



Kathryn Harrison
Councilmember District 4

CONSENT CALENDAR
June 13, 2017

To: Honorable Mayor and Members of the City Council
From: Councilmembers Harrison, Hahn, Bartlett, and Davila
Subject: Referral to the City Manager to Provide a Bi-Annual Housing Pipeline Report

RECOMMENDATION

Direct the City Manager to provide a Bi-Annual Housing Pipeline Report. This report should include residential:

- Projects submitted and pending approval
- Projects that have been approved but have had no building permit issued within two years of approval
- Projects that have been issued a building permit
- Projects that have been issued a Certificate of Occupancy

The following details of each project should be included in the report:

- The current phase of consideration (of the four phases listed above)
- If pending approval, whether the project before Staff, the Landmarks Preservation Commission (LPC), the Zoning Adjustments Board (ZAB), or Council
- The total number of units
- The bedroom mix
- The number of affordable units by category: Extremely Low Income Units (0%-30% AMI), Very Low Income Units (31%-50% AMI), Low Income Units (51%-80% AMI), and Moderate Income Units (81%-121% Area Median Income)
- The projected completion date
- The project's Zoning designation
- Building permits that have been approved and issued for each project

The report should indicate the total and proportion of Extremely Low Income, Very Low Income, Low Income, and Moderate Income for proposed and approved projects and display the progress made towards meeting the Regional Housing Needs Allocation (RHNA) goals set forth by ABAG (Association of Bay Area Governments).

FINANCIAL IMPLICATIONS

None

BACKGROUND

A Housing Pipeline Report helps quantify development trends and display location and scale of current and proposed future construction. Akin to the biannual Economic Dashboard prepared for Council, this is a critical tool for planning and assessing housing needs, and is common in many cities. The pipeline provides a short- to medium-term picture of the proportion of housing units at different income levels and helps to track the city's housing and affordable housing units. This report will be a continually maintained public document that can be accessed in print or online by City staff or Berkeley residents.

ENVIRONMENTAL SUSTAINABILITY

No Ecological Impact

CONTACT PERSON

Councilmember Kate Harrison, Council District 4, 510-981-7140

ATTACHMENTS

1. Current Progress towards meeting the Regional Housing Need Allocation set forth by the Association of Bay Area Governments as projected in the 2015-2023 Berkeley Housing Element conducted in 2014

A. Regional Housing Need Allocation (RHNA)

The RHNA is a state-required process for determining how many housing units, by levels of affordability, each community must plan to accommodate during the RHNA cycle; the current allocation is for January 1, 2014 through October 31, 2022. The California Department of Housing and Community Development (HCD) determines the total housing need for the region, and the Association of Bay Area Governments' (ABAG) distributes this need between the local governments within the nine-county Bay Area. ABAG worked with the local governments, including the City of Berkeley, to develop a methodology to allocate housing units among the different cities and counties.²

As a result of this process, the City of Berkeley has been allocated 2,959 housing units. The units are broken down into income categories to encourage cities to plan for an equitable distribution of low-income housing. The breakdown by income is shown in the table below.

Income Category	Income Range	No. of units	% of Total
Extremely Low Income (ELI)	Up to 30 % of AMI	266	9%
Very Low Income (VLI)	31% - 50% of AMI	266	9%
Low Income (LI)	51% - 80% of AMI	442	14.9%
Moderate Income (MOD)	81% - 120% of AMI	584	19.7%
Above Moderate Income (Above MOD)	Above 120% of AMI	1,401	47.4%
Total		2,959	100%

Source: Association of Bay Area Governments Regional Housing Needs Allocation. AMI = Area Median Income; for a family of four in Alameda County AMI is \$92,300 (Housing and Urban Development (HUD) Department, 2011).

Actual income limits based on household size.

The City has a RHNA allocation of 532 very low income units inclusive of extremely low income units. Pursuant to CA Government Code Section 65583 (a)(1), the City must project the number of extremely low income housing units needed and may assume 50 percent of the very low income units as extremely low.

1. Current Progress towards meeting RHNA

Recent construction can be applied as progress towards the total number of allocated units, thus reducing the need to plan for future housing. For the City of Berkeley, housing units which have been issued building permits on or after January 1, 2014 may be credited towards the 2014-2022 RHNA. From January 1, 2014 through September 1, 2014, the City has issued building permits for 137 dwelling units. Additionally, between January 1, 2014 and September 1, 2014, Berkeley has approved conditional use permits for an additional 165 housing units. There are another 1,103 dwelling units approved within the City over the past decade that have not yet been exercised (i.e. building permits have not been issued). These are considered "pending projects," and demonstrate that additional units are likely to be built during the RHNA planning period.

² <http://www.abag.ca.gov/planning/housingneeds/methodology.html>

Table 3-2 below lists the housing units approved by affordability level and percentage of RHNA goal achieved. Appendix A lists projects by address with both approved building permits and land use entitlements since January 1, 2014.

Building Permit Action Year	Income Level				
	Ext. Low / Very Low	Low Income	Moderate	Above Moderate	Total
2014	4	0	3	59	137
RHNA	532	442	584	1,401	2,959
Percent of Goal Achieved	0.8%	0%	0.5%	4.2%	4.6%
Remaining RHNA Capacity Requirement	528	442	581	1,342	2,822

Source: City of Berkeley Planning Department

B. Site Inventory and Residential Capacity Analysis

Potential for new housing units exists throughout the City. For the purpose of the Site Inventory and Residential Capacity Analysis, the City identified four main areas with the greatest potential for new units and a track record of units being built. These are the downtown, the southside area, the commercial corridors, and vacant lots in the residential districts.

For the southside area, the estimated number of housing units is based on the planning process for the 2011 Southside Plan. For the downtown, the capacity estimate is based on sites identified during the Downtown Area Plan planning process. For the commercial corridors, the City developed a methodology for selecting sites and estimating capacity for the Housing Element analysis. In the residential districts, housing capacity estimates are based on the allowed residential density and the average of past development densities. The methodology for identifying housing opportunity sites and estimating residential capacity for each of the four areas is summarized below and described in more detail in Appendix A. In addition, the University of California provides housing for students, staff and faculty, and plans to build additional housing during the planning period.

Table 3-3 summarizes the results of this analysis by indicating the estimated residential capacity of the four areas. **Map A-1 in Appendix A illustrates the four areas.**