



Lori Droste
Berkeley City Council, District 8

ACTION CALENDAR
November 28, 2017

To: Honorable Mayor and Members of the City Council
From: Councilmember Lori Droste, [Councilmember Ben Bartlett](#), [Mayor Jesse Arrequin](#), and [Councilmember Kriss Worthington](#)
Subject: Ministerial Approval of Zoning-Compliant Affordable Housing

RECOMMENDATION

Refer to the [Planning Commission and](#) City Manager to amend the zoning ordinance [by July of 2018](#) to allow ministerial zoning approval of: ~~zoning-compliant affordable~~

- Housing [projects that receive Housing Trust Fund monies and/or](#)
- [Housing projects that have more than 50% below market rate \(BMR\) units with 20% of the BMR units designated for those earning up to 50% AMI \(extremely low and very low income earners\).](#)

with

Design review **will be** conducted by staff **for the aforementioned projects**. ~~“Affordable housing” should be defined as a project provided by one of the region’s nonprofit affordable housing developers (SAHA, Bridge, RCD, etc.).~~

FINANCIAL IMPLICATIONS

Staff time and the potential costs associated with any necessary consultants.

BACKGROUND

[Berkeley City Council has repeatedly emphasized the need for affordable housing. Many important initiatives have passed many items to address the obstacles embedded in the development review process.² However, none of the previous proposals explicitly mandate ministerial approval of affordable housing, which would have the biggest impact on streamlining the lengthy entitlement process for affordable housing.](#)

² Droste 10/27/15 “Green Affordable Housing Package–Policy #2”, Worthington 1/19/16 “Streamline the Permit Process for Housing Projects with a Majority or More Affordable Units, Hahn, Davila, Bartlett and Harrison 9/12/17 “Expedited Review for Affordable Housing.” (Partial list of legislation).

If Council approves this recommendation, it will be easier and faster to create affordable housing in Berkeley since the project review process can take significant time. Like most cities across California, Berkeley struggles to create enough below market rate units. In particular, the City has not produced its fair share of the goals set by the Association of Bay Area Government's Regional Housing Needs Allocation for below market units ([City of Berkeley's Biannual Housing Pipeline Report](#), 2017). The City of Berkeley has met 0% of its goals for extremely low income (0-30% AMI) and moderate income (81%-120% AMI) housing. Berkeley has only met 34% of its regional obligation for very low income housing (31-50% AMI) and 15% of its low-income housing goals (51% AMI to 80% AMI). The City of Berkeley needs to make it much easier to create those units. Although many factors influence the construction of affordable housing, easing the discretionary review process for affordable housing is the strongest act a local municipality can take to help facilitate the creation of affordable housing.

According to the nonpartisan Legislative Analyst's Office, "researchers have linked additional review time to higher housing costs. A study of jurisdictions in the Bay Area found that each layer of independent review was associated with a 4% increase in a jurisdiction's home prices ([California's High Housing Costs: Causes and Consequences, 2015](#))." Excessive regulation also lowers the elasticity of new housing supply by increasing delays in the permit process (Paciorek, 2013). UC Berkeley Professor Enrico Moretti also has [written extensively](#) about how burdensome land use regulations contribute to high housing costs and worsening environmental conditions ([Hsieh and Moretti, 2015](#)). Rising rents are the [main culprit](#) in the Bay Area's exploding homeless population. Reducing barriers to construction can have large effects on homelessness ([PPIC, 2001](#)). President Barack Obama's own [Housing Development Toolkit](#) advocates for significantly more ministerial approval processes to address housing affordability throughout the United States (2016).

This particular type of streamlining is neither new nor out of the ordinary. In 1969, the State of Massachusetts passed "[The Massachusetts Comprehensive Permit Act](#)," which streamlined the affordable housing entitlement process significantly. Consequently, the majority of municipalities in Massachusetts have created affordable housing in their communities.

ENVIRONMENTAL SUSTAINABILITY

This recommendation is consistent with Berkeley's environmental sustainability goals. Transportation emissions are the predominant source of California's greenhouse gas emissions. By building affordable housing in areas well-served by transit, the City of Berkeley can positively impact the environment by reducing commute times and disincentivizing urban sprawl.

CONTACT PERSON

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