



Office of the Mayor

SUPPLEMENTAL AGENDA MATERIAL

Meeting Date: November 28, 2017

Item Number: 22

Item Description: Implementation Plan for Affordable Housing Action Plan Referrals

Submitted by: Mayor Jesse Arreguin and
Councilmember Kate Harrison

This item has been revised to include input from City staff, City commissioners and the community. Language has also been modified to clarify the scope of referrals.



Office of the Mayor

REVISED
ACTION CALENDAR
November 28, 2017

To: Members of the City Council

From: Mayor Jesse Arreguín and Councilmember Kate Harrison

Subject: Implementation Plan for Affordable Housing Action Plan Referrals

RECOMMENDATION

Approve the following priority order for Affordable Housing Action Plan referrals, and adopt the interdepartmental implementation plan as revised:

High Priority

1. ~~Design/Develop~~ a Small Sites Program to assist non-profits in acquiring multi-unit properties of 25 units or less. ~~to assist non-profits in acquiring existing properties that fall under certain criteria with the intention of allocating \$1 million annually.~~

~~Consider giving priority to the creation of limited and non-equity cooperatives affiliated with a democratic community land trust. As a first step, contact owners of seven apparently vacant properties constituting 68 rental units for their interest in selling them to non-profit affordable housing developers or land trusts that could rehabilitate them, and then rent the units at affordable rents. As a second step, investigate properties that are being vacated over time for possible purchase to retain affordable housing.~~ Consider master leasing as a mechanism for managing distinct, smaller properties.
2. Develop an ordinance modeled after Washington D.C.'s Tenant Opportunity to Purchase Act (TOPA) that offers existing tenants in multi-unit properties of three units or more the first right of refusal when property owners place rental property on the sale market, which can be transferred to a qualifying affordable housing provider.
3. A) Draft an ordinance creating a pilot Density Bonus policy for the Telegraph Commercial District to grant additional density for projects in the Telegraph area which pay Affordable Housing Fees in lieu of units on-site. B) Study the creation of ~~for~~ a new City Density Bonus plan to allow developers of multi-family housing to add up to 15% more density in exchange for fees only.
4. Create specific per acre density standards to strengthen City posture vis-à-vis the State Housing Accountability Act, including standards for projects that include density bonus units.
5. Examine and eliminate barriers to developing student housing and senior housing.

6. Refer to the City Manager and Planning Commission an ordinance to clarify existing preferences in allocating City affordable housing units to Berkeley residents living within 1/2 mile of any new development and tenants evicted under the Ellis Act, expand the second category of preference for eligible tenants displaced under the Ellis Act to include certain tenants displaced through an Owner Move-In or (Measure Y) auction, and other forms of displacement as defined by Council.

7. Increase commercial housing linkage fee by California Construction Cost Index CCCI.

8. Identify Parcels of City owned land appropriate for siting assisted-living modular micro-unit buildings; take affirmative steps to speed the permitting and approvals process; obtain zoning approval and a building permit and approvals process for the creation of below market housing; identify a housing non-profit to be responsible for managing and operating the building; and establish criteria for selecting individuals and determining eligibility.
9. Utilize list of ~~vacant~~-city properties developed by city staff and further examine opportunities for placing affordable housing on these sites.
10. Investigate the feasibility of developing workforce housing, in conjunction with Berkeley Unified School District, for teachers and other school district employees. The investigation should include research into what other California jurisdictions (such as San Francisco, Oakland, Santa Clara, and San Mateo County) are considering as part of their pursuit of School District workforce housing.
11. a) Streamline the Affordable Housing Permitting process for Projects with majority of Affordable Housing (50% affordable units or more, Worthington referral 1/19/16); b) Remove Structural barriers to Affordable Housing (Green Affordable Housing Package Policy #2, Droste);- c) waive or reduce permit fees for affordable housing projects (Hahn).
12. Examine and eliminate barriers to building and renting Accessory Dwelling Units.
13. Develop Measure U1 Priorities and Implementation Criteria. Include consideration of ability to leverage funds and placing a measure on the November 2018 ballot to allow possible bonding against revenues.
14. Develop enforcement tools for Short-Term Rental Ordinance and ~~s~~/Section 8 Non-Discrimination Ordinance (BMC Chapter 13.31, "Discrimination based on source of income prohibited").

Request that the City Manager direct staff to draft a fine schedule for violations of the short-term rental ordinance, including fines for when non-owner/tenant occupied dwelling units are made available for short-term rentals (from June 9, 2015 STR referral).

Medium Priority

15. Impose fees when multifamily properties are destroyed due to fault of property owner

(Demolition ordinance, RHSP, Relocation fees, fines).

16. Green Affordable Housing Package policy #1: Prioritize housing over parking in new developments. Reduce parking in R-4.

17. Amend ~~planning-Zoning~~ code to allow housing and other non-commercial uses on the ground floor.
18. Establish a City maintained online resource that would provide a brief overview of the history and purpose of Below Market Rate (BMR) units, a current list of all buildings that contain BMR units and the characteristics of the units, the percent of median income qualification levels for the units, the HUD published income guidelines for percentage of median and family size, the property owner, rental agent, and/or management company contact information, and other relevant information that would be helpful to potential renters of BMR units. The City shall update the information as more units become available, and quarterly, to ensure that information is current.

~~16. To encourage landlords to accept Section 8 and Shelter + Care vouchers: allow parcel and/or property tax reductions based on the percentage of property of units that are currently Section 8 and/or decided during annual Section 8 inspection.~~

19. To encourage landlords to accept Section 8 and Shelter + Care vouchers study a program that is intended to encourage rehabilitation of substandard units that could be leased to recipients of Section 8 and Shelter + Care vouchers. Possible assistance that the City could provide including: ~~creating~~ a list of qualified, efficient, and affordable contractors vetted by the City, and a discount or waiver of permit fees, to support bringing their unit(s) to code.

20. Collaborate with Berkeley Housing Authority Board to invest capital funds from sale of the public housing for more affordable housing (Longer term referral).

21. To encourage landlords to accept Section 8 and Shelter + Care vouchers: identify organizations who can support financial literacy and management for Section 8 tenants, including establishing bank accounts with direct deposit to Landlords.

~~20. Increase commercial housing linkage fee by CCCI.~~

22. Establish Office of Anti-Displacement, and hire Anti-Displacement Advocate (non-city funded position).

23. Provide housing counseling and legal services for Berkeley's low-income, elderly or disabled distressed homeowners.

Referrals Being Completed

- Evaluate feasibility of developing affordable senior housing above Senior Centers.
- Hold fines on Oregon Park Senior Apartments (OSPA) in abeyance with the agreement until the OSPA conducts a financial audit and structural review and hires a

property manager.

- Adopt Council policy that two-thirds of short term rental tax be allocated to the Housing Trust Fund (with remaining one-third to the arts), following administrative costs.

Referrals Completed

- Expand legal eviction defense of Berkeley tenants beyond current 10-20% receiving this assistance.
- Increase the Rental Assistance Fund for Berkeley tenants.
- To encourage landlords to accept Section 8 and Shelter + Care vouchers: provide legal and/or mediation support, offered either through the City or a partner, in negotiating Landlord/Tenant disputes out-of-court.
- Eliminate discount in Affordable Housing Fee if paid at issuance of building permit; require full fee at building permit, and add periodic increase by reference to California Construction Cost Index (CCCI).
- Designate admin powers to Zoning Officer to expedite permit approval for affordable housing.
- Include Land Value Capture fee in future area development plans.
- Work with Rent Board to identify the causes and remedies for shortfalls in current collection of business license tax.
- Provide flexibility to Council to establish variable affordable housing percentage requirements in given areas of the City. Reflect these differences in area plans (e.g., for San Pablo, Adeline Corridors).
- Create a Deputy Director or Division Manager (Additional Management Analyst added as part of June budget process)

FISCAL IMPACTS OF RECOMMENDATION

There is no fiscal impact from adopting this plan. Future fiscal impacts will be dependent on the specific referral implemented.

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