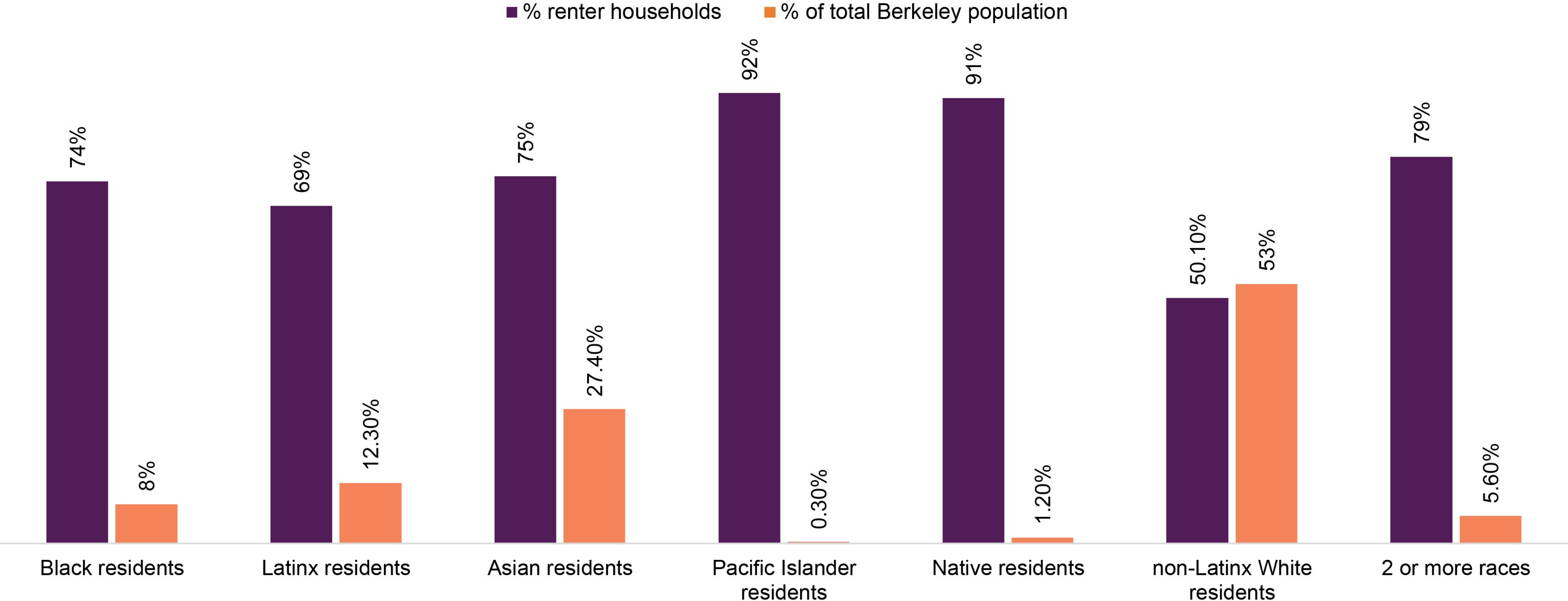
- THE PRIVATE MARKET IS UNABLE TO PRODUCE SUFFICIENT LEVELS OF AFFORDABLE HOUSING, EVEN WITH SUBSIDIES AND OTHER INCENTIVES.
- AFFORDABLE HOUSING IS MORE EFFECTIVE AT COMBATING DISPLACEMENT THAN MARKET-RATE DEVELOPMENT.
- THE GREATEST DEFICIT IN BERKELEY'S HOUSING SUPPLY LIES AT LOW INCOME (50-80% AMI) AND VERY LOW INCOME (<30-50% AMI) LEVELS; ONLY 30% OF THESE RESIDENTS ARE ADEQUATELY HOUSED.



**53%** of Berkeley renter households were rent burdened in 2019: a total of **13,794 households**

**Berkeley residents who are Black, Indigenous, and people of color are disproportionately renters rather than homeowners and are therefore disproportionately vulnerable to high rents and rent burden.**

Percent Renter Occupancy vs. Percent Berkeley Population, 2019



Source: American Community Survey, 2019 5-yr estimate



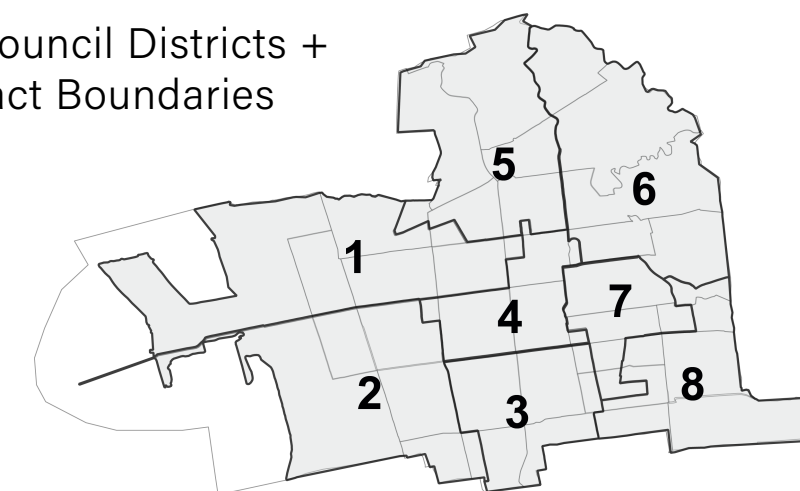
# Increase in rent & displacement of low income renters

**2019, the estimated average rent in Berkeley was \$3,165 per month.**

**Between 2005-2019, the median gross rent paid (including estimated cost of utilities) in Berkeley increased by over 50%, and:**

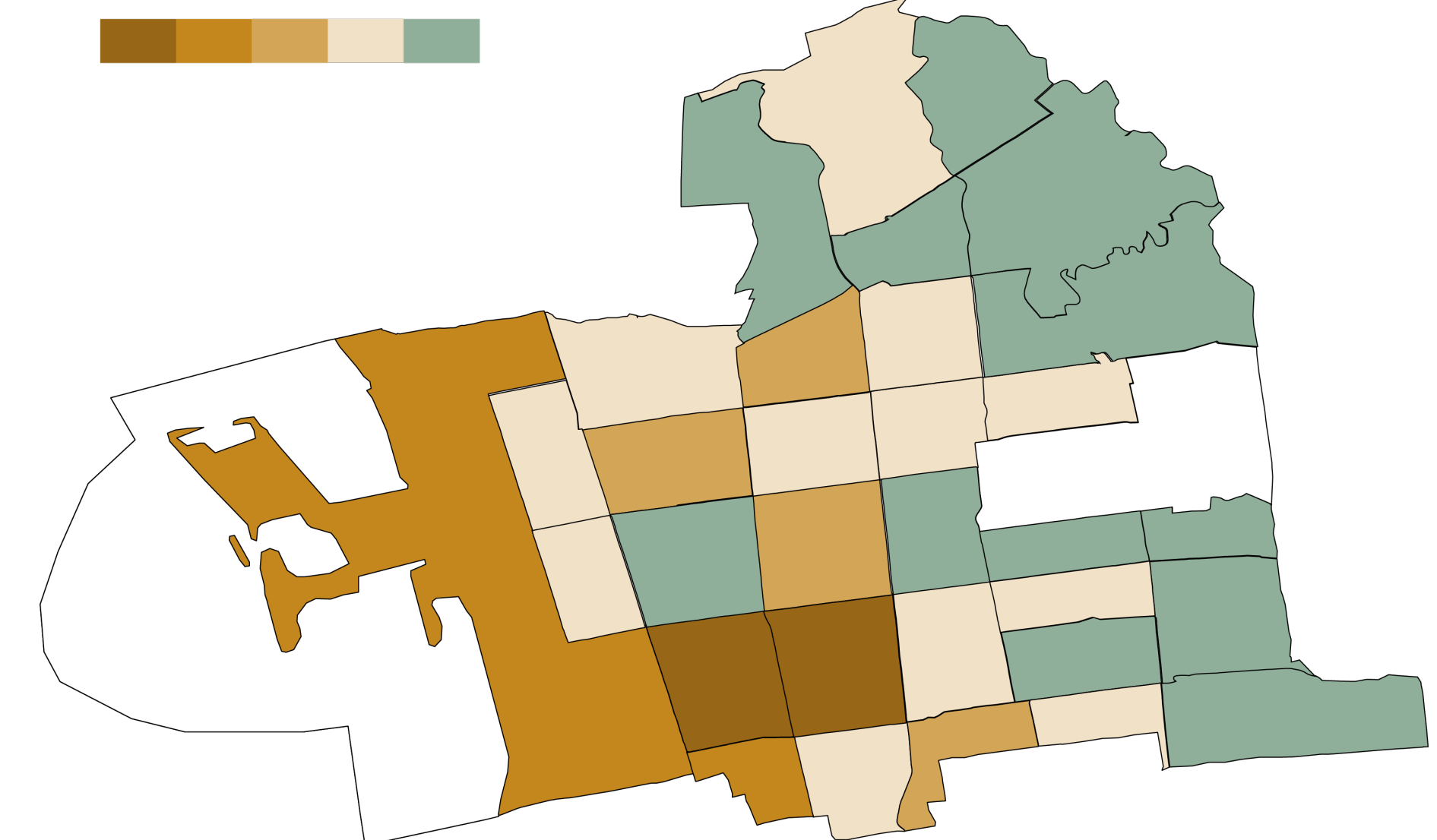
- Households earning \$200,000 or more per year increased by 124%
- In contrast, households in Berkeley earning less than \$75,000 per year decreased 22.8%
- Black residents, who are primarily renter households, decreased by 21% - a rate higher than any other racial or ethnic group

Berkeley Council Districts + Census Tract Boundaries



Change in Black Population, 2005-2019

% Change in Black Population  
-19 -14 -9 -4 0 5



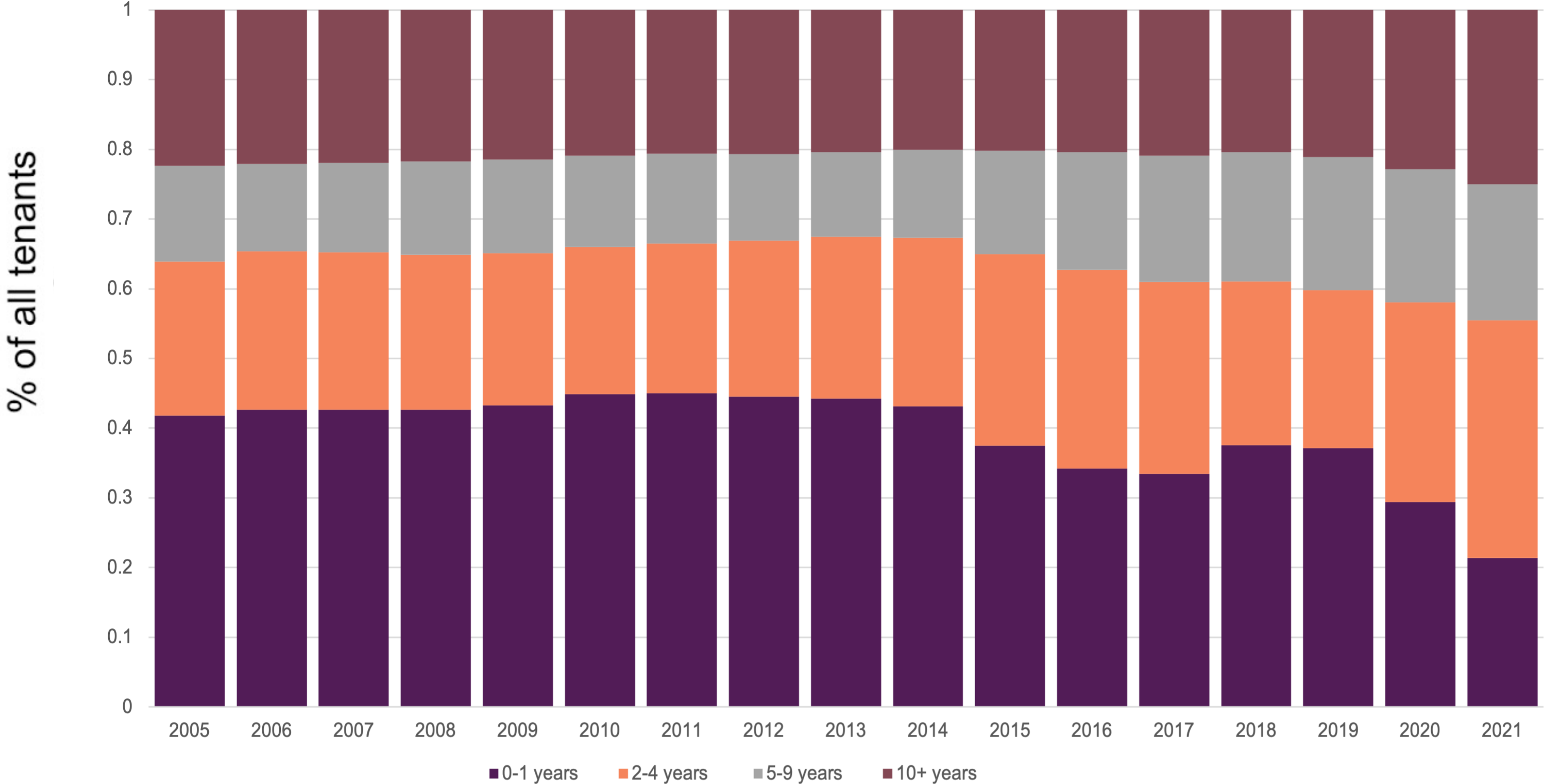
UC Berkeley

\*NOTE: not all these households are renters, though a majority are



Since 1999, 90.7% of rent stabilized units have risen to market rate in between tenant vacancies, which further diminishes the supply of truly affordable units for low-income renters seeking housing.

Median length of tenancy for stabilized units, 2005-2021



42.6% of tenancies lasted from 0-1 years

22.7% of tenancies lasted from 2-4 years

13.4% of tenancies lasted from 5-9 years

20.8% of tenancies lasted 10+ years

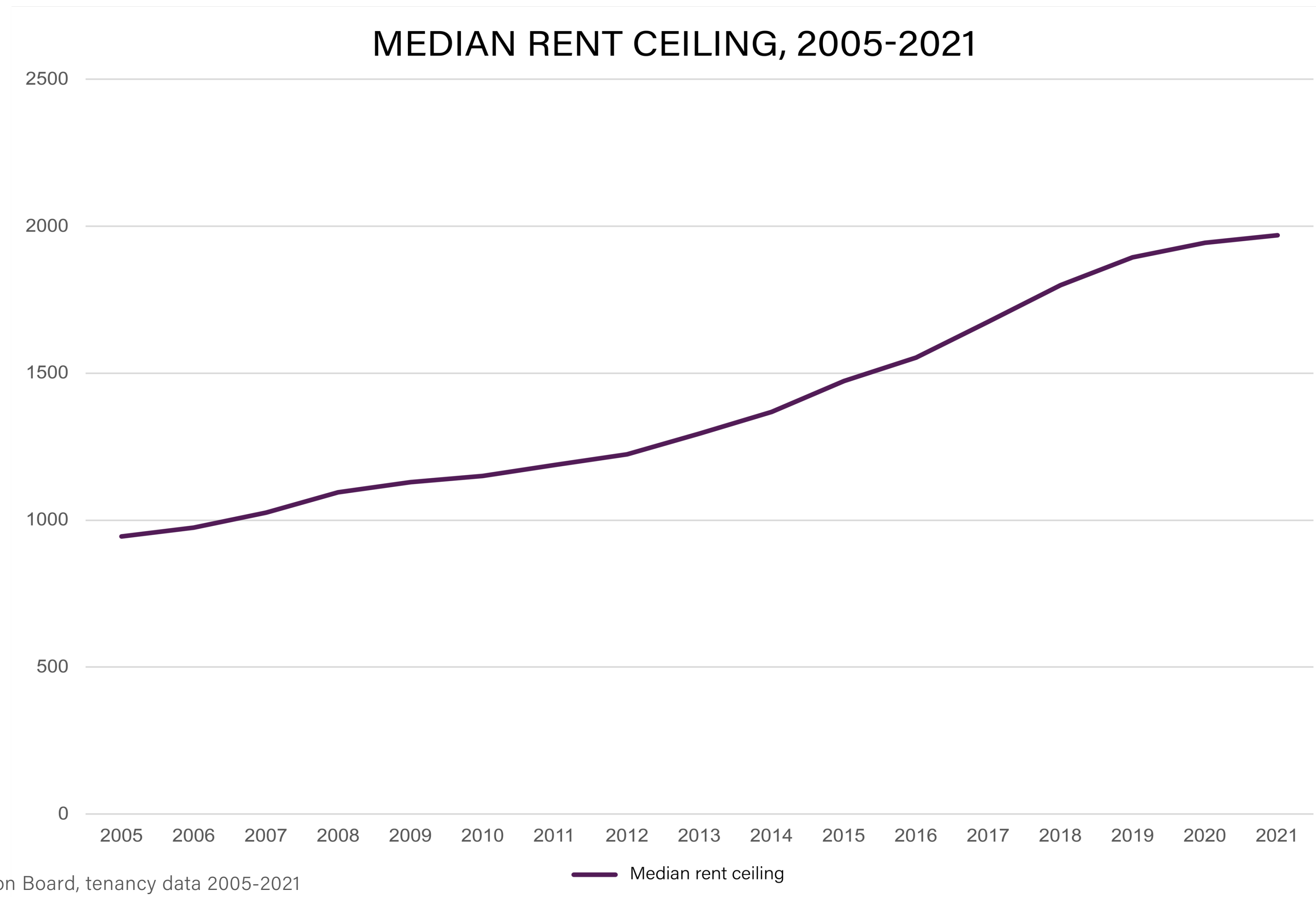
Source: Berkeley Rent Stabilization Board, tenancy data 2005-2021



# The median rent ceiling for stabilized units has about doubled from 2005-2021

In Q3 of 2021, the median rent ceiling for the 1,801 units with tenancies starting before 1999 was **\$832.87**

This compares to the remaining 17,599 units that undergo vacancy decontrol-recontrol, whose median rent was **\$2046.96**



Source: Berkeley Rent Stabilization Board, tenancy data 2005-2021

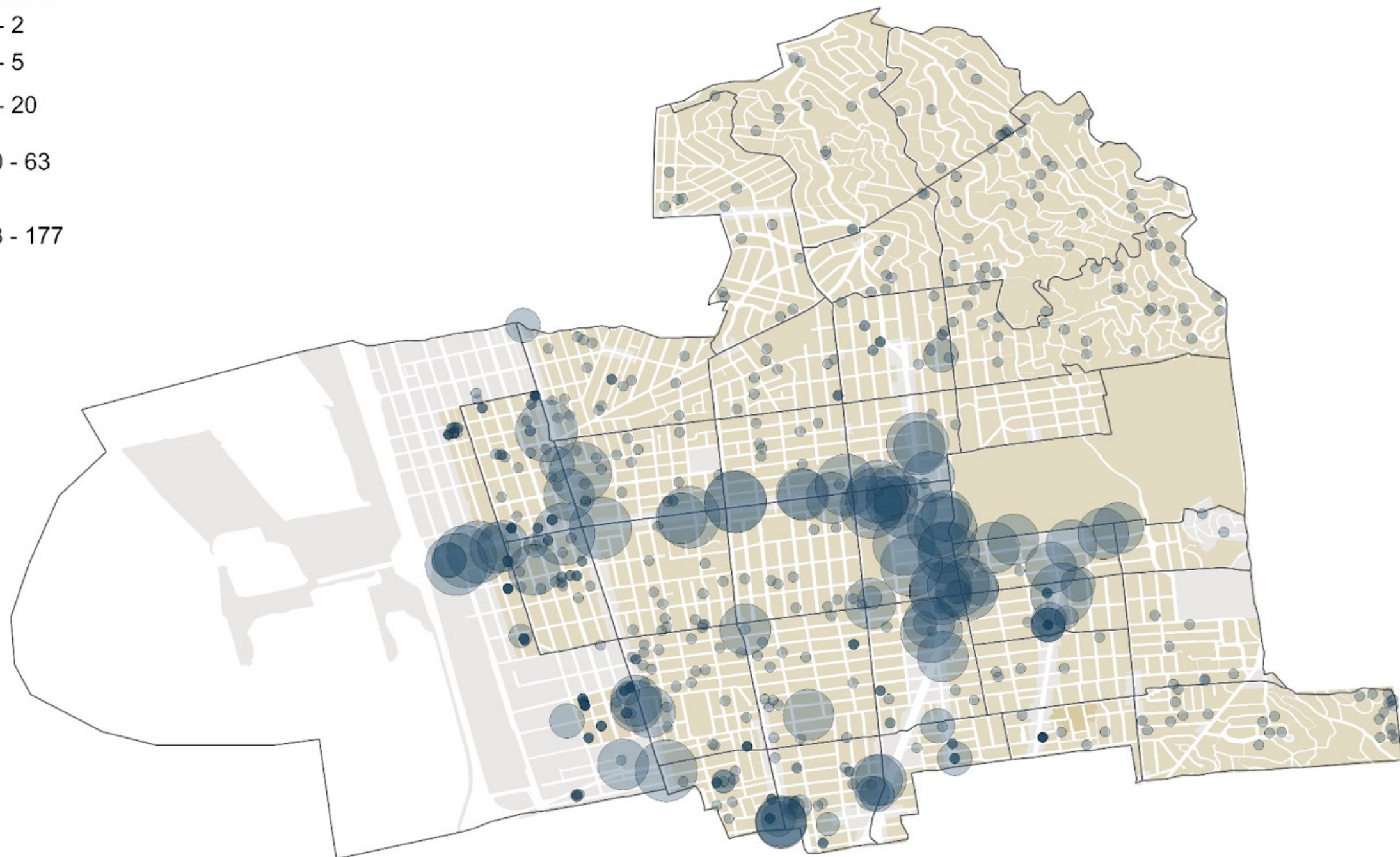
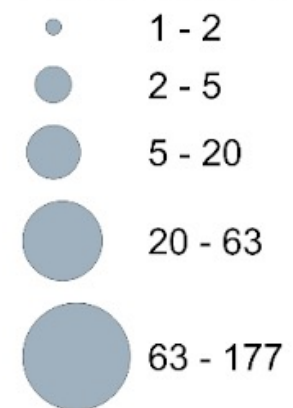


# Our studies find that additional affordable units decreased the likelihood of displacement, while an increase in general supply of housing remained inconclusive in its impact to mitigate displacement.

This RHNA cycle, only 233 units have been permitted at Low-Income (50 – 80% AMI) or Very Low Income (< 50% AMI) levels, compared to 2,476 at above moderate levels, continuing the decades-long pattern of relying on market-rate development to solve the housing crisis.

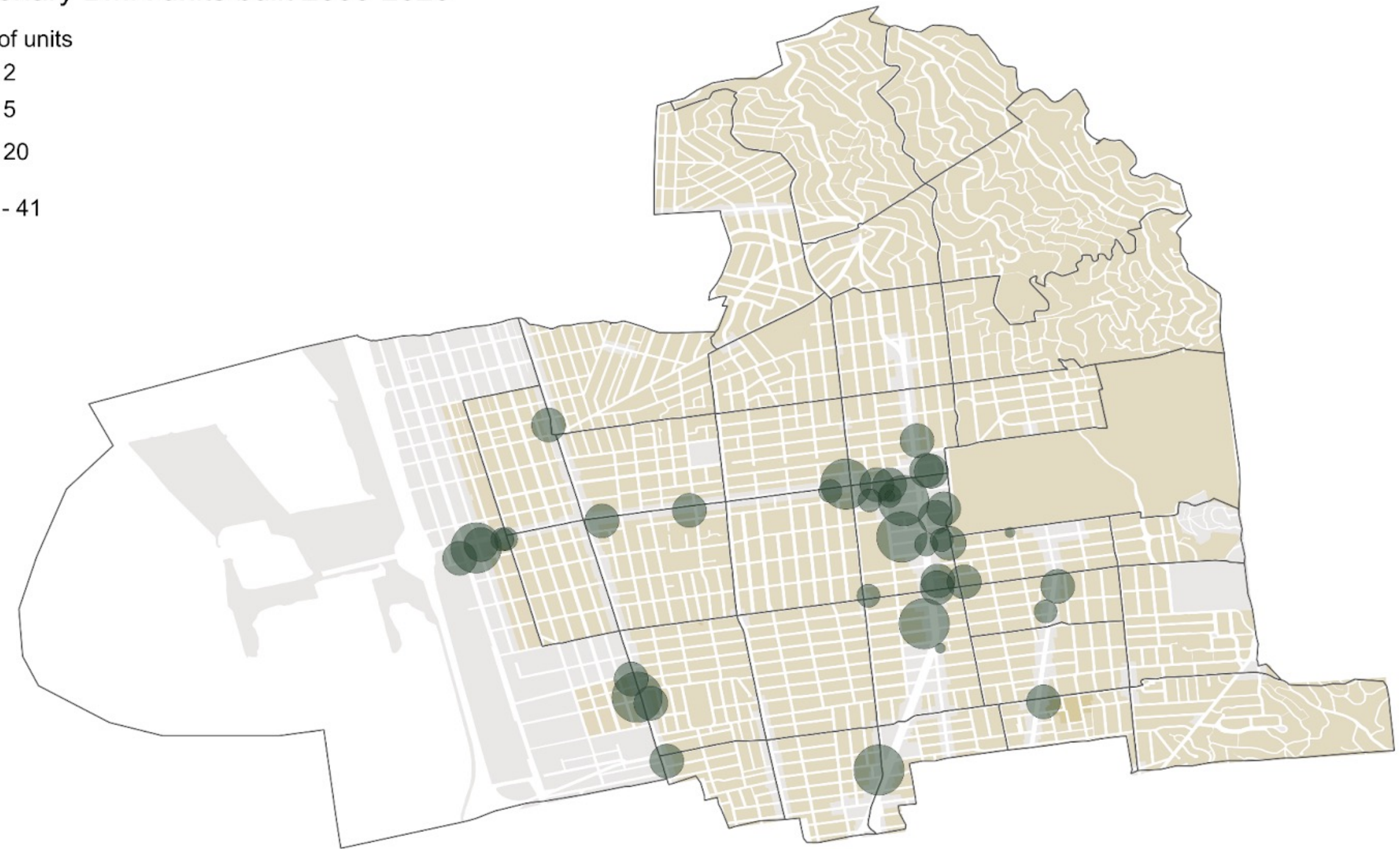
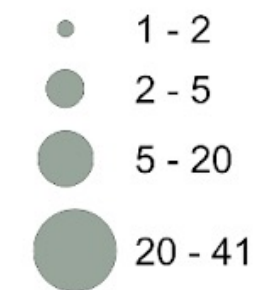
Total Units Constructed 2000 - 2020

Number of units



Inclusionary BMR units built 2000-2020

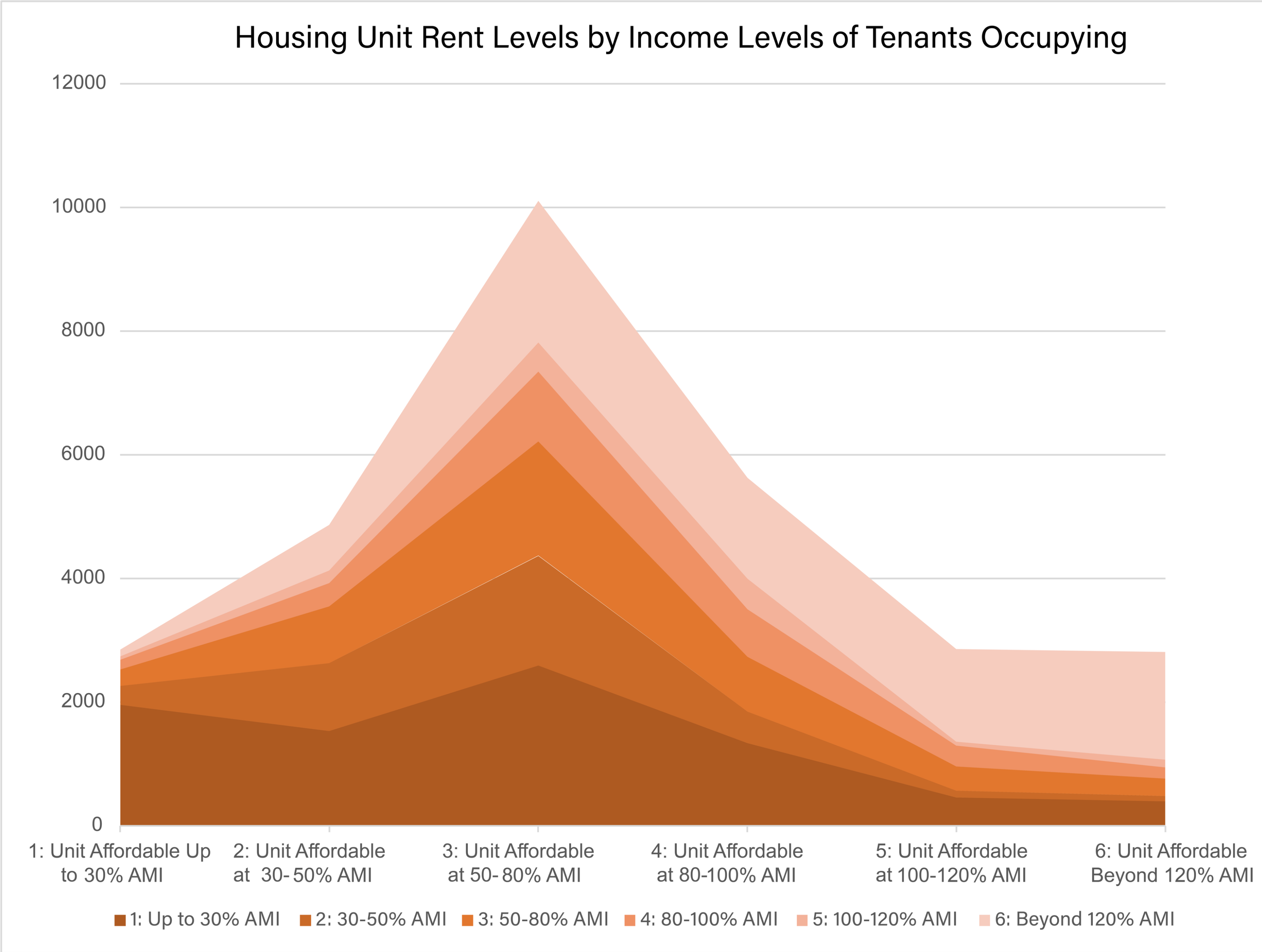
Number of units



Residential Zones  
2010 Census Tracts



# 70% of households below 80% of Area Median Income (AMI) occupy units that are unaffordable to them.

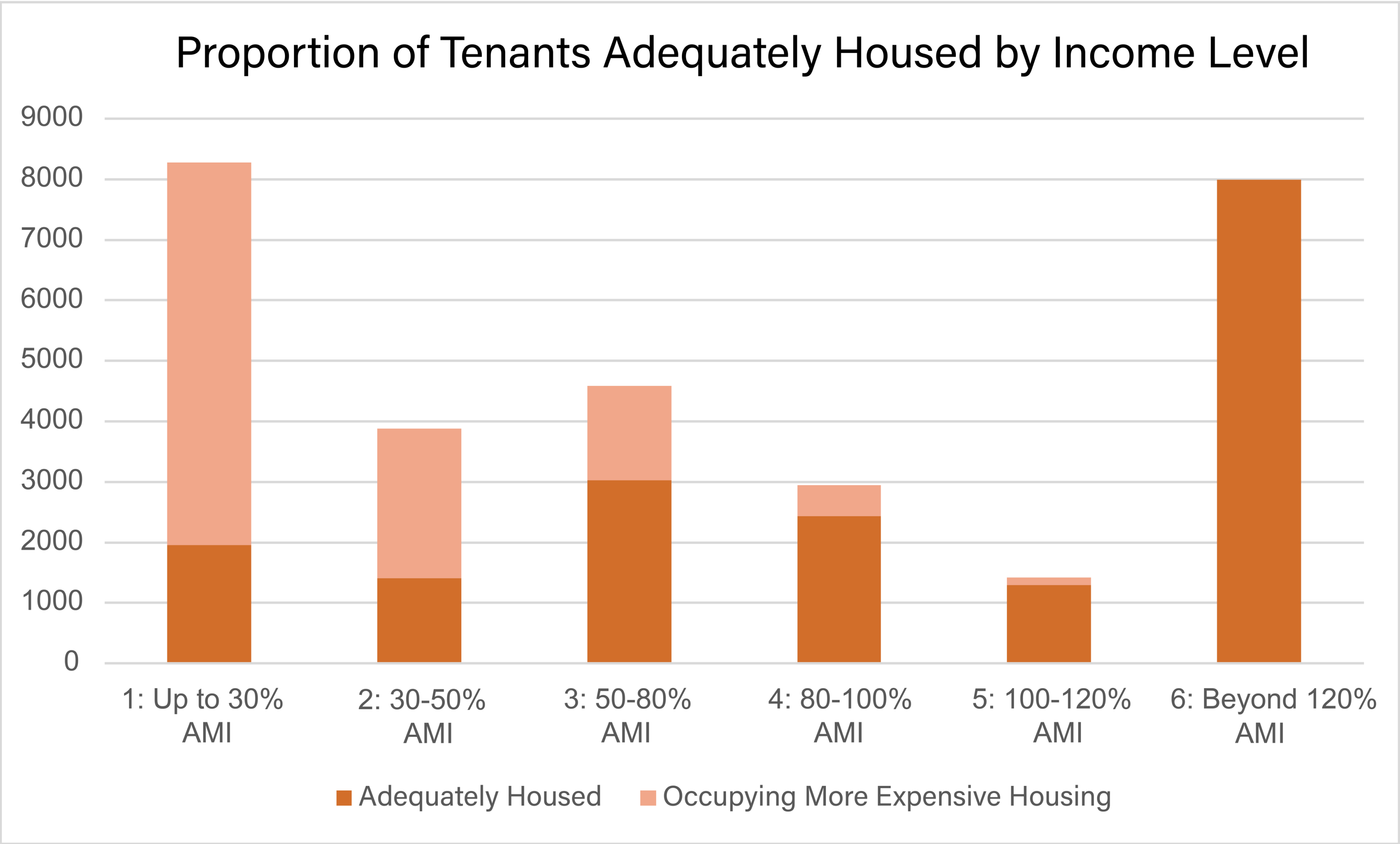


Sources: American Community Survey, 2019 5-yr estimate; Integrated Public Use Microdata Series (IPUMS)



# Lowest income groups are severely inadequately housed.

6,314 households earning up to 30% AMI occupy more expensive housing. In contrast, only 122 households earning above 100% AMI live in a higher affordability category; all 120%+ AMI residents are adequately housed.

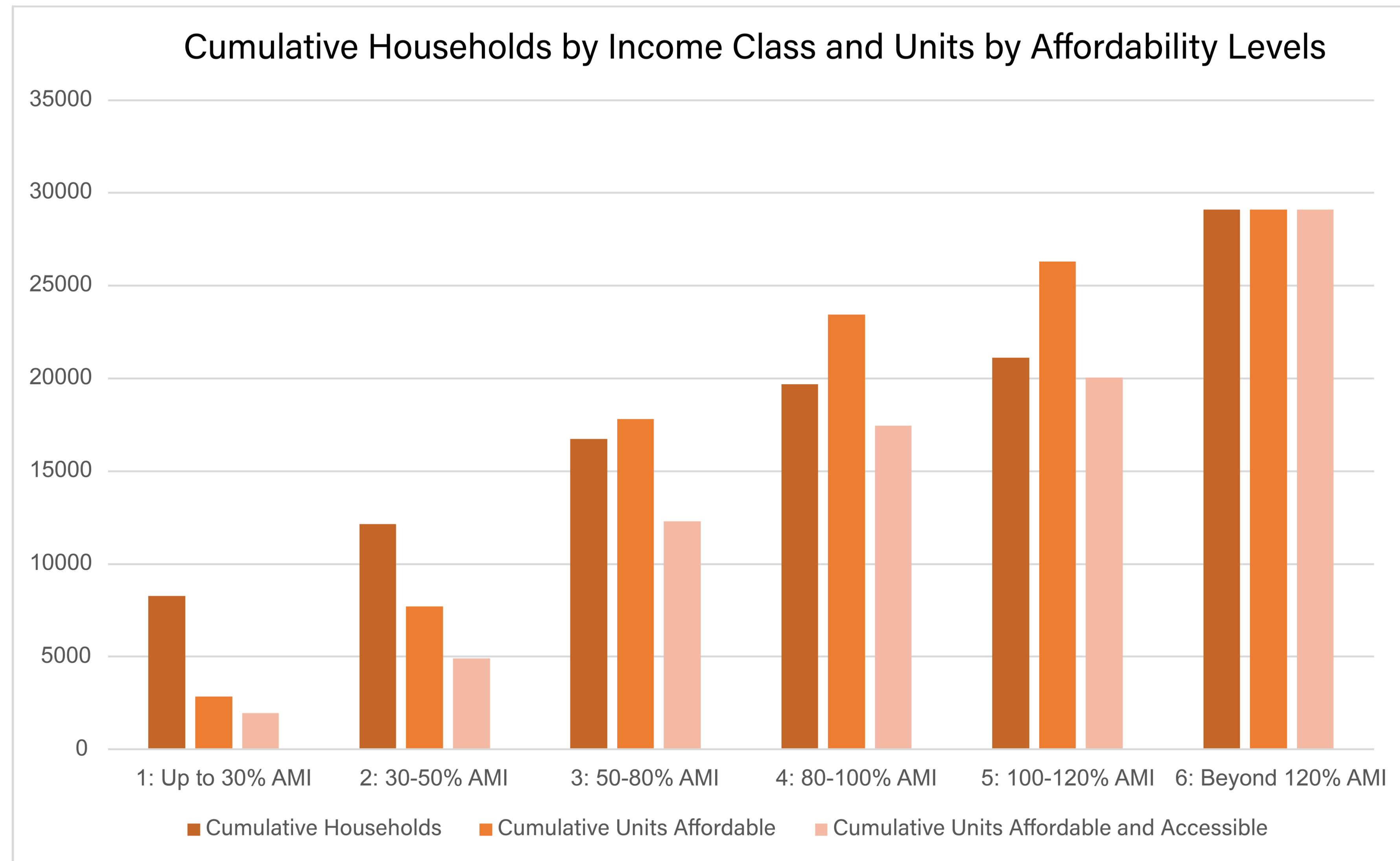


Sources: American Community Survey, 2019 5-yr estimate; Integrated Public Use Microdata Series (IPUMS)



# Access to affordable units on the market, as well as deficit in overall supply, is a significant barrier to low-income households being adequately housed.

The deficit in available units at high income levels is attributable to lower income households who are pushed up and out of their own affordability categories by an absolute lack of affordable housing.

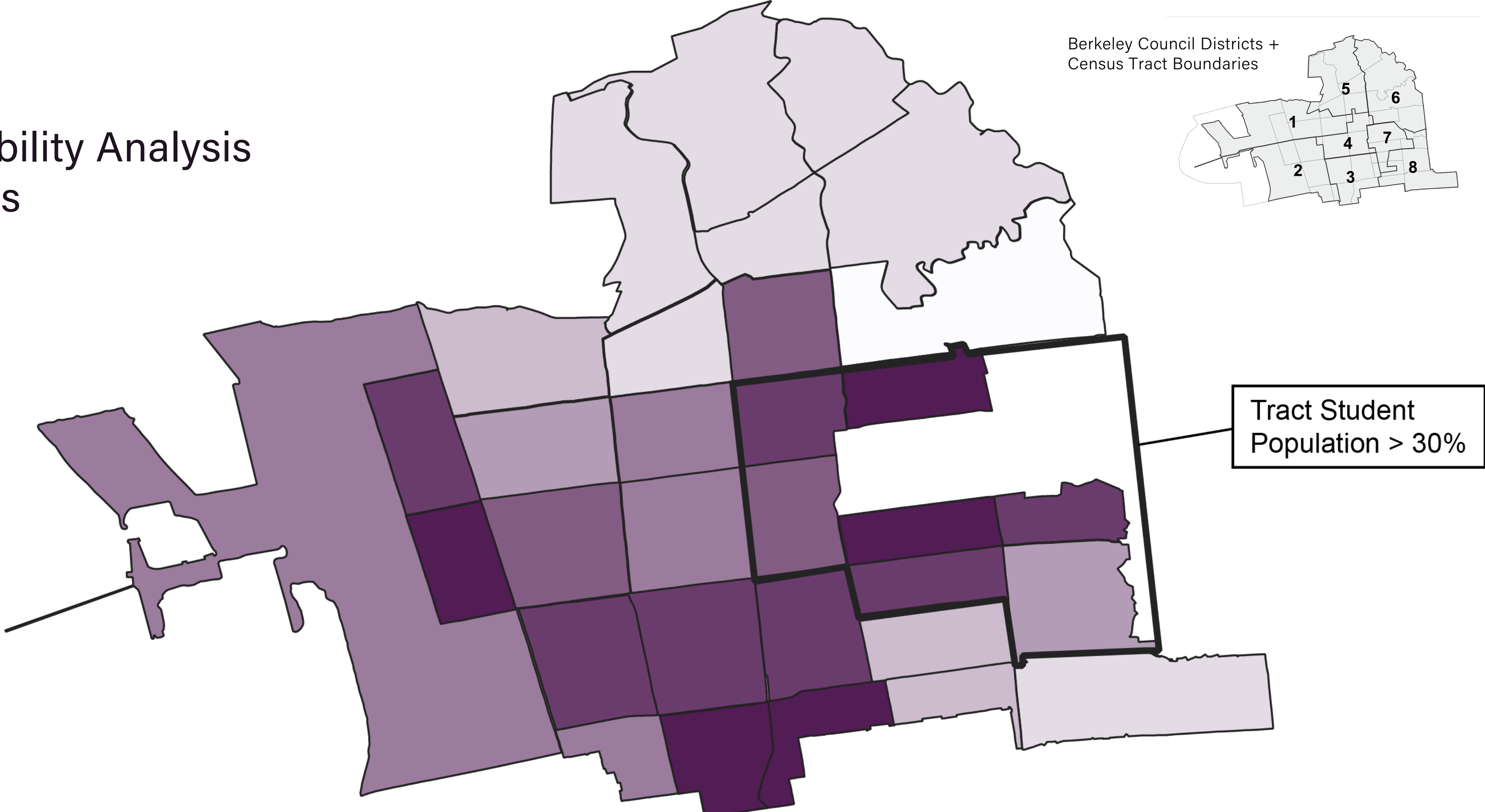




# Current West Berkeley and South Berkeley residents are the most vulnerable to displacement by densification; North Berkeley and southeast Berkeley residents have minimal or low risk.

## Displacement Vulnerability Analysis Berkeley Census Tracts

- Relative Vulnerability Score
- 0 – Minimal Concern
  - 1 – Less Concern
  - 2 – Less Concern
  - 3 – Moderate Concern
  - 4 – Moderate Concern
  - 5 – High Concern
  - 6 – High Concern
  - 7 – Most Concern



Sources: U.S. Census Bureau ACS 5-yr estimate



# CASE STUDY FINDINGS

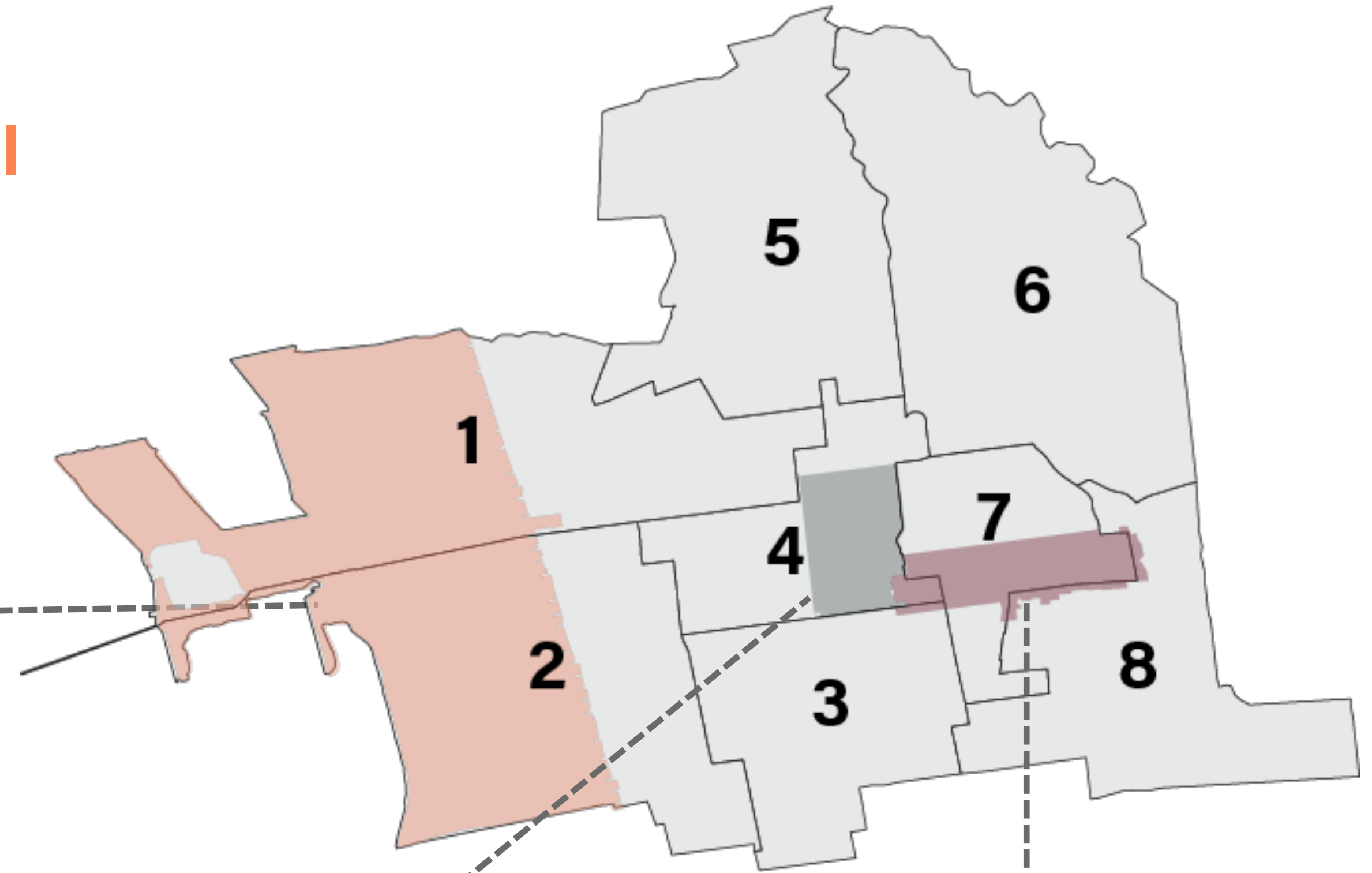
**SOUTH OF CAMPUS AREA & DOWNTOWN BERKELEY**

**WEST BERKELEY**



**Upzoning  
does not  
automatically  
lead to  
greater  
equity**

**Increased density in  
Berkeley neighborhoods  
has not led to greater racial  
integration and  
opportunities for  
vulnerable communities.**



**WEST BERKELEY AREA**

Rezoned in 1998

Surge in development in the 2010s

**SOUTH OF UC CAMPUS AREA**

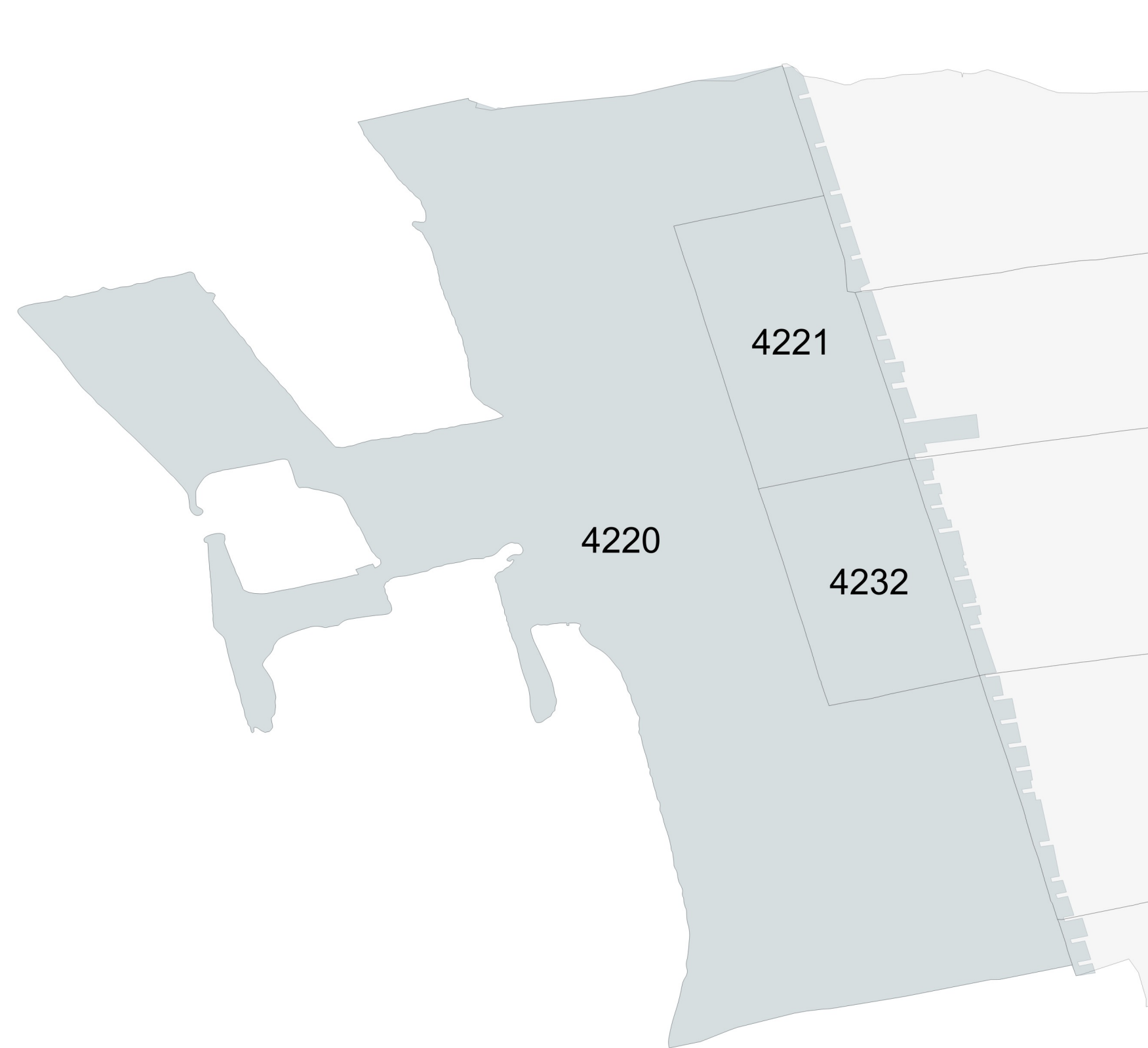
Rezoned in 2011

**DOWNTOWN BERKELEY AREA**

Rezoned in 2012



# Findings indicate patterns of displacement in West Berkeley



## Marina/Industrial Area: tract 4220

- 27.3% increase in white residents
- 13.3% decrease in Black residents
- 104.4% increase in median income

## Northern Residential Area: tract 4221

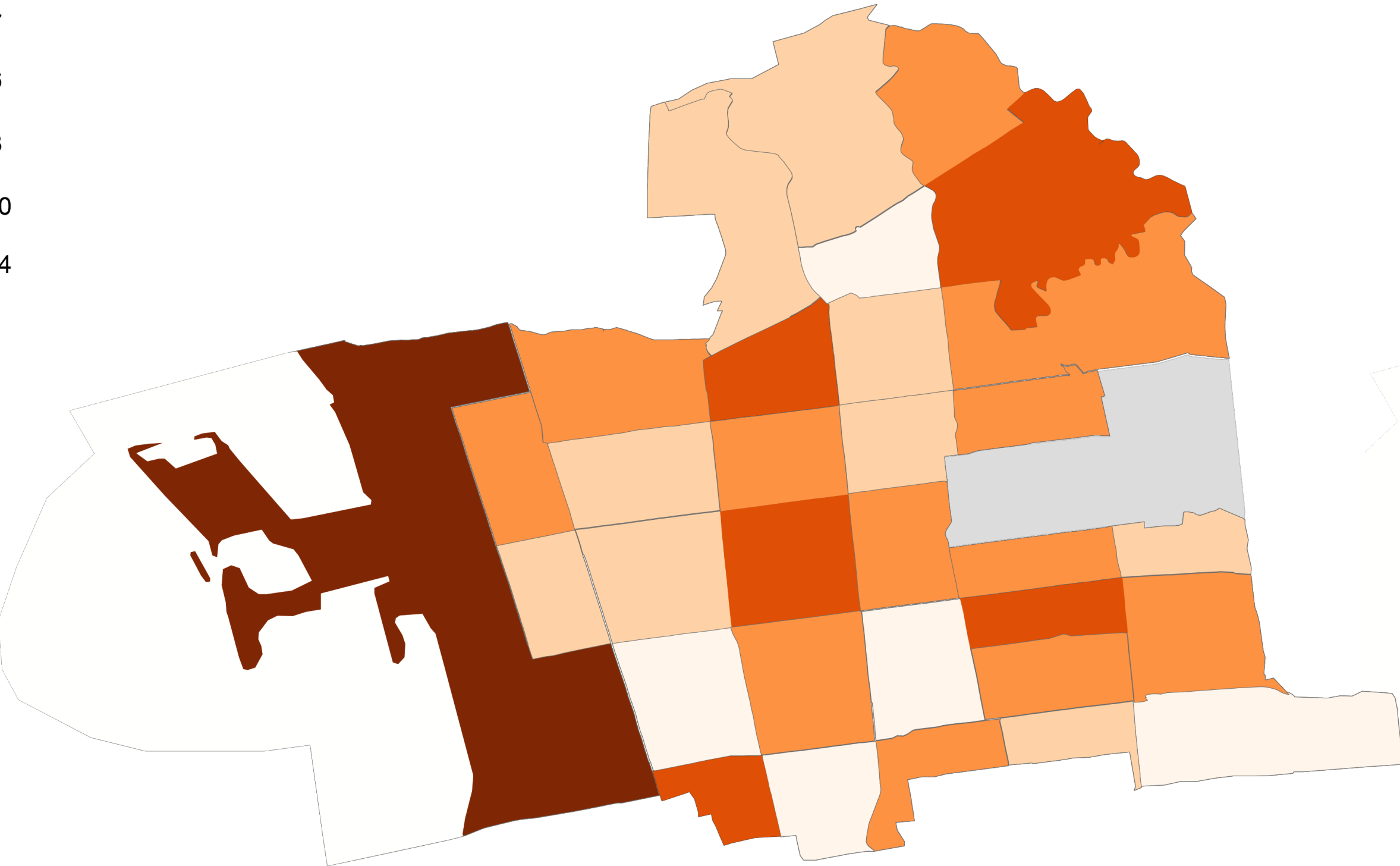
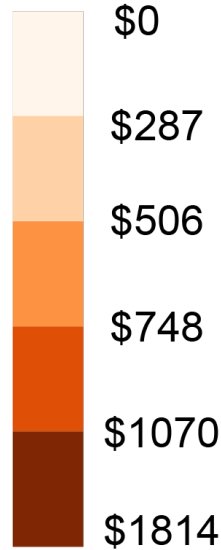
- 19.9% decrease in Latinx residents
- 15.4% decrease in poverty



# West Berkeley experienced dramatic increases in rent and in the population of white residents

## Monthly Median Rent (utilities included)

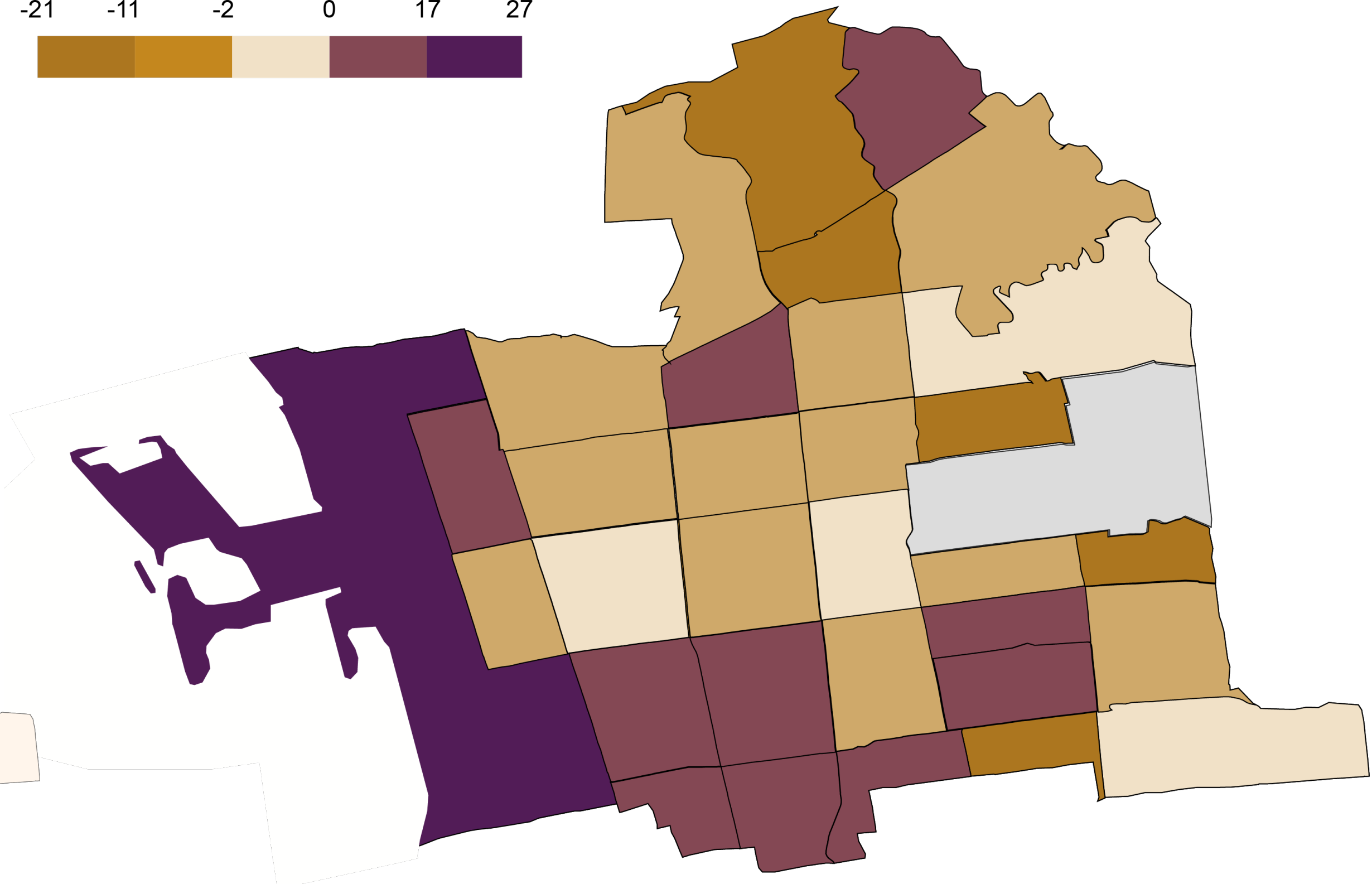
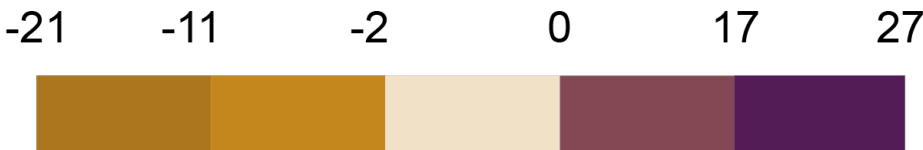
Change in median gross rent between 2005-2019 (in US dollars)



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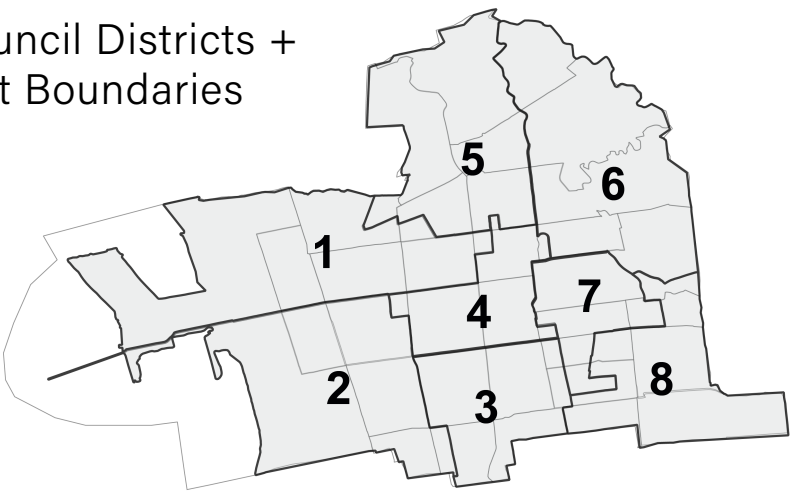
## Change in White Population, 2005-2019

% change in white population



UC Berkeley

Berkeley Council Districts + Census Tract Boundaries



Source: American Community Survey, 2019 5-yr estimate



# POLICY RECOMMENDATIONS



## Anti-displacement measures

**Protect vulnerable areas** – especially South Berkeley and West Berkeley – by directing future upzonings considered as a part of the city's Housing Element Update to North and Southeast Berkeley, areas of 'minimal' or 'low' concern for displacement.

**Consider a special district overlay** to preserve and develop affordable housing in vulnerable areas.

**Mandate a racial impact study** ahead of all rezonings.

**One-to-one replacements** of protected units in cases of demolition, passing legislation to ensure the safety and habitability of housing during construction, and adopting a 'right to return' policy. Prioritize the production of rental units over condominiums, and addition to and subdivision of existing structures over demolition.

## Tenant protections & affordable housing production

### **Increase protections + resources for low-income tenants**

such as rent relief for tenants struggling to pay rent and protection from 'source of income' discrimination.

**Adopt Anti-Speculation Measures** by encouraging community ownership of land through land trusts, housing cooperatives, and tenants' opportunity to purchase the homes they live in. Disincentivize speculation by imposing transfer and vacancy taxes and enforcing laws regulating short-term rentals.

**Increase the Production of Affordable Housing** by adjusting the city's affordable housing mitigation fee periodically to accurately calculate land value capture on new developments and to incentivize the production of affordable units.



**THANK YOU & QUESTIONS**