



Sophie Hahn
Councilmember District 5

REVISED AGENDA MATERIAL

Meeting Date: June 27, 2017

Item Number: 38

Item Description: Expedited Review for Affordable Housing Projects

Submitted by: Councilmember Sophie Hahn

Adding Councilmember Harrison as a co-sponsor

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CONSENT CALENDAR

June 27, 2017

To: Honorable Mayor and Members of the City Council
From: Councilmember Sophie Hahn, Cheryl Davila, ~~and Ben Bartlett,~~ and Kate Harrison
Subject: Expedited Review for Affordable Housing Projects

RECOMMENDATION

1. Refer to the City Manager the creation of an expedited review process for housing projects in which Affordable Housing units make up more than 20% of the proposed on-site units; and
2. Direct the City Manager to immediately confer priority status and offer expedited review to 100% Affordable projects, pending adoption of a more formal and widely applicable expedited review process.

FINANCIAL IMPLICATIONS

Staff time

BACKGROUND

Cities throughout the Bay Area, including Berkeley, suffer from a lack of affordable housing development. Over the past two decades, rents have skyrocketed, and many low- and middle-income families have been forced out of Berkeley, due to lack of affordability. Alleviating this crisis is one of Berkeley's top priorities, and all possible steps must be taken to support increases in Berkeley's affordable housing stock.

In 2016, the Berkeley City Council determined that development projects could provide a number of units equal to 20% of the project's proposed market rate units at specified levels of affordability, in lieu of paying the City's Affordable Housing Mitigation Fee (see Attachment 1, BMC 22.20). Expedited review of projects offering *more* than 20% affordable housing built on site (from 21-100% of units) will help not-for-profit affordable housing developers move projects forward in an expeditious manner and reward for-profit developers who go above and beyond the city's baseline inclusionary Affordable Housing requirement.

All projects with greater than 20% affordable housing shall be subject to the expedited review process, receiving priority review and meeting explicit accelerated timelines. Among projects qualifying for expedited review, those offering the greatest absolute number of affordable housing units (cumulative units at extremely low, very low, low, and moderate income levels),

and/or projects with restricted timelines to seek public or private affordable housing funds, will receive the highest priority.

In the past, the City of Berkeley has developed expedited entitlement processes for development projects that are in line with key priorities. Specifically, the Downtown Plan includes “Green Pathway” provisions, with a streamlined permit process for buildings that exceed certain requirements in the C-DMU Area (see Attachment 2: Green Pathway Ordinance, BMC Chapter 23B.34).

Creating an expedited process for projects with significant affordable housing will help spur additional development of much-needed Affordable Housing, ease the permitting process for developments whose projects are closely aligned with the City’s top development priority, and incentivize the inclusion of Affordable Housing above and beyond the legally mandated amount. An expedited review process will also support not-for-profit developers in meeting timelines to obtain scarce and impactful affordable housing funds.

In the interim, while the City Manager develops a formal process for expedited review of all projects with more than 20% Affordable units on site, all projects with 100% Affordable Housing shall receive top priority status and accelerated processing and review, to the greatest extent possible.

ENVIRONMENTAL SUSTAINABILITY

This recommendation is consistent with Berkeley’s environmental sustainability goals.

CONTACT PERSON

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ATTACHMENTS

1. BMC Chapter 22.20, Mitigation and Fees, Condition for Approval of Development Projects
2. BMC Chapter 23B.34, Green Pathway