To: Honorable Mayor and Members of the City Council

From: Mayor Jesse Arreguín

Subject: Establishment of a Joint Subcommittee for the Implementation of Housing Laws

RECOMMENDATION
Adopt a Resolution establishing the formation of a Joint Subcommittee that will focus on the implementation of the California Housing Package, the Housing Accountability Act, and the recently prioritized city Short-Term Housing Action Plan (HAP). The Joint Subcommittee will be subject to the Fair Representation Ordinance and will consist of members appointed from the Zoning Adjustment Board, Housing Advisory Commission, and Planning Commission.

BACKGROUND
Berkeley and the State of California is facing an unprecedented housing affordability crisis. According to the Rent Stabilization Board, the cost to rent a two-bedroom apartment in Berkeley is $2,600 as of the first quarter of 2017, up from $1,600 in 5 years, totaling an increase of 62.5%. This issue has become so widespread, that the State Legislature has recently taken action to address this crisis.

Housing Production in Berkeley
In July 2017, Council passed an item requesting a bi-annual housing pipeline report. The first report, which was released on October 31, 2017, revealed the following statistics as of September 1, 2017:

- Number of units pending approval: 1,459 in 23 projects
- Number of units approved\(^1\): 1,070 in 19 projects
- Number of units with building permit: 525 in 9 projects
- Number of units with Certificate of Occupancy\(^2\): 910 in 13 projects

The Regional Housing Needs Allocation has set a goal of creating 2,959 units of housing between January 1, 2014 and October 31, 2022. So far, Berkeley has achieved 48% of this goal set out by the Association of Bay Area Governments, including the following breakdown by income level:

- Extremely Low Income (<31% AMI): 0%

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\(^1\) Projects that have received a zoning permit but not a building permit since 1999.
\(^2\) Projects that have received a Certificate of Occupancy after 2014.
State Response to Housing Crisis
In September 2017, Governor Jerry Brown signed into law 15 bills relating to housing, including many that have a direct impact on cities.

Two of these laws aim to reduce the time it takes for developments to be approved and constructed. SB 35 compels cities that do not meet their regional housing goals to streamline development approvals. AB 879 calls upon cities to reduce the time it takes for developments to be built once they are approved.

AB 73 and SB 540 both provide cities money when they create a neighborhood plan for more residential development, so long as at least 20% of housing goes to low and middle-income residents, and projects are approved without delay. The City may be able to acquire such funds to assist in the Adeline and San Pablo Avenue planning processes.

AB 1505, known as the “Palmer Fix”, allows cities to once again mandate inclusionary zoning, which has been a powerful tool in the creation of permanent affordable housing. The 2009 Palmer/Sixth Street Properties v. City of Los Angeles case decided that Costa-Hawkins overruled local inclusionary zoning laws, wiping out such laws overnight, including Berkeley’s, which was established in 1986.

SB 167, AB 678, and AB 1515 provide amendments that strengthen the Housing Accountability Act, which prevents cities from denying housing projects if they meet certain zoning requirements. AB 72 gives the housing department and Attorney General more power to investigate cities that do not follow through on their housing plans.

Establishment of a Joint Subcommittee
The proposed Joint Subcommittee made up of members from the Zoning Adjustments Board, Housing Advisory Commission, and Planning Commission since each commission has a direct interest and role in the implementation of housing policy. The Joint Subcommittee will focus on the implementation of various state laws around housing, land use laws, density bonus, and the Housing Accountability Act, as well as the recently passed city Short-Term Housing Action Plan. The Subcommittee shall complete its work by January 2020. Staff shall forward the Joint Subcommittee’s recommendations to each parent Commission for comment, and bring the Joint Subcommittee’s recommendations to the City Council for consideration by the end of March 2020, along with comments by any parent commissions.

The Joint Subcommittee is subject to the Fair Representation Ordinance, B.M.C. Sections 2.04.030-2.04.130. Each Councilmember will select one member from the
following list of commission members recommended by each of the aforementioned commissions.

**Zoning Adjustments Board**
- Teresa Clarke
- Shoshana O'Keefe
- Carrie Olson

**Housing Advisory Commission**
- Luis Amezcua
- Matthew Lewis
- Igor Tregub
- Marian Wolfe

**Planning Commission**
- Benjamin Beach
- Christine Schildt
- Rob Wrenn
- Alternate: Jeff Vincent

The Subcommittee should function as a working group, with representation from all affected commissions. Pursuant to Resolution No. 61,312-N.S., all meetings of the Subcommittee would be open to the public and accessible, and subject to the requirements of the Brown Act.

**FINANCIAL IMPLICATIONS**
Unknown.

**ENVIRONMENTAL SUSTAINABILITY**
No adverse effects to the environment

**CONTACT PERSON**
Mayor Jesse Arreguín  510-981-7100

Attachments:
1: Resolution
RESOLUTION NO. ##.###-N.S.

ESTABLISHING A JOINT SUBCOMMITTEE FOR THE IMPLEMENTATION OF STATE HOUSING LAWS

WHEREAS, Berkeley and California is facing an unprecedented housing affordability crisis; and

WHEREAS, rents for a two bedroom apartment in Berkeley have risen by 62.5% over the past five years; and

WHEREAS, Berkeley has so far achieved 48% of its housing allocation goals for 2014-2022 set out by the Association of Bay Area Governments, including 0% for extremely low income and moderate income; and

WHEREAS, many residential developments that have received zoning approval have yet to receive a building permit; and

WHEREAS, to address the rising crisis of housing in the State of California, 15 state bills were signed into law, with many dealing with how local municipalities respond to the development of new units; and

WHEREAS, issues around density bonuses, the Housing Accountability Act, inclusionary zoning, and permit streamlining need to be addressed by the City to be compliant with state law and to take advantage of new opportunities for the development of affordable housing; and

WHEREAS, because the Zoning Adjustments Board, Housing Advisory Commission, and Planning Commission have policy and quasi-judicial powers around housing, it would be beneficial for representatives of these commissions to meet jointly to develop policies for consideration by the Planning Commission and City Council; and

WHEREAS, community input is of vital importance in the review and implementation of these housing policies, and such input can be encouraged by regular publicly-noticed meetings of the Task Force; and

WHEREAS, the Joint Subcommittee should be comprised of nine voting members, with three representatives from each commission; and

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley does hereby establish a Joint Subcommittee composed of 3 members from the Zoning Adjustments Board, Housing Advisory Commission, Planning Commission, in addition to alternates from each Commission.
BE IT FURTHER RESOLVED that the Joint Subcommittee members shall be appointed from the list of commission members recommended by each of the aforementioned Commissions as listed below, consistent with the Fair Representation Ordinance:

**Zoning Adjustments Board:**
Teresa Clarke, Shoshana O'Keefe, Carrie Olson

**Housing Advisory Commission:**
Luis Amezcua, Matthew Lewis, Igor Tregub, Marian Wolfe

**Planning Commission:**
Benjamin Beach, Christine Schildt, Rob Wrenn (Alternate: Jeff Vincent)

BE IT FURTHER RESOLVED that the Joint Subcommittee shall complete its work by January 2020. Staff shall forward the Joint Subcommittee's recommendations to each parent Commission for comment, and bring the Joint Subcommittee's recommendations to the City Council for consideration by the end of March 2020, along with comments by any parent commissions.