

Housing

Setting and Issues

University Avenue is an important gateway to Berkeley, a primary transportation route, and a corridor that has traditionally provided reasonably affordable housing to Berkeley residents. Today, the study area has over 3,700 units, which, at approximately 9% of Berkeley's total housing stock, makes it an important city-wide resource of housing. Of these units, approximately 80% are rental housing. Data for census tracts show that area is has not changed significantly in demographics over the last ten years, if anything, incomes and home values have improved slightly.

Though much of the housing in the study area is located in primarily single-family neighborhoods one and two blocks off of University, many residential units are located along the Avenue itself. Small apartment buildings make up the bulk of the area's housing stock. However, there are numerous vacant and underutilized sites, particularly along the Avenue itself, that provide opportunities for up to 700 additional residential units (a 20% increase) in a mix of new apartment buildings, live-work units, townhouses, and single-family homes.

From a broad planning perspective, University Avenue is a particularly attractive site for new housing, since residents would have easy walking access to transit and convenient local-serving shopping. New housing along University Avenue is a key strategy to establish economically viable mixed-use "nodes," as future residents would also be potential patrons of local businesses. However, some believe that the current dominance of low income rental housing and the high proportion of subsidized units has impaired the area's stability and economic vitality, suggesting that much of the new housing should be owner-occupied and market rate. Others, though, note that the area has been dominated by rental housing for years

Today, the study area has over 3,700 units of housing. Additional residents would help bolster the economic strength of the Avenue.



and cite negligent, often absentee property owners as one of the area's problems, suggesting that the City Anti-blight laws need strengthening.

Though data is presented below to characterize the current mix of housing in the area, there is little statistical evidence to document "cause and effect" relationships between the mix of housing and physical and public safety conditions on the Avenue. What emerges, however, is a clear sense that current city policies, on a variety of levels, need to be re-examined in order to create a district where there is a balanced mix of households: owners and renters; low, moderate, and average incomes; and a full spectrum of families and age groups.

Stimulating new private investment along the Avenue is another important issue. The "Avenues Plan" is the Planning Commission's effort to provide incentives for private investment in new housing along the city's commercial corridors. It clarifies the City's inclusionary housing provisions in these areas and suggests other changes to permit processing and zoning provisions. A particular concern for the University Avenue Study Area is the financial feasibility of building new for-sale or rental housing. Several factors are at play: the high cost of land along the University Avenue corridor, the required amount of parking and the cost of providing that parking, the required amount of on-site open space, and the difficulty for small developers to obtain bank financing.

Design of new and renovated residential structures is also an important consideration for the Strategic Plan. Though this issue is addressed by a separate Urban Design section of this Plan, it is critical that any new housing or mixed-use development must make a positive contribution to the character and scale of the Avenue. This will require new Design Guidelines specifically tailored to the conditions of University Avenue, as well as

possible amendments to the Zoning Ordinance to address parking and open space standards.

Housing Data and Conditions

Table 1 compares housing stock data for the study area in relationship to similar data for the Census Tracts surrounding University Avenue, and to the city as a whole. Table 2 shows change in the housing stock for these same three geographic areas from 1990 to 1995, as data is available. A map of the relationship between the study area and the census tract boundaries is provided in the Opportunities and Constraints section.

The data show that a significant majority of the housing stock in the University Avenue study area (80%) is currently rental housing. The census tracts surrounding University Avenue include lower density residential areas to the north and south of the Avenue and are only 68% rental. In comparison, the city of Berkeley's overall housing stock is 56% rental.

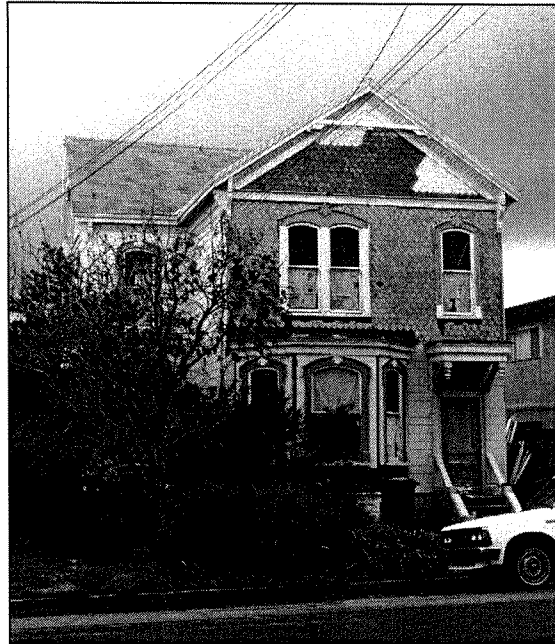
Another factor affecting the Avenue is the cost of housing as compared with incomes of local residents. Median household incomes in the Census Tract area are predominately low income, at approximately 81% of the city-wide average and roughly 64% of Alameda County as a whole. One reason for these below median household income figures is the relatively high proportion of housing stock devoted to rental housing. Also, a significant proportion of extreme incomes such as students or other low income populations can skew the average. However, it should also be noted that the median household size in Berkeley is lower than the median household size in the County, which further skews the average.

The relationship to county-wide median income levels is particu-

larly relevant since the City's inclusionary housing standards are tied to these statistics. Thus, the average University Avenue household would generally qualify for ownership or rental housing at the low income category (60% of Area Median Incomes). The City's Inclusionary Housing Ordinance, as revised by the Avenues Plan, requires that a portion of any new units built, above 10 units or more, within the city be affordable to households with incomes at 80% and 100% of the county-wide median income levels (AMI). In some cases, though, these inclusionary units may be more expensive than the average rent or purchase price of existing available units which establishes the price for "market rate" housing units.

Past housing policies and subsidies have resulted in the University Avenue study area containing a significant proportion of the subsidized housing stock in the city of Berkeley, as shown on Table 1. University Avenue accounts for approximately 9% of the City's total housing stock, with 4% of the owners and 12% of the renters. Approximately 23% of all directly subsidized rental housing units in the city are located within the University Avenue study area. Virtually all of these subsidized units are occupied by households at or below 60% of county-wide median incomes. These units include 34% of all subsidized senior housing units, 57% of all directly subsidized apartment projects, and 51% of all units specifically targeted for housing homeless populations.¹² In addition, 11% of all households receiving housing vouchers through the

HUD Section 8 program also live in the study area.¹³ Furthermore, the University Avenue study area is home to 61% of the subsidized owner-occupied housing stock in the city.



The City should actively encourage the renovation and preservation of the existing housing stock in the Study Area.

In addition, the majority of those SROs that are not included in the category of units targeted to homeless populations and do not receive direct subsidies from the City are also located in the study area (see Tables 1 and 2). A total of 74% of all of these SRO units in the city are located within the University Avenue study area, primarily in downtown (Sub-Area 4) on the block between Shattuck and Milvia. These units are significant because although many of them are unoccupied, in various states of disrepair, and seismically damaged, their re-use is currently substantially limited by zoning ordinance section 15.1.2: Conversion of Residential Hotel Rooms. Recent attempts to repair and re-open them have failed, leaving a number of buildings in the downtown area vacant or only usable during warm weather. Table 2 also shows that there has been very little change in these patterns of use either in the University Avenue study area, the surrounding census tracts, or in the city as a whole. A significant exception is the number of limited equity coops in the study area, which increased by 55% between 1990 and 1995.

Certain, more recent, events have become focal points for the community's concern over conditions along the Avenue. First, national

Table 1: City of Berkeley Housing Summary Comparisons - 1995

	CITY OF BERKELEY	UNIVERSITY AVENUE CENSUS TRACTS (j)	% of City	UNIVERSITY AVENUE PLANNING AREA (a)	% of City
Population	102,724 (m)	26,227 (m)	26%	7,964 (b)	8%
Overall Housing Stock	43,453 (m)	12,476 (m)	29%	3,739	9% (e)
Total Owner	18,941 (m)	4,041 (m)	21%	754 (c)	4%
Total Renter	24,512 (m)	8,435 (m)	34%	2,985 (d)	12%
Subsidized Stock (h)					
Total Owner	141	73	52%	73	52%
Limited Equity Cooperative Units	141	73	52%	73	52%
Total Rental	2,520	994	39%	569	23%
Senior Units	619	255	41%	209	34%
Apartment Projects	325	184	57%	184	57%
Section 8 Certificates	1,576 (k)	555 (k)	35%	176 (f)	11%
Total Units Targeted for Homeless Population (g)	441	291	66%	227	51%
Subsidized SRO's (h)	109	109	100%	109	100%
Subsidized Homeless Shelter Beds	231	112	48%	65	28%
Subsidized Transitional Beds	101	70	69%	53	52%
Total SRO'S, Rooming Houses (n)	2,628	400	15%	350	13%
SRO's(i)	475	400	84%	350	74%
Rooming Houses (l)	2,153	0	0%	0	0%

Sources include: 1990 US Census, University Ave. Statistical Profile, General Plan Conditions, Trends & Issues Report, City of Berkeley Prepared by: Bay Area Economics, 1995.

Notes:

- (a) The University Avenue Planning Area is defined as the area around University Avenue from I-80 on the west to Oxford Street on the east. Allston Street comprises the southern border, and Hearst and then Delaware west of Sacramento represents the northern boundary of the Study Area.
- (b) Population for Planning Area calculated by multiplying Total Housing Stock within the Planning Area by 2.13, (the Average Household Size for the City of Berkeley, 1990 US Census).
- (c) City of Berkeley Information Systems, Land Management Data Base data for all residential units in study area minus rental units determined using Berkeley Rent Board data for registered rental units in study area (d).
- (d) Berkeley Rent Board data for registered rental units in study area.
- (e) This percent has been derived by applying the total 1995 University Ave. Planning Area owner and renter housing stock figures to 1990 owner renter ratios provided by US Census data for the City of Berkeley.
- (f) Section 8 voucher numbers are from 1994. Although there are no figures available for Section 8 Vouchers in 1990 for the Planning Area, the number is believed to be fairly constant. Figures for the Planning Area have been provided by the City of Berkeley Planning Department.
- (g) Units for which there is a specific program or policy responsible for providing tenants from the ranks of the homeless. This category mixes SRO units, with transitional housing and homeless shelters both of which are defined as "Beds" not units.
- (h) Subsidized is defined as receiving funding support from the City of Berkeley.
- (i) Includes all non-subsidized SRO units that are existing in-use, existing vacant, and proposed for restoration.
- (j) University Ave. Census Tracts includes tracts 4220, 4221, 4222, 4223, 4224, 4229, 4230, 4231, and 4232.
- (k) City of Berkeley Conditions, Trends & Issues Report shows "Distribution of Tenants with Section 8 Certificates in 1992", and are assumed to be fairly consistent between 1990 and 1995.
- (l) Includes all Boarding Houses, Rooming Houses, and Non-UC operated Group Housing for Students.
- (m) Population, housing stock, and housing tenure data is from the 1990 US Census.
- (n) Does not include UA Homes and Bel Air facilities because these are already counted in "Total Units Targeted to Homeless Populations."

Prepared by Bay Area Economics 11/28/95

Table 2: City of Berkeley Housing Stock Comparisons 1990 - 1995

	1990	% Total in City	1995	% Total in City	Total Change 1990-1995	Average Annual Change
UNIVERSITY AVENUE PLANNING AREA (a)						
Population	N/A		7,964 (b)	7.8%	N/A	N/A
Overall Housing Stock	N/A		3,739	8.6% (e)	N/A	N/A
Total Owner	N/A		754 (c)	4.0% (e)	N/A	N/A
Total Renter	N/A		2,985 (d)	12.2% (e)	N/A	N/A
Subsidized Stock						
Total Owner	47	45.2%	73	52%	55%	11%
Limited Equity Cooperative Units	47		73			
Total Rental	549	22.2%	569	22.6%	3.6%	1%
Senior Units	209		209			
Apartment Projects	164		184			
Section 8 Certificates	176 (f)		176 (f)			
Total Units Targetted for Homeless Population (g)	192	47.3%	227	51.5%	18.2%	3%
Subsidized SRO's (h)	74		109			
Subsidized Homeless Shelter Beds	65		65			
Subsidized Transitional Beds	53		53			
Total non-subsidized SRO'S, Rooming Houses	350	13.3%	350	13.3%	0.0%	0%
SRO's(i)	350		350			
Rooming Houses (l)	0		0			
UNIVERSITY AVENUE CENSUS TRACTS (j)						
Population	26,227	25.5%	N/A		N/A	N/A
Overall Housing Stock						
Total Owner	4,041	21.3%	N/A		N/A	N/A
Total Renter	8,435	34.4%	N/A		N/A	N/A
Subsidized Stock						
Total Owner	47	45.2%	105	60.7%	123.4%	17%
Limited Equity Cooperative Units	47		105			
Total Rental	974	39.4%	994	39.4%	2.1%	0%
Senior Units	255		255			
Apartment Projects	164		184			
Section 8 Certificates	555 (k)		555 (k)			
Total Units Targetted to Homeless Population	253	62.3%	288	65.3%	13.8%	3%
Subsidized SRO's	74		109			
Subsidized Homeless Shelter Units	112		112			
Subsidized Transitional Units	67		67			
Total non-subsidized SRO'S, Rooming Houses	400	15.2%	400	15.2%	0.0%	0%
SRO's(i)	400		400			
Rooming Houses (l)	0		0			

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Table 2: City of Berkeley Housing Stock Comparisons 1990 - 1995

	1990	% Total in City	1995	% Total in City	Total Change 1990-1995	Average Annual Change
CITY OF BERKELEY						
Population	102,724	100.0%	N/A		N/A	N/A
Overall Housing Stock						
Total Owner	18,941	100.0%	N/A		N/A	N/A
Total Renter	24,512	100.0%	N/A		N/A	N/A
Subsidized Stock						
Total Owner	104	100.0%	141	100.0%	35%	7%
Limited Equity Cooperative Units	104		141			
Total Renter Units	2,471	100.0%	2,520	100.0%	2.0%	0%
Senior Units	619		619			
Apartment Projects	276		325			
Section 8 Certificates	1,576 (k)		1,576 (k)			
Total Units Targetted to Homeless Population (g)	406	100.0%	441	100.0%	8.6%	2%
Subsidized SRO's	74		109			
Subsidized Homeless Shelter Units	231		231			
Subsidized Transitional Units	101		101			
Total non-subsidized SRO'S, Rooming Houses	2,628	100.0%	2,628	100.0%	0.0%	0%
SRO's(i)	475		475			
Rooming Houses (l)	2,153		2,153			

Sources include: 1990 U.S. Census, University Ave. Statistical Profile, General Plan Conditions, Trends & Issues Report, City of Berkeley. Prepared by: Bay Area Economics, 1995.

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trends starting in the mid-1980s have created a homeless problem in the U.S. on an order of magnitude that this country has not experienced for many years. At the local level, this problem has manifested itself with an increase in the number of homeless people sleeping in our streets and parks, and an increased number of panhandlers in commercial districts including Downtown Berkeley. The net effect is an increased demand for City staff, including police, code enforcement personnel, and even in some cases, social service providers, to address the needs of homeless people and to meet the concerns of the residents to improve public safety and the health and welfare of the community.

As the Avenue revitalizes over time, it is conceivable that rents and home prices may gradually rise. While the Neighborhood Preservation Ordinance will protect the number of available housing units both within the study area and city-wide, this alone may not be sufficient to maintain the quality and affordability of the existing housing stock. Similarly, as the impact of changes in the Rent Control Ordinance takes effect, existing University Avenue and other city residents may additionally feel the pinch of rising housing prices, unless the City makes efforts to provide affordable housing options on a city-wide basis.

The Strategic Plan focuses on directing the changes that will happen along the Avenue in ways that ultimately create a district where there is a balanced mix of households: owners and renters; low, moderate, and average incomes; and a full spectrum of families and age groups.

Housing Policies and Strategies

POLICY 14: ENCOURAGE A DIVERSITY OF NEW HOUSING OPPORTUNITIES IN THE UNIVERSITY AVENUE STUDY AREA, IN TERMS OF TENURE, INCOME, AND UNIT TYPE. PROVIDE INCENTIVES FOR DEVELOPERS TO BUILD NEW URBAN HOUSING ALONG UNIVERSITY AVENUE.

Strategy 14A: Create a package of economic and other incentives aimed at encouraging developers to build new market rate housing (which contain inclusionary units) in the University Avenue Study Area. These incentives may include, but not be limited to flexible parking requirements, reduced on-site open space requirements, waived permit processing fees, and/or short-term financial assistance.

Strategy 14B: Establish a First Time Homebuyer Downpayment Assistance Program to help existing low and moderate income residents in the study area to purchase new housing units and residences within the study area. This program should include shared down payment and reasonable resale controls consistent with the Avenues plan inclusionary provisions. Maintaining affordability should be balanced with the ability for low and moderate residents to develop economic stake in their property.

Strategy 14C: Encourage and remove barriers to creative ownership programs designed to maintain some affordability while providing long-term economic security for low and moderate income residents by allowing them to develop some financial equity in their property. This could include sweat equity housing, co-housing, and conversion of some rental housing to ownership, particularly in buildings that are in decline.

Strategy 14D: Work with local for-profit and non-profit developers to construct at least one mixed Senior and Disabled Housing Project along the University Avenue Corridor.

POLICY 15: ACTIVELY ENCOURAGE THE RENOVATION AND PRESERVATION OF THE EXISTING HOUSING STOCK IN THE UNIVERSITY AVENUE STUDY AREA.

Strategy 15A: Utilize residential rehab loan programs to include low and moderate income levels, which provide low interest loans to property owners to renovate existing rental and ownership housing, including single family. The application of these funds should ensure that moderate as well as low income residents are not displaced. The use of these funds to create accessible units should be encouraged.

Strategy 15B: Establish a First Time Homebuyer Downpayment Assistance Program to help existing low and moderate income residents in the study area to purchase new housing units and residences within the study area. This program should include shared down payment and reasonable resale controls consistent with the Avenues plan inclusionary provisions. Maintaining affordability should be balanced with the ability for low and moderate residents to develop economic stake in their property. Encourage persons with disabilities who own or are purchasing homes to apply for low-interest loans to make existing units more accessible.

Strategy 15C: Utilize limited equity cooperatives to assist in the preservation and renovation of existing rental properties.

Strategy 15D: Actively enforce building codes in the University Avenue Study Area, target specific properties that are in need of significant repair, and take what ever steps are necessary to contact and encourage negligent owners to maintain their property. If necessary, strengthen and step-up efforts to enforce the Anti-Blight Ordinance.

Strategy 15E: Give priority to the Milvia to Shattuck block of University Avenue for use of the Seismic Rehab Revolving Loan Fund, Facade Improvement Grants, and Rental Acquisition Program, as well as stronger enforcement of the Anti-Blight Ordinance and other City codes. In addition, allow those SRO units that have been vacant for a number of years, approximately 55 units, to be considered for alternative uses.

Strategy 15F: Amend the City's Residential Hotel Non-Conversion Ordinance to permit the conversion of long-term vacant units (such as the 55 units on University Avenue) and mitigate the loss of those very low income units through a City commitment to the following:

- 1) Assist in the replacement of the 55 vacant units with 55 units affordable to low income, single individuals over time within the city limits;
- 2) encourage the development of housing projects at the two sites currently occupied by these 55 units;
- 3) if other uses than housing with ground floor retail are proposed for the 55 units, an appropriate in lieu fee shall be paid into the Housing Trust Fund for the purpose of maintaining long-term affordable housing.

Also, specifically target the 81 SRO units which are in need of rehabilitation for the following:

- 1) Within a six month timetable the City should meet with individual owners in an attempt to identify specific causes for building disrepair;
- 2) Identify issues and propose options to facilitate restoration and rehabilitation which may include:
 - a) changing the specific configurations of units to reflect more desirable living arrangements,
 - b) understanding the financial ramifications of seismic upgrading and other building code requirements,
 - c) reviewing funding assistance options including; tax abatement/tax credit and other sources,
 - d) keeping in mind the goal to avoid displacement of building occupants; if any of the 81 units are lost, assist in the replacement with units affordable to low income, single individuals over time within the city limits,
 - e) establishing specific building management criteria with on-going monitoring as prerequisite to assistance.

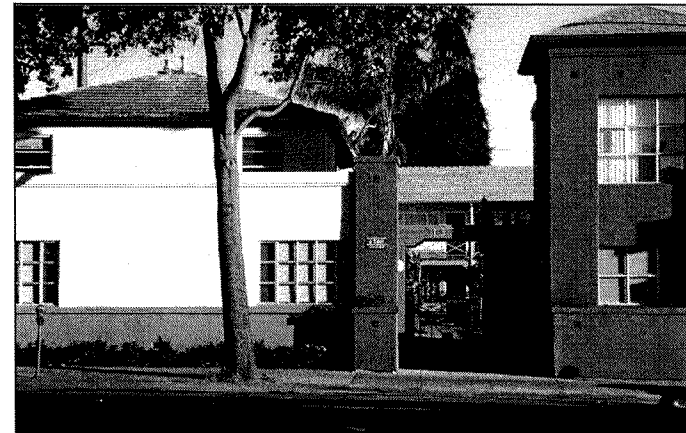
Strategy 15G: The City should develop city-wide policies to address the siting, planning, monitoring and evaluation of social service and housing programs. In order to assess the positive and negative impacts of these city-wide programs, and particularly along the University Avenue corridor, the City should commission an independent report to help in the development of policies and strategies to minimize the adverse impacts and maximize the benefits to program participants.

Strategy 15H: Insure that a funding component for social services has been identified prior to approval of any new special-needs housing.

POLICY 16: THE DESIGN OF NEW AND RENOVATED HOUSING ALONG THE UNIVERSITY AVENUE CORRIDOR SHOULD CONTRIBUTE TO ITS CHARACTER, WITHOUT NEGATIVELY IMPACTING RESIDENTS OF ADJACENT RESIDENTIAL AREAS.

Strategy 16A: The University Avenue Strategic Plan Design Guidelines should be applied to all new and renovated projects along-the University Avenue Corridor and incorporated into the new Zoning Overlay requirements.

Strategy 16B: Amend the Zoning Ordinance provisions for new residential projects within the C-1 zone to reduce the amount of open space where quality open can be provided on-site. Set a minimum standard building height limit for projects fronting University Avenue. (See Land Use and Urban Design for detailed provisions.)



Enhancement activities are taking place on the Avenue. This former motel has been successfully renovated and is now an active enhancement of the street.