



Office of the City Manager

INFORMATION CALENDAR
October 13, 2026

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Scott Gilman, Director, Health, Housing, and Community Services

Subject: Measure O Impacts on Affordable Housing Development in Berkeley

INTRODUCTION

This report provides an overview of the City's implementation thus far of Measure O, a 2018 ballot measure dedicated to increasing affordable housing.

SUMMARY

In 2018, Berkeley voters approved Measure O, a general obligation bond that will generate up to \$135 million for affordable housing developments. As this report demonstrates, the funds have had a significant impact on the production of new affordable housing units; expanding the City's Housing Trust Fund (HTF) portfolio and creating a robust pipeline of new housing developments. Measure O has thus far guided \$118M toward an array of projects that will create more than 1,000 new affordable apartments and 44 shelter beds. This includes six completed projects, two under construction, and a healthy pipeline of new construction projects in various stages of predevelopment and planning.

CURRENT SITUATION AND ITS EFFECTS

As of May 2026, \$118,223,752 in Measure O funds have either been committed (via an executed loan agreement) or reserved (by Council action) for specific affordable housing development projects. More details about these projects can be found in the attached Measure O Projects spreadsheet. The projects with committed or reserved Measure O funds are listed below:

Project Name	Address	Total Units	Measure O Funds	Status
Jordan Court	1601 Oxford	35	\$3,501,884	Completed
Berkeley Way – BRIDGE Affordable	2012 Berkeley Way	89	\$161,544	Completed

Project Name	Address	Total Units	Measure O Funds	Status
Berkeley Way Hope Center - Permanent Supportive Housing	2012 Berkeley Way	53	\$6,721,092	Completed
Berkeley Way Hope Center Shelter		44*	\$6,652,191	Completed
Maudelle Miller Shirek Community	2001 Ashby Ave.	87	\$12,932,000	Completed
The Grinnell	2527 San Pablo Ave.	63	\$7,266,032	Completed
St. Paul Terrace	2024 Ashby Ave.	50	\$6,989,009	Under Construction
BUSD Workforce Housing	1701 San Pablo Ave.	110	\$26,500,000	Under construction
1740 San Pablo	1740 San Pablo Ave.	54	\$7,500,000	Predevelopment
North Berkeley BART	North Berkeley BART	265	\$20,000,000	Predevelopment
Ashby BART West Lot	Adeline St. and MLK Wayt.	300	\$20,000,000	Predevelopment
Ashby BART East Lot	Adeline St. and Woolsey St.	TBD		Planning
Measure O impact:		>1150+ units	\$ 118,223,752	

* Shelter beds

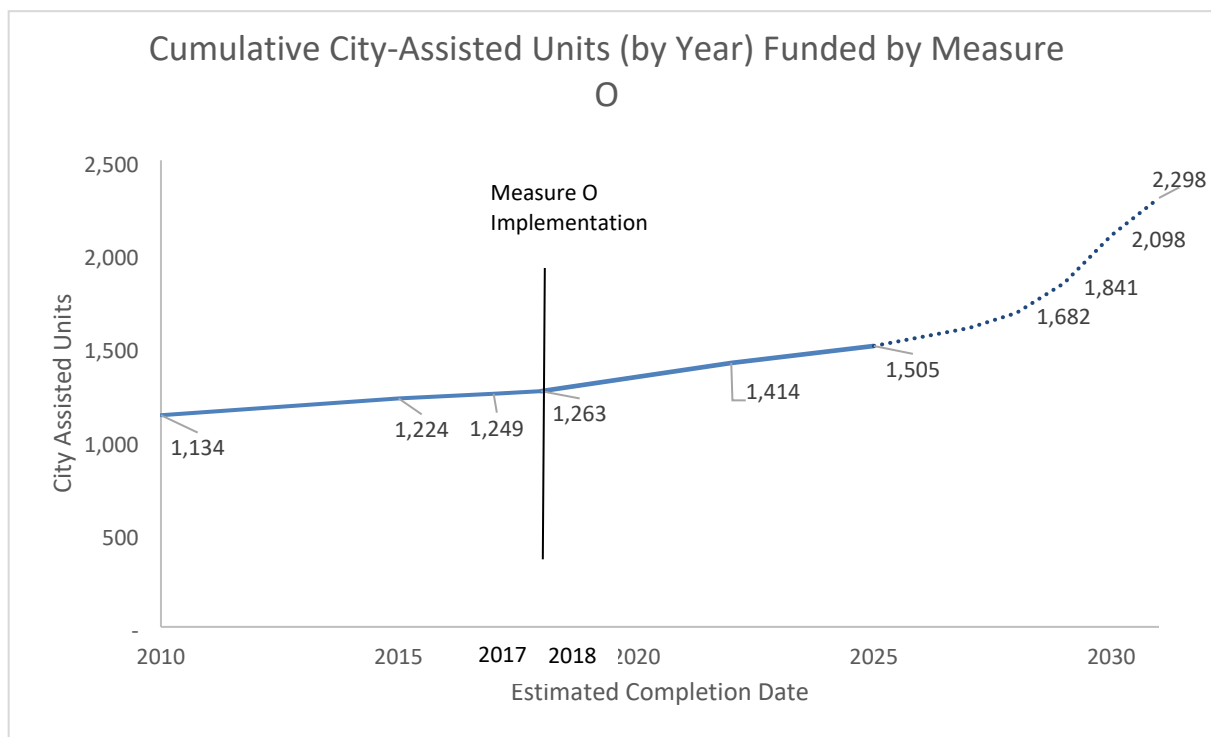
Measure O's Impact on the City's Affordable Housing Portfolio

Measure O supplements the City's HTF program, which pools Affordable Housing Mitigation Fees, Inclusionary Fees, Commercial Linkage Fees, Condo Conversion Fees, and entitlement funds from the federal HOME program.

Prior to Berkeley voters' approval of Measure O, the City was able to fund no more than one new construction project every few years. The 15-unit Harmon Gardens project was completed in 2011, and the next affordable new construction project was the 42-unit Harper Crossing, which was completed in 2018. The City issued an HTF Request for Proposals (RFP) in 2019 through which Council approved funding reservations for five new construction projects, all supported with Measure O, including four (Jordan Court and the three Berkeley Way projects) that were completed in 2022.

The City issued an HTF RFP in 2021 as well as a Notice of Funding Availability for an educator housing project on Berkeley Unified School District (BUSD)-owned land, and through those processes three new construction projects were added to the pipeline (one in predevelopment, and two under construction). In 2010, the City had approximately 1,134 apartments in its portfolio of restricted affordable housing units. With completed projects, active projects, and pipeline projects, Berkeley is on track to reach more than 2,400 City-assisted affordable units by 2035.

The chart below depicts the growth in the City's affordable housing portfolio since 2010, illustrating the significant impact Measure O has had on increasing the City's inventory of newly constructed affordable apartments for extremely low-, very low-, and low-income households. The chart represents *only* the City-assisted affordable housing units within a project, which typically make up 60% of the total units. However, most new construction projects that the City funds are 100% affordable in order to remain competitive for state funding.



Leveraging of City Funds

The City's affordable housing development funds are most often reserved early in the predevelopment process. This allows project sponsors to compete for state and federal funds. Typically, the City executes a loan agreement once all permits are ready to issue and full financing has been secured, a process which usually takes years. At times City

funds are loaned at site acquisition. As a result, funds may be reserved or committed for years before they are expended for construction.

Most new construction affordable housing developments leverage the City's investment with at least 5-7 other funding sources. Measure O-funded projects that are completed or under construction have secured an average of \$4.50 of other funding for every \$1.00 of City funds. Leveraging data for funded developments can be found in the attachment to this report.

Measure O Disbursements

Once Measure O funds are committed to a project, they are typically disbursed on a monthly (or less frequent) schedule when the project sponsor has incurred eligible project expenses as well as satisfied various conditions of the loan agreement. The project sponsor submits an invoice along with documentation of each expense, which is reviewed and approved by multiple City staff before funds are released.

As of April 2026, the City had disbursed \$68,184,743 in Measure O funds through eight development loans and one predevelopment loan. Six housing developments are complete (Berkeley Hope Center, Berkeley Hope Center Permanent Supportive Housing, BRIDGE Berkeley Way, Jordan Court, The Grinnell, and Maudelle Miller Shirek Community) and two are under construction (BUSD Workforce Housing and St. Paul). The predevelopment loan disbursements are for 1740 San Pablo. These represent a total of 371 units (including 44 shelter beds) completed with Measure O support to date, and another 160 currently under construction. The City supported 1740 San Pablo with acquisition funding, and the project may start construction in late 2026 or early 2027.

The City is working closely with the San Francisco Bay Area Rapid Transit District (BART) on the development of the Ashby and North Berkeley BART sites with a goal of restricting at least 35% of the new units for affordable housing. City Council reserved \$53M in funding for the developments in 2021 through Resolution 69,833-N.S. Of the total reservation, \$13M will come from Affordable Housing Mitigation Fees and \$40M will come from the third and fourth issuances of Measure O.

In late 2022, BART and the City selected a development team for North Berkeley BART site that included three nonprofit developers –BRIDGE Housing (no longer in the project), Insight Housing (formerly Berkeley Food and Housing Project) and East Bay Asian Local Development Corporation (EBALDC). The individual projects are still in predevelopment, but the team anticipates developing four 100% affordable projects at the site. The North Berkeley BART project plan includes three projects that will be funded by Measure O: a building with 124 affordable apartments for families and individuals, a building with 60 affordable homes, and an additional 85 permanent supportive housing apartments. In July 2025, the City and BART selected a development team for the Ashby West Lot project that includes two nonprofit developers

- Resources for Community Development (RCD) and Affirm Housing. The project was approved to receive predevelopment funding in early 2026 and anticipates developing at least 300 affordable units at the site. The Ashby East Lot, which will be transferred to City ownership, is still in the planning stages. City staff released a Request for Proposals (RFP) to solicit developer proposals in April 2026.

Developing affordable housing with Measure O funds supports the Strategic Plan goal to create affordable housing and housing support services for our most vulnerable community members.

BACKGROUND

In November 2018, Berkeley voters adopted Measure O which allowed the City to issue up to \$135 million in bonds to fund housing for "low-, very low-, low-, median-, and middle-income individuals and working families, including teachers, seniors, veterans, the homeless, students, people with disabilities, and other vulnerable populations."

As a bond measure dedicated to a specific purpose, Measure O required a two-thirds supermajority vote to pass. The measure passed with 77% of Berkeley voters voting in favor.

The City has issued Measure O bonds three times so far:

- In FY2020, the City issued \$38,000,000 in Measure O bonds. The cost of issuing these bonds, including bond counsel, was \$785,000. Net funds received were \$37,215,000.
- In May 2022, the City issued \$40,000,000 in Measure O bonds. The cost of issuing these bonds, including bond counsel, was \$432,800. Net funds received were \$39,567,200.
- In September 2025, the City issued additional \$35 million in Measure O bonds. The cost of issuing these bonds, including bond counsel, was \$429,650. Net funds received were \$34,570,350.

Measure O included provisions to establish an oversight committee as well as to conduct annual audits. The Measure O Bond Oversight Commission was first convened in April 2019. The Commission met seven times in 2019, one in 2020 prior to the pandemic, and again in February and March of 2021.

Subsequently, Council approved the assignment of Measure O oversight to the Housing Advisory Commission and dissolved the Measure O Bond Oversight Commission. The Commissions have reviewed requests for funding, made funding recommendations to Council, and received information about the status of funding reservations and commitments. Neither commission has produced its own report assessing the status of Measure O.

The Finance Department contracts with an outside auditor to audit Measure O expenditures as required by the ballot measure. The most recent audited fiscal year was FY 2025, which ended on June 30, 2025, and included Measure O expenditures. The audit was completed on December 31, 2025, and had no findings.

Information about Measure O can be found on the [City website](#)¹. Members of the public who are interested in learning more about Measure O funds as they are allocated and expended can consult the Housing Advisory Commission meeting agendas and materials online, and/or attend the Commission meetings.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The City's HTF Guidelines identify sustainable development as a City priority and encourage developers to incorporate as many green building strategies and materials as is feasible. New construction affordable housing developments are typically built to third-party, green building standards such as LEED or GreenPoint Rated.

POSSIBLE FUTURE ACTION

Council will review and take action on funding reservations related to the development of affordable housing at the Ashby BART sites, which will be partially funded with Measure O funds.

Measure O updates were provided to the Housing Advisory Commission (HAC) and the HAC recommended that City Council contemplate a 2028 affordable housing bond.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

The specific impacts of future Measure O reservations by the City Council will depend on the actions taken. Since the bond measure authorizing Measure O limits its uses to the housing activities described previously, any funds reserved will be for housing activities.

CONTACT PERSON

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Attachment:

1: Affordable Housing Projects Supported by Measure O

¹ <https://berkeleyca.gov/your-government/our-work/bond-revenue-measures/measure-o>

City of Berkeley Affordable Housing Projects Supported by Measure O Total Authorized Bonds = \$135M											
Project Name	Project Address	Development Partner	Description	Units ¹	Affordability	Total Measure O Funds Committed or Reserved ²	Measure O Disbursements Through May 2026	Total City Funds Reserved	Per Unit Subsidy	Projected Sources of Funds ³	Project Status
Projects with Measure O Commitments and Reservations											
BRIDGE Berkeley Way	2012 Berkeley Way	BRIDGE Housing	89 affordable homes and services for low- and very low-income families.	89	50-60% AMI	\$161,544	\$161,544	\$2,774,925	\$31,178.93	Measure O, HTF	Completed
Berkeley Hope Center	2012 Berkeley Way	Insight Housing / BRIDGE Housing	32-bed homeless shelter, 12 transitional beds for homeless veterans, a community kitchen and wrap-around services for mental health, substance abuse, job training and social activities.	44	0-30% AMI	\$6,652,191	\$6,652,191	\$16,964,507	\$385,556.98	Berkeley's Housing Trust Fund (HTF), Measure U1 ⁴ (U1), Measure O	Completed
Berkeley Hope Center Permanent Supportive Housing	2012 Berkeley Way	Insight Housing / BRIDGE Housing	53 permanent supportive housing apartments.	53	0-30% AMI	\$6,721,092	\$6,721,092	\$7,727,630	\$145,804.34	Measure O, HTF	Completed
Jordan Court	1601 Oxford Street	Satellite Affordable Housing Associates (SAHA)	34 affordable studio units for seniors. 12 units will also be set aside for formerly homeless households.	35	20-60% AMI	\$3,501,884	\$3,501,884	\$6,026,927	\$172,197.91	HTF, Measure O	Completed
The Grinnell (formerly Blake Apartments)	2527 San Pablo Avenue	SAHA	62 affordable apartments for families and individuals. 12 units are prioritized for people with an intellectual or developmental disability.	63	30-60% AMI	\$7,266,032	\$7,266,032	\$12,000,000	\$190,476.19	Measure O, U1, State Local Housing Trust Fund (LHTF)	Completed
Maudelle Miller Shirek Community	2001 Ashby Avenue	Resources for Community Development (RCD)	86 apartments for families and individuals. 12 units will also be set aside for formerly homeless households.	87	20-80% AMI	\$12,932,000	\$12,932,000	\$17,500,000	\$201,149.43	Measure O, U1, LHTF	Completed
Berkeley Unified School District (BUSD) Workforce Housing Development	1701 San Pablo Avenue	BUSD/SAHA/Abode	109 affordable apartments. Employees of BUSD and their households will have a leasing preference.	110	30-120% AMI	\$26,500,000	\$23,850,000	\$26,500,000		Measure O	Under Construction
St. Paul Terrace	2024 Ashby Avenue	Community Housing Development Corporation (CHDC)	49 affordable units, including 11 studios, 6 one-bedrooms and 17 two-bedrooms, and 15 three-bedrooms.	50	30-60% AMI	\$6,989,009.00	-	\$15,754,319		TBD	Under Construction
1740 San Pablo Avenue	1740 San Pablo Avenue	Resources for Community Development (RCD)	53 new affordable homes for families. 3 units will be set aside for artist households.	54	30-60% AMI	\$7,500,000	\$7,100,000.00	\$11,996,669	\$222,160.54	Measure O	Predevelopment
NBB Phase 1	North Berkeley BART Site	East Bay Asian Local Development Corporation (EBALDC)	119 affordable apartments for families and individuals.	120	30-70% AMI	\$20,000,000	-	\$11,563,636		Measure O, HTF	Predevelopment
NBB EBALDC Project	North Berkeley BART Site	East Bay Asian Local Development Corporation (EBALDC)	59 affordable homes, including family housing and 15 units of permanent supportive housing	60	0-70% AMI		-	\$5,926,364		Measure O, HTF	Predevelopment
NBB BRIDGE Insight PSH Project	North Berkeley BART Site	Insight Housing	85 permanent supportive housing apartments	85	0-30% AMI		-	\$9,010,000		Measure O, HTF	Predevelopment
Ashby BART West Lot	Ashby BART Site	Resources for Community Development (RCD)	TBD	300	TBD	\$20,000,000	-	\$26,500,000		Measure O, HTF	Predevelopment
Ashby BART East Lot	Ashby BART Site	TBD	TBD	TBD	TBD		-			Measure O, HTF	Planning
Measure O Impact				>1150 New Units		\$118,223,752	\$68,184,742.97	\$170,244,977			
Projects with City Funding Reservations											
Supportive Housing at People's Park	2556 Haste Street	TBD	118 affordable units with 62 units set aside for formerly homeless households.	119	10-50% AMI	FR ⁵	-	\$14,359,593		TBD	Planning
Ephesian Legacy Court	1708 Harmon Avenue	CHDC	79 one-bedroom units.	80	30-60% AMI	FR ⁵	-	\$18,087,701		TBD	Predevelopment
				199 New Units				\$32,447,294			

¹ total units, including managers' units² Committed = in contract, reserved= set aside for a particular project³ General funds generated pursuant to Measure U1⁴ FR= Funding Reservation that the City Council has approved from currently available affordable housing funds

