



Housing Advisory Commission

CONSENT CALENDAR

June 25, 2019

To: Honorable Mayor and Members of the City Council
 From: Housing Advisory Commission
 Submitted by: Xavier Johnson, Chairperson, Housing Advisory Commission
 Subject: Educator and Educational Staff Housing

RECOMMENDATION

Amend the Housing Trust Fund Guidelines and other relevant City of Berkeley housing policies to foster workforce housing for educators and educational staff by expanding income eligibility to include up to 120% AMI; and

Provide \$150,000 to the Berkeley Unified School District to undertake predevelopment planning for housing to be built in Berkeley that will be available to educators and educational staff working for BUSD; and

Work with the District to identify possible financing opportunities for capital development; and

Recommend the Berkeley Unified School District balances building as many units as possible with being as family-friendly as possible.

FISCAL IMPACTS OF RECOMMENDATION

The HAC voted to “support BUSD with an allocation of \$150,000 from the appropriate source(s) as identified by Council.”

CURRENT SITUATION AND ITS EFFECTS

The HAC voted unanimously on April 4, 2019: M/S/C (Sharenko/Wolfe) to recommend to Council to take the following actions:

- a) Amend the Housing Trust Fund Guidelines and other relevant City of Berkeley housing policies to foster workforce housing for educators and educational staff by expanding income eligibility to include up to 120% AMI.
- b) Support BUSD with an allocation of \$150,000 from the appropriate source(s) as identified by Council for a planning and pre-development grant to conduct planning and pre-development, including, but not limited to, site evaluation and regulatory compliance, housing capacity, projected cost and timeline, property governance, transparent community process, financing structure options, and preparing of development RFP

- c) Work with the District to identify possible financing opportunities for capital development, including but not limited to, Measure U1, Measure O, developer fees, and/or County or State sources and utilizing the appropriate processes for public and expert feedback for these allocations.
- d) Balance encouraging the Berkeley Unified School District to build as many units as possible while being as family-friendly as possible.

Vote: Ayes: Johnson, Lord, Owens, Sharenko, Simon-Weisberg, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: Sargent (unexcused).

BACKGROUND

Through surveys of BUSD employees, the District has documented that many employees, particularly younger employees, are severely cost burdened by housing costs. The District commissioned a study to identify properties that it already owns that are conducive to housing and has identified four potential sites. Information on the size of each site, zoning, potential capacity, unit mix, and estimated costs has been documented. The proposed planning and pre-development grant will help fine-tune this information.

ENVIRONMENTAL SUSTAINABILITY

An allocation of predevelopment funding will not have an environmental impact at this stage of the decision making process. However, it is acknowledged that for any project to move forward to any stage of decision making authority past pre-development funding a more rigorous environmental analysis will be required. As much as possible, the predevelopment funding will be tied to identifying and addressing the environmental impacts of a proposed project.

It is understood that having more BUSD employees living locally could possibly decrease vehicle miles traveled and therefore reduce greenhouse gas emissions from internal combustion engines known to contribute to global climate change.

RATIONALE FOR RECOMMENDATION

BUSD recently cut two million dollars from its General Fund budget to cover increasing pension, health care and general operating costs. The District does not have any unrestricted dollars that could pay for planning and pre-development. To take advantage of the availability of District-owned property, combined with the evidence of support from Berkeley voters for teacher and staff the HAC unanimously supports the use of City of Berkeley funds General Fund/U1 funds, Measure O funds, and other appropriate funding for planning and pre-development of educator and BUSD employee housing.

ALTERNATIVE ACTIONS CONSIDERED

An allocation of more, less, or no funding was also considered, but given the benefits of pre-development funding these actions are not recommended as the best actions to take.

CITY MANAGER

Staff appreciates the commission's efforts to facilitate educator housing and their attention to housing affordability issues for vital public employees. Staff previously requested guidance from Council on determining potential revisions to the HTF guidelines, including the expansion of qualifying AMI ranges, via a memo to the Land Use, Housing and Economic Development Policy Committee at its April 25, 2019 meeting.

On April 30, 2019, the City Council approved a \$150,000 predevelopment planning grant to the Berkeley Unified School District consistent with the commission's recommendation.

Once BUSD identifies a project site and selects a qualified developer, staff can work with their development team in evaluating financing strategies.

CONTACT PERSON

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