

RESOLUTION NO. 67,614–N.S.

RAISING THE AFFORDABLE HOUSING MITIGATION FEE PURSUANT TO BERKELEY MUNICIPAL CODE SECTION 22.20.065; AMENDING RESOLUTION NO. 65,920-N.S.

WHEREAS, on June 28, 2011, the City adopted the Affordable Housing Mitigation Fee Ordinance No. 7,192-N.S., adopting Berkeley Municipal Code section 22.20.065, which would require developers of market rate housing to pay an mitigation fee to address the resulting need for below market rate housing, and offered the alternative to provide units in lieu of the fee; and

WHEREAS, Berkeley Municipal Code 22.20.065 did not establish the fee, but authorized the City Council to adopt such fee by resolution; and

WHEREAS, on October 16, 2012, the City adopted Resolution No. 65,920-N.S. setting the fee at \$28,000 per market rate unit at the issuance of a certificate of occupancy and establishing criteria for applying the fee; and

WHEREAS, the City adopted a Resolution No. 66,015-N.S. discounting the fee for certain projects, and Resolution No. 66,809-N.S. extending that discount, and that discount has now expired; and

WHEREAS, the City retained Bay Area Economics to complete an updated nexus study for the Affordable Housing Mitigation Fee, and that study, dated March 25, 2015 and reviewed by the Council at a special meeting on July 14, 2015, found a nexus supporting maximum possible fee of \$84,400 per market rate unit; and

WHEREAS, section 22.20.065 also authorizes the City Council to specify by resolution additional limitations not inconsistent with section 22.20.065; and

WHEREAS, on May 17, 2016, Council agreed to review the Affordable Housing Mitigation Fee eighteen months after the adoption of a new fee amount.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that Section 1 of Resolution No. 65,920-N.S. is hereby amended to read as follows:

1. The Affordable Housing Mitigation Fee authorized and provided for by Section 22.20.065 shall be \$34,000 per new unit of rental housing, payable prior to issuance of a temporary or final Certificate of Occupancy.
2. An applicant for a development project that is subject to the fee may elect to pay the fee at the issuance of the Building Permit, in which case the fee will be discounted to \$30,000 per new unit of rental housing. This early payment discount option shall be available only to projects that do not have a complete application at the time this resolution is adopted and submit a complete application by the date 18 months from the adoption of this resolution.
3. The definition of “new rental housing” excludes units which are offered at no cost to support nonprofit public benefit activities.

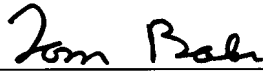
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The foregoing Resolution was adopted by the Berkeley City Council on July 12, 2016 by the following vote:


Ayes: Anderson, Arreguin, Capitelli, Droste, Maio, Moore, Wengraf, Worthington and Bates.

Noes: None.

Absent: None.



Tom Bates, Mayor

Attest: 

Mark Numainville, City Clerk