



CONSENT CALENDAR
April 12, 2022

To: Honorable Mayor and Members of the City Council
 From: Councilmember Rigel Robinson, Councilmember Sophie Hahn
 Subject: Support for SB 649: Affordable Housing Local Tenant Preference

RECOMMENDATION

Send a letter to Senator Dave Cortese, Assemblymember Buffy Wicks, and Senator Nancy Skinner in support of Senate Bill 649, which would enable the creation of local tenant preferences policies for affordable housing.

BACKGROUND

Rising housing costs and scarcity of affordable housing in California have caused substantial displacement in low-income communities of color. Displacement has significantly impacted the City of Berkeley, especially our Black community. Between 2000 and 2015, Alameda County lost more than 1,900 low-income Black households, with losses concentrated in the flatlands of Oakland and Berkeley.¹ Between 1990 and 2018, Berkeley lost 49% of its Black population.²³ Large portions of South and Southwest Berkeley are vulnerable to displacement or are undergoing active gentrification, as higher income, largely white residents move into neighborhoods once occupied by low-income residents of color.⁴

Local tenant preference policies prioritize affordable housing for applicants with some connection to the affordable housing unit's location, helping to reduce displacement and enable previously displaced residents to return. Currently, these policies could be in violation of fair housing laws, disqualifying projects with tenant preferences from receiving funding through bonds, tax credits, or other public funds. SB 649 would allow local governments and developers to enact local tenant preferences for lower-income households at risk of displacement.

SB 649 can mitigate the housing and homelessness crisis by providing greater access to planned affordable housing to vulnerable community members, stabilizing gentrifying neighborhoods, and more efficiently allocating scarce resources. This law would enable the City of Berkeley to more directly combat future displacement and remedy past displacement, especially for the Black community in South and West Berkeley.

¹ UC Berkeley's Urban Displacement Project and California Housing Partnership, "Rising Housing Costs and Re-Segregation in Alameda County."

² Bay Area Census -- City of Berkeley -- 1970-1990 Census Data."

³ "U.S. Census Bureau QuickFacts."

⁴ "SF Bay Area – Gentrification and Displacement – Urban Displacement."

FINANCIAL IMPLICATIONS

No impact.

ENVIRONMENTAL SUSTAINABILITY

No impact.

CONTACT PERSON

Councilmember Rigel Robinson, (510) 981-7170

Valerie Nguyen, Intern

Attachment:

1: Letter of support

2: Bill text

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB649

April 12, 2022

Senator Dave Cortese
Senator, 15th District
State Capitol, Room 6640
Sacramento, CA 95814

RE: City of Berkeley's Support for Senate Bill 649

Dear Senator Dave Cortese,

The Berkeley City Council would like to convey our full support for SB 649 to allow for local tenant preferences in affordable housing.

Rising housing costs have caused significant displacement in low-income communities, particularly among residents of color. Between 2000 and 2015, Alameda County lost more than 1,900 low-income Black households, with losses concentrated in the flatlands of Oakland and Berkeley. Between 1990 and 2018, Berkeley lost 49% of its Black population. Large portions of our city are vulnerable to displacement or are undergoing active gentrification.

Current and previously displaced residents competing for scarce affordable housing can struggle to access units in their neighborhoods, undermining the efficacy of affordable housing in addressing gentrification and displacement. However, without state authorization, fear of violating fair housing laws can prevent local governments and housing developers from enacting local tenant preferences for those most at risk of displacement.

By authorizing local tenant preferences, SB 649 would be a valuable tool to mitigate gentrification and the displacement of vulnerable low-income households in our city and communities across California.

The Berkeley City Council supports SB 649 and thanks you for continuing to act on this important issue.

Sincerely,

The Berkeley City Council

CC: Senator Nancy Skinner
Assemblymember Buffy Wicks

