



Housing Advisory Commission

HOUSING ADVISORY COMMISSION

AGENDA

Regular Meeting

Thursday, February 1, 2018
7:00 pm

South Berkeley Senior Center

2939 Ellis Street
Secretary Amy Davidson
HAC@cityofberkeley.info

All agenda items are for discussion and possible action.

Public comment policy: Members of the public may speak on any items on the Agenda and items not on the Agenda during the initial Public Comment period. Members of the public may also comment on any item listed on the agenda as the item is taken up. Members of the public may not speak more than once on any given item. The Chair may limit public comments to 3 minutes or less.

1. Roll Call
2. Agenda Approval
3. Public Comment
4. Approval of the January 18, 2018 Regular Meeting Minutes (*Attachment 1*)
5. **Officer Elections – All/Staff** (*Attachment 2*)
6. **Discussion on First Draft Annual Action Plan (AAP) PY 2018 – All/Staff** (*Attachment 3*)
<https://www.cityofberkeley.info/ContentDisplay.aspx?id=12160>
7. **Discussion and Possible Action on Subcommittee Appointments – All** (*Attachment 4*)
 - a. Student Housing Subcommittee
8. **Discussion and Possible Action on Recommendations to City Council on Supply of Multi-Family Housing Units Following Disaster and Possible Areas of Collaboration with Disaster and Fire Commission – Igor Tregub** (*Attachment 5*)
9. **Discussion and Possible Action on a Home Share Program – Marian Wolfe**
(*Attachment 6 & 7*)
10. **Discussion and Possible Recommendation to City Council to Refer a "First in Time" Rental Ordinance to the City Manager and Housing Advisory Commission – Matthew Lewis** (*Attachment 8*)
11. **Update on Council Items – All/Staff**
 - a. Referral to the City Manager and the Housing Commission to Consider Creating a Dedicated Revenue Stream from Campus Area Projects to Fund Housing for Homeless and Extremely Low Income Students, and Drafting a Letter Encouraging Exploration of University Funding Streams for Student Housing (January 30, 2018)
https://www.cityofberkeley.info/Clerk/City_Council/2018/01_Jan/Documents/2018-01-30_Item_09_Referral_to_the_City_Manager_and_the_Housing.aspx

- b. Berkeley Way Housing Development Update (January 30, 2018; Continued from December 19, 2017)
https://www.cityofberkeley.info/Clerk/City_Council/2018/01_Jan/Documents/2018-01-30_Item_10_Berkeley_Way_Housing_Development_Update.aspx
- c. Endorsement of the 2018 Affordable Housing Act State Ballot Initiative (January 30, 2018)
https://www.cityofberkeley.info/Clerk/City_Council/2018/01_Jan/Documents/2018-01-30_Item_11_Endorsement_of_the_2018_Affordable_Housing_Act.aspx
- d. Direction and Referral to the City Manager Regarding “Premier Cru” Property (January 30, 2018)
https://www.cityofberkeley.info/Clerk/City_Council/2018/01_Jan/Documents/2018-01-30_Item_14_Direction_and_Referral_to_the_City_Manager.aspx

12. Announcements/Information Items

13. Future Items

- a. Review Meeting Process Guidelines (March)
- b. Appoint 1281 University Avenue RFP Ad Hoc Subcommittee (March/April)

14. Adjourn

Attachments

1. Draft January 18, 2018 Regular Meeting Minutes
2. February Officer Elections
3. Rhianna Babka, HHCS, First Draft Annual Action Plan (AAP) PY 2018
4. Current Subcommittee Appointments and Assignments
5. Tregub, Recommendation to the Berkeley City Council: Referral to Develop Comprehensive Plan for Disaster Preparedness and Post-Disaster Rebuilding with Respect to Multi-Family Housing
6. Wolfe, Home Share Program Recommendation
7. Wolfe, Follow-Up Questions and Comments – Home Share Program in Berkeley
8. Lewis, Creation of a "First in Time" Rental Ordinance

Information Items

9. Council Correspondence: Provide Timely Input Regarding Senate Bill 827's By-Right Development Provisions
10. From Marian Wolfe, Tax Overhaul Is a Blow to Affordable Housing Efforts (New York Times article)
11. From Igor Tregub, New Urban Habitat Report Shows Rent Control Works (Press Release) <http://urbanhabitat.org/press-releases-0>
12. From Igor Tregub, Urban Habitat: Strengthening Communities through Rent Control and Just-Cause Evictions (Report)
<http://urbanhabitat.org/sites/default/files/UH%202018%20Strengthening%20Communities%20Through%20Rent%20Control.pdf>

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Any writings or documents provided to a majority of the Commission regarding any item on this agenda will be made available for public inspection at the Health, Housing & Community Services Department located at 2180 Milvia Street, 2nd Floor during regular business hours. Agenda packets and minutes are posted online at:

https://www.cityofberkeley.info/Housing_Advisory_Commission/

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HOUSING ADVISORY COMMISSION
Regular Meeting
Thursday, January 18, 2018

Housing Advisory Commission

Time: 7:02 pm

South Berkeley Senior Center
2939 Ellis Street – Berkeley
Secretary – Amy Davidson, (510) 981-5406

DRAFT MINUTES

1. Roll Call

Present: Luis Amezcua, Xavier Johnson, Rashi Kesarwani, Matthew Lewis, Thomas Lord, Darrell Owens, Igor Tregub, Marian Wolfe, and Amir Wright.

Absent: None.

Commissioners in attendance: 9 of 9

Staff Present: Amy Davidson, Mike Uberti

Members of the public in attendance: 5

Public Speakers: 2

2. Agenda Approval

Commissioner Wright removed Item 10 from the agenda.

Action: M/S/C (Lewis/Wright) to approve the agenda.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

3. Public Comment

Public Speakers:1

4. Approval of the November 2, 2017 Regular Meeting Minutes

Action: M/S/C (Amezcua/Lewis) to approve the minutes.

Vote: Ayes: Amezcua, Johnson, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: Kesarwani.

5. Approval of the December 7, 2017 Special Meeting Minutes

Action: M/S/C (Lewis/Lord) to approve the minutes.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

6. Presentation and Discussion on Recommendations for a Berkeley Home Share Program from Julie Gilgoff

7. Discussion and Possible Action on Subcommittee Appointments and Assignments

Action: M/S/C (Lewis/Lord) to create a subcommittee to address the City Council referral regarding a Second Dwelling Unit/Accessory Dwelling Unit Pilot Program to House the Homeless. The subcommittee will have an assigned end date of June 30, 2018 with appointed commissioners Matthew Lewis, Darrell Owens, Igor Tregub, and Marian Wolfe.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

Action: M/S/C (Wolfe/Amezcua) to disband the Density Bonus Subcommittee.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

8. Discussion and Possible Action on Recommendations to the Berkeley City Council on Supply of Rent Controlled Units Following Disaster and Possible Areas of Collaboration with Disaster and Fire Commission

Public Speakers: 1

9. Discussion and Possible Recommendation to the Berkeley City Council to Direct the City Manager to Support the HAC's Review of the Smoke-Free Residential Housing Ordinance

Action: M/S/C (Wolfe/Johnson) to adopt the proposed recommendations with amendments as dictated by the Commission.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

~~**10. Discussion and Possible Recommendation to the City Council to Adopt a "More Student Housing Now" Resolution**~~

Removed from the agenda by Commissioner Wright.

11. Discussion and Possible Recommendation to Council Regarding SB 827

Action: M/S/C (Lewis/Owens) to extend meeting to 9:30 pm.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

Action: M/S/C (Amezcua/Lord) to send a letter of concern to the City Council on behalf of the Housing Advisory Commission to examine SB 827 and its potential impacts to Berkeley.

Vote: Ayes: Amezcua, Johnson, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: Kesarwani. Abstain: None. Absent: None.

12. Discussion and Possible Request to Staff for Information on the Short Term Rental Ordinance Enforcement Strategy

13. Announcements/Information Items

14. Future Items

15. Adjourn

Action: M/S/C (Owens/Amezcuca) to adjourn the meeting at 9:30 pm.

Vote: Ayes: Amezcua, Johnson, Kesarwani, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: None. Abstain: None. Absent: None.

Approved on February 1, 2018

_____, Amy Davidson, Secretary



Health Housing and
Community Services Department
Housing & Community Services Division

MEMORANDUM

To: Housing Advisory Commission

From: Amy Davidson, Senior Community Development Project Coordinator

Date: January 23, 2018

Subject: **February Officer Elections**

Housing Advisory Commission (HAC) officer elections are held each year in February. The offices established in the Commissioner Manual are Chair and Vice-Chair. The term for each office is one year. An individual chair may serve a maximum of two consecutive terms and there are no term limits for the vice chair. Elections are conducted by motion, and the newly elected chair begins running the meeting immediately. Igor Tregub was first elected chair in February 2017, and therefore he is not subject to term limit considerations this year.

Besides presiding over meetings of the HAC, the Chair has numerous responsibilities outside the meeting. These include:

- Drafting all Commission-approved reports and correspondence in accordance with the requirements and in a timely way, or coordinating with other Commissioners to do so;
- Approving the final version of each Commission-approved report and correspondence, signing them and submitting them to staff;
- Representing the HAC at Council meetings;
- Completing officer training;
- Meeting with staff to discuss the agenda each month;
- Approving the final agenda for each meeting; and
- Receiving media requests on behalf of the HAC, subject to numerous restrictions explained in the Commissioner Manual.

The Vice Chair participates in agenda setting as well, and fills in for the Chair when the Chair is not available. If you have questions, please consult the Commissioners Manual: http://www.ci.berkeley.ca.us/Clerk/Commissions/Commissions_Commission_Manual.aspx and let me know if you have additional questions.

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A Vibrant and Healthy Berkeley for All



Health Housing and
Community Services Department
Housing & Community Services Division

MEMORANDUM

To: Housing Advisory Commission (HAC)
From: Rhianna Babka, HCS, Community Services Specialist III
Date: January 23, 2018
Subject: **First Draft Annual Action Plan (AAP) PY 2018**

Each year, HCS staff prepare an Annual Action Plan (AAP) which is submitted to the federal Department of Housing and Urban Development (HUD) in May. The plan outlines how the City of Berkeley will spend its Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME) and Emergency Solutions Grant (ESG) funds for the federal program year (PY) 2018 which corresponds to the City's fiscal year (FY) 2019.

As the Advisory Commission to Council on the allocation of CDBG, HOME and ESG funds, the HAC needs to consider the Plan at its March 1, 2018 meeting, and make a recommendation to City Council at the meeting. The AAP will then be submitted to City Council for its April 24, 2018 Council meeting, which is also a Public Hearing on the AAP.

We have prepared an initial draft for your review at this time, and will submit a final draft for you to consider at your March 1, 2018 meeting. Dollar amounts in the plan are still estimates at this time, and will remain so until we receive the final CDBG, HOME and ESG allocations from HUD.

Below is the link to the webpage where the first and final drafts will be available, as well as the final plan upon Council adoption.

Link: <https://www.cityofberkeley.info/ContentDisplay.aspx?id=12160>

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A Vibrant and Healthy Berkeley for All

HAC Subcommittee Appointments
February 1, 2018

Name	Appointed by	Current Subcommittee Appointments
Rashi Kesarwani	Maio/ District 1	<ul style="list-style-type: none"> ▪ CDBG ▪ Measure U1
Thomas Lord	Davila/ District 2	<ul style="list-style-type: none"> ▪ CDBG ▪ Moderate Income Housing ▪ Smoke-Free Housing
Igor Tregub	Bartlett/ District 3	<ul style="list-style-type: none"> ▪ Accessory Dwelling Unit Pilot Program to House the Homeless ▪ HTF ▪ Low Income ▪ Measure U1 (Alternate) ▪ Moderate Income Housing
Luis Amezcua	Harrison/ District 4	<ul style="list-style-type: none"> ▪ HTF ▪ Measure U1 ▪ Student Housing
Xavier Johnson	Hahn/ District 5	<ul style="list-style-type: none"> ▪ Homelessness ▪ HTF ▪ Low Income ▪ Smoke-Free Housing
Marian Wolfe	Wengraf/ District 6	<ul style="list-style-type: none"> ▪ Accessory Dwelling Unit Pilot Program to House the Homeless ▪ Density Bonus ▪ Homelessness ▪ Low Income ▪ Measure U1
Amir Wright	Worthington/ District 7	<ul style="list-style-type: none"> ▪ Student Housing
Darrell Owens	Droste/ District 8	<ul style="list-style-type: none"> ▪ Accessory Dwelling Unit Pilot Program to House the Homeless
Matthew Lewis	Arreguin/ Mayor	<ul style="list-style-type: none"> ▪ Accessory Dwelling Unit Pilot Program to House the Homeless ▪ HTF ▪ Low Income ▪ Measure U1 ▪ Student Housing

HAC Subcommittee Appointments
February 1, 2018

Notes on ad hoc subcommittees:

Subcommittee	Assignment	End date
Accessory Dwelling Unit Pilot Program to House the Homeless	Review and make recommendations to the City Council referral regarding a Second Dwelling Unit/Accessory Dwelling Unit Pilot Program to House the Homeless	June 30, 2018
CDBG	Advise the HAC on the current CDBG funding cycle	Upon completion of current CDBG funding cycle
Homeless	Coordinate with the Homeless Commission on matters of mutual interest	June 30, 2018
Housing Trust Fund	Advise the HAC on Housing Trust Fund related matters	June 30, 2018
Low Income Housing*	<ul style="list-style-type: none"> Explore and make recommendations on the low income housing strategies identified in the HAC's FY2018 work plan 	June 30, 2018
Measure U1	<ul style="list-style-type: none"> Develop recommended guidelines for the use of U1 funds; Provide advice for the HAC for Council on anti-displacement programs and affordable housing to be funded with U1; and Possibly discuss specific projects, avoiding overlap with other subcommittees of the HAC. 	June 30, 2018
Moderate Income Housing*	<ul style="list-style-type: none"> Explore and make recommendations on the moderate income housing strategies identified in the HAC's FY2018 work plan 	June 30, 2018
Smoke-Free Housing	<ul style="list-style-type: none"> Consider updates to the City's Smoke-Free Housing Ordinance and existing implementation of the ordinance Propose revisions to these to improve the accessibility and effectiveness of the ordinance Propose methods for obtaining public input into the needs of the ordinance. 	December 7, 2018

HAC Subcommittee Appointments
February 1, 2018

<p>Student Housing</p>	<ul style="list-style-type: none"> • Explore and make recommendations on student housing strategies identified in the HAC's FY2018 work plan • Explore: <ul style="list-style-type: none"> ○ Master tenancies ○ Site selection ○ How the university finances its housing (e.g. UPP's vs revenue bonds) and privatization of UC Berkeley housing system in general ○ Pressuring the university to force developers to meet the affordability requirements of the city (e.g. mitigation fee/in-lieu units) ○ Developing a separate affordability definition applicable to inclusionary housing to be used in areas near campus so students can live in them 	<p>June 30, 2018</p>
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* 2017-2018 Work Plan priority "Lack of Funding" was referred to the subcommittees marked with an asterisk(*). Specific strategies referred were:

- Explore other forms of taxation/revenues.
- Look at acquiring tax-default properties.
- Increase the commercial linkage fee.
- Allocate a portion of the short term rental tax.
- Use of Federal transportation funds.

HOUSING ADVISORY COMMISSION

2/1/2018

To: Housing Advisory Commission
From: Chairperson Igor Tregub
Subject: Recommendation to the Berkeley City Council: Referral to Develop
Comprehensive Plan for Disaster Preparedness and Post-Disaster
Rebuilding with Respect to Multi-Family Housing

RECOMMENDATION

The Housing Advisory Commission (HAC) requests that the Berkeley City Council submits a referral to applicable city departments and commissions to develop a comprehensive plan for both disaster preparedness and post-disaster rebuilding with respect to multi-family housing. As part of the plan, applicable departments and commissions should explore how applicable ordinances (e.g., Demolition Ordinance, Relocation Ordinance, Rent Stabilization Ordinance) may interface with rebuilding efforts in the event of a major disaster and make recommendations to amend or clarify them as appropriate.

BACKGROUND

The recent fires in California which have led to mass displacement of tenants have prompted renewed interest in this item. News articles and clips like the one contained in Footnote 1¹ point to the displacement pressures that tenants could face years after a major disaster should one occur in the City of Berkeley.

For this reason, the Housing Advisory Commission (HAC) requests that the Berkeley City Council submits a referral to applicable city departments and commissions to develop a comprehensive plan for both disaster preparedness and post-disaster rebuilding with respect to multi-family housing.

One aspect of this plan should include policies that either incentivize or mandate certain steps to achieve the preparedness for a major disaster of both property owners of and tenants in multi-family housing. The City Council has already referred some of these ideas to the Disaster and Fire Commission, which is in the process of evaluating them.

A second aspect of the plan should consist of policies and approaches that deal with post-disaster rebuilding with respect to multi-family housing. The HAC recommends that as part of this analysis, applicable departments and commissions should explore how applicable ordinances (e.g., Demolition Ordinance, Relocation Ordinance, Rent Stabilization Ordinance) may interface with rebuilding efforts in the event of a major

¹ <http://www.ktvu.com/news/294351705-video> - "2nd Wave of North Bay Fire Victims – Renters Getting Evicted," dated November 16, 2017, KTVU.

disaster and make recommendations to amend or clarify them as appropriate.

For example, a question has previously been raised, but not definitively answered, as to whether units in damaged buildings, if rebuilt following a disaster, will retain their rent-controlled status. As there are legal, economic, and policy implications for this inquiry, it is the position that this question should be analyzed by applicable departments and commissions. Another item that should be discussed concerns areas of the Demolition and Relocation Ordinances that were not resolved upon their respective revisions in 2011 and 2009. These issues have made the process of understanding what the relocation payment amount is in the event of a temporary relocation, such as due to a fire that does not fully damage the building but requires rehabilitation.² In the case of a different fire, which largely consumed the building, its former occupants were not entitled to receive any dislocation payments at all, as the Demolition Ordinance prevailed.³

The City of Berkeley ought to study all of the aforementioned issues in greater length and come up with a comprehensive assessment and set of recommendations, through the course of an inter-departmental, multi-commission analysis.

PRIOR ACTIONS TAKEN

The Housing Advisory Commission has occasionally collaborated on areas of mutual concern at the Berkeley Disaster and Fire Commission's request (most recently, on a pilot for emergency caches stored in multifamily buildings). In addition, the HAC has weighed in on previous drafts of the Relocation and Demolition Ordinances.

ENVIRONMENTAL EFFECTS

To the extent that a ready supply of multi-family housing can be rebuilt along as urban infill and remain affordable to renters following a fire or other natural disaster, adopting these actions may have impacts in line with the City of Berkeley's Climate Action Plan, particularly around reductions in vehicle miles traveled and greenhouse gas emissions.

FISCAL IMPACTS OF RECOMMENDATION

In the short and medium term, staff time is anticipated. In the longer term, the fiscal impacts are as yet unknown. Savings could result from having a comprehensive plan in place, which could lead to the prevention of casualties in a disaster and mitigate the economic impacts of both the disaster and the process of post-disaster recovery.

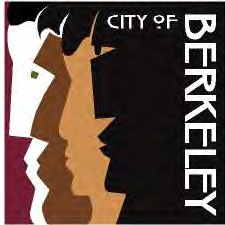
CONTACT PERSON

Igor Tregub

ITregub@cityofberkeley.info

² <http://www.berkeleyside.com/2015/12/10/tenants-scramble-to-relocate-after-dwight-way-fire/>

³ <http://www.berkeleyside.com/2011/12/07/sequoia-fire-aftermath-cause-rights-future-under-scrutiny/>



Sophie Hahn
Councilmember District 5

SUPPLEMENTAL AGENDA MATERIAL

Meeting Date: November 28, 2017

Item Number: 15

Item Description: Referral to the Disaster and Fire Safety Commission and the City Manager: Five Year Plan for Expanded Disaster Preparedness Services

Submitted by: Councilmembers Sophie Hahn and Kate Harrison

Making a minor change in the recommendation, submitted as a friendly amendment to the original item.



Councilmember Ben Bartlett
City of Berkeley, District 3

CONSENT CALENDAR
November 28, 2017

To: Honorable Mayor and Members of the City Council

From: Councilmember Ben Bartlett

Subject: Referral to the Disaster and Fire Safety Commission and the City Manager: Five Year Plan for Expanded Disaster Preparedness Services

RECOMMENDATION

Refer to the Disaster and Fire Safety Commission ([DFSC](#)) and the City Manager's office to explore developing a five year plan for expanded disaster preparedness services.

[The plan may consider the following items and any other items the DFSC or City Manager may deem appropriate or relevant to include:](#)

1. Equity and Accountability

Improve the accountability and equity of disaster programs in the City of Berkeley so that a program will only be considered successful if it serves the whole community equitably. Consider these improvements:

- All new neighborhood disaster cache distributions must meet an equity criteria that may be based on geography or other factors to be proposed.
- Ramp up the community resilience center (CRC) program with the goal of adding 20 new CRCs. Additionally, create a new similar program focusing on apartment buildings with the goal of onboarding 100 apartment buildings.
- Ramp up the volunteer CERT District Coordinators program so that every fire district has a coordinator, and provide additional support to district coordinators.
- Launch an equitably distributed post-disaster services hub program modeled on Portland's BEECN program to ensure that every person in Berkeley is within walking distance of a volunteer-staffed services hub that serves the public.
- Explore a grants program in partnership with CESC (Community Energy Services Corp) for low-income households to receive seismic safety evaluations and services performed by CESC in their homes.
- Make all disaster preparedness programs and services available in multiple languages consistent with other City communications.
- Develop clear, quantitative measures and targets for the neighborhood cache program, the CRC program, the dumpster program and any other disaster preparedness or response program with a yearly assessment of success.

2. Yearly Citywide Exercise

Require that the Office of Emergency Services (OES) coordinate an annual citywide Emergency Exercise, in which every city department participates. Activate the Emergency Operations Center (EOC), CERT neighborhood groups, CRCs, BEECNs and Volunteer Corps with drill scenarios, and coordinate with UC Berkeley, BUSD, and neighboring cities.

3. School Preparedness

Develop a program collaborating between City Office of Emergency Services (OES) and schools in Berkeley to improve school preparedness. Require that the OES offers at least 3 hours of disaster training per year, per school, to teachers/staff at K-12 public schools in Berkeley.

4. Disaster Programs Equity for Renters

Ensure that City disaster programs serve renters and not just property owners in Berkeley. Consider these improvements:

- Develop an ordinance to require that apartment buildings with three or more units maintain sufficient water to supply their residents with water for three days in the event of a disaster, or develop a program that provides incentives for disaster supply storage.
- Create a program similar to the CRC (Community Resilience Centers) program focused on multi-unit apartment buildings. Incorporate internships or volunteer staff to scale the program with the target of adding 100 buildings.
- When the OES is setting up emergency caches at multi-unit buildings as part of the CRC program, input from renters must be included in the conversation, and access to emergency caches must be given to a minimum of two on-site residents.
- Develop an ordinance to require that in multi-unit apartment buildings with no on-site manager, a minimum of two on-site residents must be given access to the utility shut-off valves.
- Require that the OES offer a minimum of 6 CERT trainings per year to apartment-dwellers at their apartment location
- Create an ordinance that requires all rental agreements in Berkeley to allow renters to brace furniture and strap the hot water heater so that it doesn't fall over in an earthquake, and make this effective for existing as well as new rental agreements.
- Update the Demolition ordinance to explicitly address disasters. Specifically, are units that were rent-controlled before a large earthquake going to come back as rent-controlled in the recovery?
- Refer the Rent Board to provide a legal review of the legal rights and responsibilities of tenants and landlords when a building is red-tagged due to an earthquake: Is the lease terminated? Does the tenant need to continue to pay rent? Is the tenant entitled to relocation assistance? How does this change if the building is eventually demolished vs. fixed?

- Add disaster preparedness items to the yearly RHSP (Rental Housing Safety Program) self-check form. Require RHSP self-check for short-term rental properties.

5. Post-Disaster Communications

Develop a plan to improve post-disaster Communications. Consider these improvements:

- Develop an equitably distributed post-disaster communications hub program modeled on Portland's BEECN program to ensure that every person in Berkeley is within walking distance of a volunteer-staffed disaster communication and services hub that serves the public. As with all other disaster preparedness programs, integrate accountability with quantitative measures in the design of this program.
- Evaluate adoption of FirstNet for first responders and whether this can reduce radio expenses.
- Reinstate the Disaster Service Worker (DSW) designation for volunteer HAM radio operators.
- Improve the signal of AM 1610 (Berkeley's emergency radio) so that it can be heard throughout Berkeley.

6. City Staff Training

Develop a plan to provide a yearly disaster training to all City employees including the following topics:

1. What is my responsibility in a citywide emergency?
2. Familiarity with equipment, tools, supplies that I would need to do my job.
3. Family and home preparedness to increase my chances of being able to help at work rather than abandoning post to deal with home situation.

7. Volunteer Corps

Create a Volunteer Corps program with a dedicated staff coordinator to support, manage, and credential qualified volunteers for post disaster response (including medical, building inspection, search and rescue, etc.), including reinstating the Disaster Service Worker (DSW) designation for volunteer HAM radio operators. Integrate accountability with quantitative measures in the design of this program.

8. Disaster Shelters

Assess and share with the public how much sheltering capacity the City currently has. Set a goal to expand sheltering capacity within 5 years to meet 100% of the estimated sheltering need for Berkeley residents based on a 6.7 North Hayward Fault earthquake. Consider the most cost-effective ways to meet post-disaster shelter needs, which may include using non-City-owned property, such as schools, or temporary shelters (e.g. tents), rather than seismic retrofits of City-owned property.

Within 1 year, sign an MOU with BUSD to facilitate disaster sheltering at Berkeley school sites.

9. Reorganize Emergency Management Into a Department

Explore the advantages/disadvantages of moving emergency management into its own city department, as San Francisco (SFDEM) and Portland OR (PBEM) have done. A new department reporting to the City Manager would coordinate the cross-disciplinary elements of emergency preparedness and response including first responders, public works, public health, building inspection, climate resilience, and community organizing elements which are currently floating through multiple departments. This would also ensure subject-matter expertise in the department leadership.

10. Improve Access to CERT Training

Develop a plan for increasing access to CERT training. Consider exploring:

- Partnerships with other cities to develop a regionally coordinated CERT system in which all Bay Area residents can access a shared CERT training schedule and take classes in neighboring cities.
- Reducing the minimum age of participation.
- Partnerships with the University of California.
- Offering training in more locations and a variety of times of day and days of the week
- Require a minimum of 40 3-hour CERT trainings, including six trainings at apartment buildings, and 6 weekend academy trainings be offered by OES each year

11. Increase home water storage

Increase home water storage for disaster use in Berkeley. Consider these improvements:

- Develop a plan to offer low-priced 55-gallon water containers to Berkeley residents. The City can purchase barrels in bulk, store them, and sell them to residents at forums, fairs, and online at the bulk rate. Offering delivery will increase adoption.
- Develop a program to encourage rain water catchment in Berkeley homes and apartments.

12. Improve fire safety and access/egress in hills fire zone

Develop a city ordinance to improve fire safety in the hills fire zone. Consider these improvements:

- Restrict parking on red flag days to ensure access for response vehicles, similar to a Los Angeles red flag restricted parking program.
- Limit parking to one side of the street on any streets narrower than 26 feet.
- Require major remodels and all ADU conversions to include indoor fire sprinklers
- Incentivize and enforce fire safe vegetation management on private properties in the fire zone
- Increase fire prevention staffing.

13. Business Continuity Support

Create emergency plans for and with local business owners to ensure that their businesses do not close soon after a natural disaster. Set a target of OES - using volunteers, interns, or consultants to gain expertise - providing one-on-one mentoring for at least 20 small businesses per year in emergency preparedness and business continuity planning.

14. Disaster Preparedness Funding

Dedicate city staff time to applying for and administering grants from BAUASI, State of California, or other sources for disaster preparedness improvements. Explore other forms of funding partnerships.

BACKGROUND

The Bay Area is highly vulnerable to natural hazards, especially earthquakes.

Six significant fault zones are present in the Bay Area. Notably, scientists are convinced that the Hayward Fault has reached the point where a powerful, damaging quake can be expected at any time. According to a 1996 Earthquake Engineering Research Institute report, the next major Hayward Fault quake is expected to cause significant loss of life and extensive damage to homes, businesses, and infrastructure, such as transportation and utilities.

It is imperative that we prepare our community for disasters.

FISCAL IMPACTS OF RECOMMENDATION

Staff time.

ENVIRONMENTAL SUSTAINABILITY

The recommendations are in line with our environmental sustainability goals.

CONTACT INFORMATION

Councilmember Ben Bartlett, (510) 981-7130



[Commission Name]

[CONSENT OR ACTION]

CALENDAR

[Meeting Date (MM dd, yyyy)]

To: Honorable Mayor and Members of the City Council
From: Housing Advisory Commission
Submitted by: Igor Tregub, Chairperson, Housing Advisory Commission
Subject: Home Share Program Recommendation

RECOMMENDATIONS

The Housing Advisory Commission adopted sending the recommendations in this report to the City Council at their XXX meeting.

Establishing a Home Share Pilot Program

The City should consider establishing a Home Share Pilot Program that could be expanded into a permanent housing program in the City of Berkeley. Home Sharing is a living arrangement in which two or more unrelated people share a house or an apartment. Home Sharing programs connect homeowners or renters with extra rooms to home seekers in need of housing.

To launch a city-sponsored home sharing program, it is advantageous to partner with a local nonprofit organization that can help with the vetting and screening process of interested parties. Episcopal Senior Communities (ESC) has expressed interest in expanding their services to Berkeley. ESC offers a full-time program to the cities and counties in which it works. The organization supports different forms of senior housing and promotes seniors being able to age in place. ESC uses organizational resources, and dedicates fundraising efforts to provide Home Sharing in the City of Concord and Marin County. They also offer a full-time program in San Francisco County, partnering with the Mayor's Office of Housing and Community Development, as outlined below. ESC is expanding elsewhere in Contra Costa County in 2018.

It is essential to have city-backing in order to increase community member trust in the service, and to have a funding model that is not based on charging commissions to home providers or home seekers.

Program Costs

At this time, the HAC does not know exactly what a program would cost in Berkeley. However, ESC has indicated that it can obtain grants that could pay for up to 80% of the costs. While we do not know costs at this time, it is helpful to consider costs for a one-year program operated by a different nonprofit - HIP Housing (Human Investment Project Housing). HIP operates a program in Fremont on a budget of \$75,000. This budget covers the costs of renting out office space and paying staff salaries. Staff is responsible for conducting interviews, background checks, house screening, as well as follow-up support. Out of approximately 350 inquiry calls that the Fremont home share office handles annually, staff screens about 200 people per year, resulting in 25-30 home matches. It is anticipated that the "yield" numbers in Berkeley will be higher due to our higher percentage of seniors and students in Berkeley.

Administrative Recommendations

- City to discuss a Home Share Program in Berkeley to be operated by ESC.
- City to allocate funds for a one-year Pilot Program that could be authorized as a permanent program, if the pilot program is successful.

FISCAL IMPACTS OF RECOMMENDATION

Fiscal impacts are to be determined; however, the program model recommended is based on the assumption that approximately 80% of costs will be handled by ESC.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley is home to a large number of seniors and to a young adult population. According to the 2015-2013 Housing Element, of the 112,580 residents counted by the 2010 Census, 27% were between the ages of 18 and 24, and 23% of the population was over 55 years of age. Students are having a difficult time finding affordable housing while seniors, living on fixed incomes, still need to cover increased costs of utilities for all residents, and continuing costs of property taxes, insurance, and maintenance for homeowners. A Home Share Program will benefit both younger and older individuals and households.

BACKGROUND

Although there are no age guidelines about who can participate in the home share program as a home provider or seeker, most matches are between senior home providers and younger lodgers. In some of these arrangements, reduced rent is given in exchange for the home seeker helping with chores or other household needs. These arrangements may prove advantageous for those who enjoy intergenerational living.

EXAMPLES OF HOME SHARE PROGRAMS

The City of Fremont has officially sponsored a home share program (<https://www.fremont.gov/2375/Home-Sharing-Program>), partnering with the nonprofit organization, HIP Housing (Human Investment Project Housing). Together, they are matching home seekers who currently live, work, or go to school in Fremont, with homeowners or renters with an extra room. (<http://hiphousing.org/programs/home-sharing-program/>).

HIP screens home seekers and home providers at an interview, checking references and income verification. HIP also provides this home matching service in San Mateo County. HIP has operated its San Mateo program for over 30 years. Their program serves as the model for most replication initiatives, including ESC.

In San Francisco, the Mayor's Office of Housing and Community Development has partnered with Northern California Presbyterian Homes & Service and ESC, to provide a Home Match program. (<http://www.homematchsf.org/>) To take advantage of this free program, home seekers must be 18 years of old or older, earn no more than 90% of the Area Median Income, and undergo a thorough background check. To participate as a home provider, the homeowner must provide proof of home ownership and residence, give a tour of the property during the interview process, and undergo a thorough background check. Both parties must describe their ideal home arrangement, personal characteristics, meet, and decide if they are a good match to live together. Ninety percent of the San Francisco home share program is funded by the County, and is staffed by a program director and outreach manager.

ENVIRONMENTAL SUSTAINABILITY

Recommendations regarding the implementation of a Home Share Program does not impact the environment directly.

RATIONALE FOR RECOMMENDATION

We need to think of creative ways to help Berkeley residents afford housing and "age in place." This program would be available both to senior homeowners and senior renters.

ALTERNATIVE ACTIONS CONSIDERED

ADU developments are another way to help seniors remain in their housing. However, not all housing is conducive to adding or legalizing ADU's, and creation of an ADU requires investment of funds that seniors may not have.

CITY MANAGER

The City Manager [TYPE ONE] concurs with / takes no position on the content and recommendations of the Commission's Report. [OR] Refer to the budget process.

Note: If the City Manager does not (a) concur, (b) takes any other position, or (c) refer to the budget process, a council action report must be prepared. Indicate

under the CITY MANAGER heading, "See companion report." Any time a companion report is submitted, both the commission report AND the companion report are Action reports.

CONTACT PERSON

Amy Davidson, Senior Community Development Project Coordinator, Health, Housing and Community Services

Follow-Up Questions and Comments – Home Share Program in Berkeley

How is this program different from an ADU? A short-term rental program? *I will handle this.*

Why can't seniors do this on their own? *I think you said in the meeting that more help can be provided if there is an intermediary, particularly when it comes to screening on both sides (tenant and owner).* The nonprofit helps to screen each participant, conducting background checks, income verification, visiting the home in question, checking references, asking each participant to come up with a description of their ideal living situation. The nonprofit facilitates the first meeting between participants in a safe place, helps provide rental agreements and explains to each party their rights. If a match is not working out for whatever reason, the nonprofit stays involved as a resource that the parties could call to help resolve an issue or undo the match when necessary. The city involvement/endorsement of the program would also help promote trust and participation.

Are there instances of elder abuse? Discrimination?

There are risks of elder abuse in this program, and that is why it is so important to have a dedicated nonprofit monitoring the participants' wellbeing and answering their questions and concerns as they come up. Legal Assistance to Seniors (LAS), an Oakland-based legal nonprofit, received a grant to deliver trainings to homeowners about their rights as landlords to lodgers, and how to look for signs of potential elder abuse. LAS mainly concentrates their services on South Alameda County, but would consider delivering some of these trainings to Berkeley, or help to train/provide resources to a legal service provider (or a senior housing lawyer such as myself), to conduct these trainings to elder home providers in Berkeley.

There are risks of discrimination. But home share nonprofits such as ESC and HIP Housing have legal experts investigating how much it is permissible for home providers to voice their preferences in selecting another roommate to live with. For example, it is legally permissible for a female home provider to take an active preference to rent to another female lodger in their home, since that is considered an "intimate association." If the home provider was renting two or more rooms in their house as compared to one, however, they would not be able to discriminate against people based on the characteristics listed in the fair housing laws. When there are several roommates involved, it is not legally considered an intimate association anymore. These nonprofits handle all the matching themselves and do their best to limit participants making selections and preferences that create a liability.

What is the City liability for such a program? I am not certain about this question, but I believe that liability could be waived in a contract signed between the nonprofit (ESC) and the City.

What are the safety concerns experienced in other cities? Many of these concerns can be mitigated by the in-depth screening process outlined above.

What is the average age of renters? On a description of the City of Fremont's home share program, I found the following language: "[The nonprofit] interviews clients of all walks of life including those who are working, seniors, single parents, persons with disabilities, persons exiting from a shelter, students and others who receive benefits such as unemployment, TANF,

retirement or disability income”... “There are two types of arrangements that the nonprofit can help facilitate: rent and service exchanges. In a rent exchange, a home seeker moves in with a home provider and pays rent and possibly utilities. In a reduced rent exchange, non-medical care such as helping with meals, shopping, cleaning, companionship and doing errands, are exchanged for reduced rent.”

For rent exchange, the renters could likely be other seniors. For the service exchange, renters would likely be students. I don't know what the average age of renters is, but it seems they could be any age.

Does it make sense to target the program to non-senior households? If it would make more sense to have a single focus of the program, seniors should be the focus, in my opinion. The program could be open to anyone of any age who has an extra room in their house, but the emphasis of the program is assisting home providers in finding a dependable lodger that fits their needs, targeting populations who aren't necessarily comfortable with online platforms, and those who are not motivated to share their home in order to turn the highest profit, but rather, to meet their needs.

Is there attrition in the program and why? I am unclear the meaning of the question, but I am not aware of any trend of attrition in the program. Renters enter the home share program for a variety of reasons, some looking for short term affordable housing (such as if they are waiting for subsidized or low-income housing to come through), while others choose home sharing as a way to keep their housing costs affordable on a long-term basis. The average match in the City of Fremont's program lasts approximately three years.

Why does it take so much effort to make a match? Because of all the background checks and precautions taken by the nonprofit. There is also educational outreach that has been necessary to teach about the benefits of home share programs in order to attract sufficient home providers.

How long does it take to make a match, once a renter or an owner has expressed interest? I am not certain. This is from a description of the City of Fremont's program: “Clients are encouraged to keep in regular contact with their home sharing coordinator to receive referrals of potential housemates and then to follow-up with the referrals given by returning calls and making appointments.... The number of referrals given to clients of potential housemates depends on a number of factors: family size seeking housing, amount of rent charged/able to pay, location, pets, smoking and other personal preferences. [The nonprofit's] staff will work with clients for the duration of the time they are searching for a housemate whether the client finds a placement through our agency or something on their own.” My guess would be that it takes a minimum of a month to conduct all the background checks and meetings and could take several months before a suitable home is available for each home seeker.

Do the successful match numbers annually in Fremont (25 – 30), represent new matches annually, or are some of these “re-matches?” Those numbers represent new matches. Rematches fall into ongoing support from previous clients.

Some of the HAC members were very interested in knowing more about “yield” numbers (350 inquiry calls, 200 people screened, resulting in 25-30 matches). If we use the \$75,000 paid by

Fremont, and the 25 to 30 number of matches made, then 50 to 60 people are helped, for an average cost of \$1,250 to \$1,500 per person. Would it be easier to get a higher yield rate in Berkeley given the number of seniors and younger people in our community?

I do believe it would be easier in Berkeley to get a higher yield rate because of the higher number of seniors and students.

Does Fremont face different conditions than exist in Berkeley?

The university in Berkeley and high concentration of senior population makes the home share program an ideal fit in Berkeley. The City of Fremont wasn't even ready to implement rent control in 2017, in part due to landlord fears that it would make it too difficult to evict tenants. This shows the political climate in Fremont as related to housing rentals. The educational outreach necessary to find enough home providers in Fremont would not be necessary in Berkeley, especially with willing collaborators such as the UC Berkeley Retirement Center, Ashby Village, TTN Home, and other listservs used by seniors looking for housing solutions.

I think that we can increase interest, if we don't plan on a senior to senior program, but on the model where a younger person moves in and possibly gets a reduced rent for assisting the senior.

Housing Advisory Commission

2/1/2018

To: Housing Advisory Commission
From: Commissioner Matthew Lewis
Subject: Creation of a "First in Time" Rental Ordinance

Recommendation

- 1) Request that the City Council refer to city staff and the Housing Advisory Commission the creation of a "First in Time" ordinance that would require landlords to accept the first qualified tenant applicant for rental housing at the listed rental rate.

Background

In 2016, Seattle passed a groundbreaking ordinance to create a "First in Time" rule, requiring landlords to rent to the first qualified applicant. (The law took effect January 1, 2017, and the city started enforcing it in July) "Landlords publish the criteria for renting a unit that can include things like proof of income, a certain credit score or rental history, or positive references from past landlords." (O'Neill)

The Seattle ordinance is designed to combat illegal discrimination. Even though it is illegal to discriminate against tenants or prospective tenants based on factors like race or having children, such discrimination still occurs. According to Seattle City Councilmember Lisa Herbold, who authored the law, "Approximately 60 percent of fair

housing testing has some evidence of bias found”” (*ibid.*) By eliminating a veil used to cover-up intentional illegal discrimination (as well as a vehicle for subconscious discrimination), Berkeley can strike an important blow against bigotry.

In addition to reducing discrimination, such a law could also incidentally address:

- Bidding Wars: The prospect of bidding wars would be reduced as landlords would no longer be able to pit multiple prospective tenants (or groups thereof) against each other. Landlords would choose what rent level to set available housing at, and prospective tenants could choose whether that is acceptable.
- Wasted time: Persons looking for housing may spend a significant amount of time viewing and applying for rentals that they ultimately are not picked for. Such wasted time is unfortunate, and serves no purpose. A “First in Time” ordinance would eliminate much of this wasted time by letting prospective tenants who know they meet all of the criteria know that they will be accepted. As a result, people would have more free time.

An item to refer this issue to the Housing Advisory Commission for discussion was brought to the City Council by then-councilmember Jesse Arreguin on October 28, 2014 (Arreguin). The council voted to postpone the item to a future meeting, but the item was brought forward at a future meeting.

Considering that that a) that was more than three years ago, b) Seattle has since passed a “First in Time” ordinance, c) the housing crisis has become an increasingly

pressing issue, and d) the national political climate festers an increased risk of illegal and unwanted discrimination, the Housing Advisory Commission should consider the creation of such an ordinance.

Additional Reading

1. Arreguin, Jesse. "2014-10-28 Item 17 Fair Housing." *Berkeley City Council*, City of Berkeley, 2014,
www.cityofberkeley.info/Clerk/City_Council/2014/10_Oct/Documents/2014-10-28_Item_17_Fair_Housing.aspx.
2. O'Neill, Ellis. "Seattle Tests New Law Aimed at Preventing Discrimination by Landlords." *Marketplace*, Minnesota Public Radio, 11 May 2017, 2:00 PM,
www.marketplace.org/2018/01/19/life/looking-back-year-trump-three-different-cities.
3. Seattle Office of Civil Rights. "First-in-Time Requirements, Seattle's Open Housing Ordinance, SMC 14.08 Frequently Asked Questions." *First-in-Time Requirements, Seattle's Open Housing Ordinance, SMC 14.08 Frequently Asked Questions*, City of Seattle, 12 Jan. 2017.
www.seattle.gov/Documents/Departments/CivilRights/Fair%20Housing/FAQ_FINAL_1-12-17.pdf.

Housing Advisory Commission

COMMUNICATION
January 24, 2018

To: Honorable Mayor and Members of the City Council

From: Housing Advisory Commission

Submitted by: Igor Tregub, Chairperson, Housing Advisory Commission

Subject: Provide timely input regarding Senate Bill 827's by-right development provisions

RECOMMENDATION

The Housing Advisory Commission respectfully asks the City Council to examine SB827, which is titled "An act to add Section 65917.7 to the Government Code, relating to land use" and which was authored by Senators Weiner, Skinner, and Ting.¹

To this end, the HAC *suggests* that Council form an ad hoc subcommittee to review the bill. This subcommittee would be authorized to meet with members from the Housing Advisory and Planning Commissions, at a minimum.

FISCAL IMPACTS OF RECOMMENDATION

None.

CURRENT SITUATION AND ITS EFFECTS

The Housing Advisory Commission took the following action at its January 18, 2018 regular meeting:

Action: M/S/C (Amezcuca/Lord) to send a letter of concern to the City Council on behalf of the Housing Advisory Commission to examine SB 827 and its potential impacts to Berkeley.

Vote: Ayes: Amezcuca, Johnson, Lewis, Lord, Owens, Tregub, Wolfe, and Wright. Noes: Kesarwani. Abstain: None. Absent: None.

SB827 as proposed would allow, on many parcels throughout most of Berkeley, where residential use is permitted, the *by right* construction of residential structures that are:

- 45 to 55 feet in height (four to five stories)
- 85 feet in height on parcels facing a wide street (eight stories)
- Without any restriction on unit density apart from the building code
- Without any parking requirement whatsoever

1

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB827

The HAC observes that passage of this bill will moot any effort by Berkeley to establish explicit and meaningful density standards.

Among other concerns, the HAC notes that the bill as written may significantly increase displacement in Berkeley from existing, naturally occurring affordable housing stock.

Igor Tregub, Chairperson, Housing Advisory Commission

<https://www.nytimes.com/2018/01/18/business/economy/tax-housing.html>

Tax Overhaul Is a Blow to Affordable Housing Efforts

By CONOR DOUGHERTY JAN. 18, 2018

SAN FRANCISCO — The last time that Congress approved a sweeping overhaul of the federal tax code, in 1986, it created a tax credit meant to encourage the private sector to invest in affordable housing. It has grown into a \$9 billion-a-year social program that has funded the construction of some three million apartments for low-income residents.

But the Republican tax plan approved last month amounts to a vast cutback, making it much less likely that such construction will continue apace. Because the tax rate for corporations has been lowered, the value of the credits — which corporations get in return for their investments — is also lower.

“It’s the greatest shock to the affordable-housing system since the Great Recession,” said Michael Novogradac, managing partner of Novogradac & Company, a national accounting firm based in San Francisco.

According to an analysis by his firm, the new tax law will reduce the growth of subsidized affordable housing by [235,000 units over the next decade](#), compounding an existing shortage.

Already, developers and city agencies are scrambling for new financing and scaling back longer-term plans.

Don Falk can see the fallout from his window. Mr. Falk is the chief executive of the Tenderloin Neighborhood Development Corporation, an affordable-housing developer **in San Francisco’s impoverished Tenderloin district. Directly across the street from his office sits a new project, a rising eight-story building that will have 113 units, a third of those set aside to serve the city’s swelling homeless population.**

An affordable-housing building under construction in the Tenderloin neighborhood of San Francisco. Recent changes to the federal tax law have hurt the market for affordable-housing tax credits.

A year ago, as the market for tax credits started falling in expectation that a Republican president and a Republican Congress would steeply lower taxes, the project developed a \$3 million deficit. The city stepped in to cover the shortfall, but the financing problem was an early indication of what affordable-housing groups and developers expect to be a declining pace of new building.

Kate Hartley, director of the San Francisco Mayor’s Office of Housing and Community Development — the agency that backstopped Mr. Falk’s development when it needed help — said the lower corporate tax rate had increased the cost of building affordable

housing in the city by roughly \$50,000 per unit. That adds up to a lot of multimillion-dollar leaks, she said, **“and we have less money to build the units we want to build.”**

For renters like Sandy Hernandez, who lives south of San Francisco in a two-bedroom apartment with her ex-husband and two children, this is coming at the worst possible time. Her building was recently purchased by a group of investors, and next month her \$1,900 rent is scheduled to go up \$850 — more than 40 percent — to \$2,750. Ms. **Hernandez said there is no way she can pay that much, but she’s stuck because the list for affordable housing is so long.**

“It’s hard because there’s a lot of people in the same situation,” she said.

Programs to build subsidized rental housing date back to the Great Depression, and **were greatly expanded during President Lyndon B. Johnson’s “war on poverty.”** Support for these programs started to wane under President Richard Nixon, and they were vastly scaled back under President Ronald Reagan.

But unlike public housing programs, which tended to expand under Democratic administrations and shrink under Republican ones, tax credits proved enduring and politically popular.

Conservatives saw the approach as a tax break and a way to use private markets to solve public problems. Liberals saw it as a way to direct federal money to local communities. Since 1987, it has funded construction and rehabilitation of about 30 percent of the **nation’s 10 million affordable units, which are defined as units that people making 60 percent or less of a city’s median income could afford.**

“It’s the most successful social program that nobody has heard of,” said David Erickson, director of community development at the Federal Reserve Bank of San Francisco and the author of “The Housing Policy Revolution.”

It works like this: State governments award credits to affordable-housing developers, who transfer them to corporations in exchange for equity in rental buildings whose units are set aside for low-income tenants. Corporations use the credits as a coupon against future taxes. Low-income housing tax credits are particularly popular among banks because affordable-housing investments help satisfy their obligations under the Community Reinvestment Act.

The need is particularly great today. The number of renters has surged over the past decade, with the country adding about one million renters a year since 2010 — about twice as many as the **previous rental peak in the 1970s and ’80s, according to a [2017 report](#) by Harvard’s Joint Center for Housing Studies.**

Developers have responded with an apartment building boom. But since renters tend to have higher incomes than in years past — households making more than \$100,000 a year accounted for a third of the growth in renters over the past decade — many of the newer units are in the pricey glass and steel buildings that have sprouted in downtowns across the country.

There are some indications that the rush of building is helping increase affordability, especially at the upper end of the market, where [vacancies are rising and rents are falling](#). Still, low-income housing remains undersupplied. About half of renters pay more than 30 percent of their income on housing, and a quarter pay more than half.

In California, legislators have proposed a range of fixes, from more money for affordable housing to fewer building regulations and increased tenant protections. State Senator Scott Wiener, the author of a [recently enacted law](#) that makes it harder for cities to block housing developments, has followed up with [several proposed bills](#) that would, among other things, increase construction around train stations and other transit hubs.

At the federal level, Senators Maria Cantwell, Democrat of Washington, and Orrin Hatch, Republican of Utah, [sponsored a proposal](#) to increase the number of low-income housing tax credits by 50 percent.

For now, there is little to suggest the rental burden will get better anytime soon. Over the next decade the younger half of the millennial generation will move into their 20s and 30s, adding to the pool of renters. Over that same period, more than a million units of affordable housing financed by low-income housing tax credits and other government programs are set expire and shift to higher rents, according to the Joint Center.

An analysis by one national accounting firm found that the new tax law would cut the growth of affordable housing by 235,000 units over a decade.

One result of the surge in higher-income renters is that units that policymakers politely refer to as “**naturally occurring affordable housing**” — run-down buildings where lower-income residents can afford an apartment without subsidy — are being pulled toward the higher end of the market.

In Redwood City, on the peninsula between San Francisco and the heart of Silicon Valley, private equity firms have been snapping up buildings that house lower-income service workers and repositioning them for higher-income tech workers. The [pitch to investors](#) is straightforward: With housing scarce and demand rising, there are returns to be made buying old buildings, marketing to new tenants, and steadily increasing the rent.

That has put a squeeze on tenants like Ms. Hernandez, a 41-year-old holding down two low-wage jobs, one cleaning houses and another at an elder care facility. She has spent a decade waiting for a subsidized rental apartment to open up.

Jesshill Love, an attorney **for the investors who now own Ms. Hernandez’s building, said that with demand exploding, the rents could have actually been raised even more.** “The decision was made by the property management company not to raise the rent to full market value in an effort **to minimize the impact upon the families,**” he said.

The backlash has been fierce. [Rent-control measures](#) have popped up in cities across the Bay Area. Last week, Ms. Hernandez and other tenants in her building gathered at the

offices of Redwood Landing, the building's management company, chanting things like "Hear our cry, rent's too high," while holding signs that read "Stop Displacement Now."

The protest attracted lots of honking horns and a visit from Redwood City's mayor.

Directly across the street from the hubbub sat a recreational vehicle parked for the evening. Its two homeless residents popped their heads out to see what was going on.

Lisa Hannibal, 52, who lives in the vehicle and is unemployed, said that she was also on a list for affordable housing, but that nothing had opened up.

"We're at the hard-suffering point," she said. "But it can happen to anybody these days."
