Introduction

Berkeley is in the midst of a severe housing crisis that demands fundamental policy shifts. Fueled by a worsening regional housing shortfall, among other factors, prices in Berkeley and across the region have climbed to record highs. Berkeley won’t solve this crisis alone, but that does not relieve us of our responsibility to produce more market-rate and affordable housing. If we do not act, Berkeley may very well lose its cultural and economic diversity.

Livable Berkeley’s policy platform includes the following aspirational statements that outline our vision for citywide efforts to address the crisis:

**Transit-Oriented Development**
The City of Berkeley promotes dense housing in areas with good access to jobs, transit, and other amenities.

**Housing Diversity**
The City of Berkeley encourages a variety of housing types to accommodate households at different life stages and income levels.

**Streamlined Process**
The City of Berkeley reduces or streamlines regulatory hurdles to the creation of housing.

**Affordable Housing**
The City of Berkeley supports the creation of affordable housing through inclusionary requirements and/or funding for the creation of all-affordable housing projects.

**Accessory Dwelling Units**
The City of Berkeley makes it easy for homeowners to add accessory dwelling units in areas with good transit access.

We envision Berkeley acting as a regional leader, helping to foster the collective action necessary to make housing more plentiful and affordable. Livable Berkeley encourages the City to heed these statements of principle and adopt supportive policy proposals that draw from our more specific recommendations detailed below.
Policy Recommendations

Transit-Oriented Development

**Increase density along key corridors.** Berkeley is currently doing a good job of promoting dense infill in Downtown Berkeley and in the Southside neighborhood. To a more limited extent, newly proposed developments in other areas are also fulfilling this goal. Even so, there are a number of key corridors in Berkeley that are still not meeting their full potential for new, transit-accessible housing. These include: University Avenue, between Sixth Street and Martin Luther King, Jr. Way; San Pablo Avenue, along most of its length; College avenue, near Ashby; Solano Avenue from the Alameda to the Berkeley border; and Shattuck Avenue, north of University. The City of Berkeley should consider changing zoning, fees, or other requirements in order to help promote the creation of housing and affordable housing along these well-served transit corridors.

**Pursue new housing at underdeveloped BART stations.** The area surrounding Downtown Berkeley BART is a model for sustainable transit-oriented development; but Berkeley’s other BART stations include large parking areas that could be better used for a combination of market-rate and affordable housing. At North Berkeley especially, there is the potential to create not only a large number of housing units, but a new focal point for the surrounding neighborhood. Developing contextually-sensitive housing and space for neighborhood-serving businesses in the area surrounding North Berkeley BART would improve the vitality and nighttime safety of this area. The parking area to the west of Ashby BART station presents a similar opportunity for creating new housing and a new activity center for the neighborhood. Berkeley missed a major opportunity when the Ed Roberts Campus was developed without any housing. We should make the most of the remaining space surrounding this increasingly popular BART station.

**Build housing on underutilized City of Berkeley Property.** The City of Berkeley owns a number of properties that could potentially be redeveloped to include housing. Existing City functions or services on these sites could be integrated into the housing developments or, in some cases, consolidated at other locations. For example, Berkeley’s North and South Senior Centers could be redeveloped to feature a mix of market-rate, affordable, and/or senior housing above one or two floors of facilities. The City of Berkeley currently lacks the funds necessary to rehabilitate these aging structures. The addition of mixed market-rate and affordable housing could potentially be leveraged for a complete reconstruction of Berkeley’s two senior centers.
**Tap into the potential of West Berkeley.** West Berkeley offers enormous opportunity to foster local industry while also providing new housing and live/work options. Berkeley should aggressively pursue a revamped, 21st-Century plan for West Berkeley that provides for new housing, as well as space for industry, artists, and craftspeople. West Berkeley is currently served by a number of moderately frequent bus lines, and service in this area is set to improve with the implementation of AC Transit’s Service Enhancement Plan. Berkeley should encourage creation of additional bus routes serving West Berkeley and should pursue construction of the West Berkeley ferry terminal in order to create new connections with San Francisco and other cities along the Bay. By encouraging significant housing production alongside new transit opportunities, the City can help make West Berkeley a model for sustainable live/work/play environments.

**Housing Diversity**

**Implement Transitional Zoning.** Berkeley should build upon its efforts to create high-density housing along major transit corridors by fostering medium-density transition zones that serve as a buffer between mixed-use areas and low-density residential neighborhoods. Berkeley’s current approach to high-density development along major corridors presents a number of challenges: First, it often leads to tension between proposed new developments and adjacent lower-density uses—in some cases, high-density zoning directly confronts single-family properties. Second, the current approach forgoes key opportunities to create even more housing in areas immediately adjacent to walkable transit corridors. And third, the current approach limits the City’s ability to construct medium-density and family-oriented housing that, by the nature of its construction type, could be more naturally affordable than either higher-density or detached housing. Berkeley should initiate land use and zoning changes that provide for “missing middle” housing types that are well-suited for medium-density transition zones (e.g., small apartment buildings, townhomes, duplexes, etc.).

**Encourage more ownership housing.** Berkeley should explore policy and fee changes to increase development of ownership housing. Although Berkeley should also continue to aggressively pursue new rental housing, the city suffers from a severe lack of new ownership housing—especially in multi-unit buildings. Ownership housing offers stability, tax advantages, and an opportunity to build equity. It is therefore very attractive to families and to seniors—two demographics that are currently underserved by the new housing being created in Berkeley. Additionally, because ownership housing is not subject to the limitations of the court decision in Palmer vs. City of Los Angeles, Berkeley would be able to mandate the provision of inclusionary
housing that will help fill a critical unmet need. However, the City should also be careful to ensure that any adopted inclusionary requirements are such that we maintain an incentive to actually create ownership housing.

**Provide opportunities for entry-level housing.** Berkeley should leverage new policies, including those listed above, to promote the development of “entry-level” units affordable to newly formed households. Due to extreme levels of demand, even Berkeley’s smallest and most modest single-family homes are increasingly out of reach for even middle-income households. By adopting policies that encourage ownership housing and “missing-middle” building types, we could expand opportunities for first-time homebuyers. Condominiums, town houses, duplexes, triplexes, and fourplexes are all housing types that may be more naturally affordable than detached, single-family homes. In addition, the City should investigate potential incentives that could be used to encourage units that are more naturally affordable through smaller sizes, fewer on-site amenities, and/or modest finishes.

**Encourage micro units and cooperative living.** Berkeley should make it easier to build “non-traditional” housing types that serve particular market segments. Micro units and cooperative living are not good options for all households, but there are many living in Berkeley for whom they are a good fit. Many young professionals value location and privacy over living space, and even seniors can benefit from the more limited upkeep of a well-designed micro unit. People living alone make up a rapidly increasing proportion of households, and it does not make sense for these individuals to live in housing that is oversized for their needs. Expanding options for these small households can help free up other housing types for larger families.

**Streamlined Process**

**Accelerate the production of housing.** Berkeley should overhaul its procedures and zoning requirements to streamline the entitlement process for mixed-use and residential projects. One of the reasons that housing prices have risen so fast in recent years is that housing production in both Berkeley and the region as a whole has been unable to keep pace with rapidly rising demand. This problem is partly caused by the long lag time between the onset of economic growth and the delivery of new housing units. Even worse, if we experience another economic downturn, many projects may be put on hold, despite a significant lingering need for more housing. Ensuring that projects do not miss the economic cycle should therefore be a priority for Berkeley. Expediting and increasing the capacity for housing production will help the region adapt to the remarkable strength of the job market and stay nimble in the face of future economic volatility.
Eliminate lengthy and unnecessary discretionary processes. Berkeley should allow purely administrative approval for small residential projects, such as decks, residential additions, and accessory dwelling units. Staff time and commission schedules are key constraints that slow down permitting for projects both large and small. Berkeley currently requires even relatively minor projects to secure a Use Permit; this needlessly wastes time and resources on superfluous processing and public hearings. For projects of all sizes, it is extremely rare that staff recommendations are overruled by commissions or on appeal. By empowering staff to apply zoning and design standards as part of administrative decision making, the City could dramatically expedite project approvals for home-owners, and free up staff and commission time to process larger project proposals. A more pragmatic approach to the entitlement process is a simple matter of good governance that will save both the City and project applicants time and money.

Establish targeted by-right zoning. Berkeley should allow certain projects in particular areas to be developed “by right,” in tandem with the streamlining provisions discussed above. In addition to improving efficiency for small residential modifications, the City should also explore ways to speed up the production of housing in small- to medium-sized new developments along major corridors and in mixed-use areas. In conjunction with revised zoning and the creation of transition zones, described above, the City should create a set of design standards that govern the creation of new projects in these areas. Projects that comply with zoning and design standards could be approved at the staff level, with a purely administrative appeals process that may then be taken directly to court. Depending on the area, larger projects (such as those over a certain height) could continue to be subject to Use Permits and the attendant discretionary process and public hearings.

Abbreviate historical and design review processes. The City of Berkeley should find opportunities to eliminate or limit lengthy design review and landmarks processes, in conjunction with the options for by-right zoning described above. Many proposed projects in Berkeley become mired in months-long landmark and design review processes. This delays the production of housing and increases the cost and complexity of the entitlement process. This discourages locally-based developers, owners of smaller properties, and others who might otherwise pursue smaller, less profitable projects. To encourage reviewing bodies to allocate their time more efficiently and in a manner consistent with their jurisdiction, Berkeley should set strict deadlines for the Landmarks Commission and the Design Review Committee to act on proposed developments. In limited cases, lengthier processes maybe still be appropriate, depending on a project’s size, location, and/or conformance with adopted zoning and design standards.
Affordable Housing

**Implement incentives for additional low- and middle-income housing.** The City should explore options for implementing a City-level density bonus that incentivizes greater provision of low- and middle-income housing. Serving as a supplement or alternative to the State density bonus, such a density bonus could grant additional height and/or bulk to projects in exchange for affordable housing units and/or fees that exceed baseline requirements. Using an approach that has sometimes been referred to as “the dial,” a city-level density bonus could allow a degree of flexibility with respect to the mix of affordability levels. For instance, a project could achieve the density bonus through the provision of a lower number of more deeply affordable units, or through a larger number of moderate-income units. As part of this approach, the City could consider establishing citywide targets to ensure that all affordability levels receive at least a certain number of units.

**Deploy creative approaches to build affordable housing.** The City should explore a Transfer of Development Rights (TDR) program to promote additional housing construction and create a sheltered market for developers of affordable housing. As proposed by Berkeley city staff, a TDR program could allow land owners to sell their property’s development rights to a project applicant who wishes to increase the density of a project on another site. Having sold the original development rights for their property, the owner would subsequently be prohibited from redeveloping their site at higher density, unless the proposed project were composed entirely of affordable units. By creating a land market that is only accessible to affordable housing developers, acquisition costs and therefore the overall cost of creating affordable housing could be cut significantly. The city could implement additional incentives to encourage landowners to partner with an affordable housing developer at the same time that they sell the original development rights on their property, thereby serving to guarantee and expedite the production of affordable housing.

**Pass an affordable housing bond.** Berkeley should seek to craft an affordable housing bond for a city-wide vote. The current balance of Berkeley’s Affordable Housing Trust (AHTF) is insufficient to support the initiation of multiple, large affordable housing projects. Although upcoming market-rate projects have the potential to contribute significantly to the AHTF, the anticipated funding will not be enough to fully meet Berkeley’s need for low- and middle-income housing. Following in the footsteps of San Francisco, Berkeley could seek to pass a bond that would provide a large influx of funding into the AHTF. This could allow the City to support a larger number of affordable housing projects and speed up the timeline for their
completion. Berkeley should work to craft such a bond such that it is sufficient to be truly impactful but also capable of winning at the ballot box.

**Increase student housing options.** The City should work with UC Berkeley to maximize opportunities for new student housing. UC Berkeley’s growing enrollment serves California’s critical need for educational opportunity, but it also places greater pressure on the Berkeley housing market. There are a number of underdeveloped sites that are either already owned by the University, or which are good candidates for University acquisition. UC Berkeley should be encouraged to prioritize student housing for these sites; expedite project planning and construction; and build at a minimum density of five stories. UC Berkeley and the City could also collaborate on creative programs that encourage or incentivize homeowners to offer empty rooms to UC Berkeley students at affordable prices.

**Accessory Dwelling Units (ADUs)**

**Expand the geographic scope of the City’s ADU policies.** The City of Berkeley has already taken laudable steps to promote accessory dwelling units as a source of new housing, but there are additional areas of Berkeley where we should be promoting ADUs. The ADU ordinance already identifies specific radii around BART stations and “rapid bus” stops, within which ADU creation is exempt from the usual parking requirements. Berkeley may wish to consider expanding this exemption to all areas within one-half mile not only of BART and rapid bus stops, but also any bus stop with peak transit frequencies of every 15 minutes or less. At present, Berkeley has multiple corridors with very frequent bus service, but no rapid service. These corridors, which include University Avenue, College Avenue, and portions of Shattuck Avenue, have the potential to meet a large housing need, especially for UC Berkeley students and young professionals. Continuing the City’s policy of not issuing new residential parking permits for ADUs should serve to reduce the potential impacts to traffic and parking availability that might otherwise result from this expansion.

**Flexible Design Standards.** The City may also wish to consider relaxing height and size restrictions for ADUs, subject to the implementation of contextually-sensitive design standards. In many areas of Berkeley, lot sizes and existing residential structures are such that larger ADUs may be an appropriate choice. Allowing ADUs larger than 750 square feet and over one story could potentially provide additional housing capable of accommodating small- to medium-sized families. Given that the overall goal of the ADU program is to increase Berkeley’s housing supply, the City should consider program modifications that would increase the ability of ADU’s to meet the needs of a broader demographic.