

# Affordable Housing Overlay

# Low-Income and Moderate-Income housing deficit: 2020 Housing Pipeline Report

**Table 5 – Status of Regional Housing Needs Allocation - All Housing Types.**

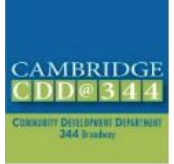
**Progress towards 2014-2022 RHNA: Approved Building Permits**

**January 1, 2014 – December 31, 2019**

	<b>RHNA Allocation</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>Total Units to Date</b>	<b>Percent of Goal Achieved</b>	<b>Remaining RHNA</b>
<b>VLI (&lt;50% AMI)</b>	532	15	59	16	10	1	11	112	21%	420
<b>LI (51%-80% AMI)</b>	442	0	17					17	4%	425
<b>MOD (81-120% AMI)</b>	584	5	132					137	23%	447
<b>BMR Total</b>	1558	20	208	16	10	1	11			
<b>Above MOD</b>	1401	258	326	212	262	329	403	1790	128%	-389
<b>Total</b>	2959	278	534	228	272	330	414			

<b>Jurisdiction</b>	<b>VERY LOW INCOME</b> (<50% of Area Median Income)	<b>LOW INCOME</b> (50-80% of Area Median Income)	<b>MODERATE INCOME</b> (80-120% of Area Median Income)	<b>ABOVE MODERATE INCOME</b> (>120% of Area Median Income)	<b>TOTAL</b>
<b>ALAMEDA COUNTY</b>					
Alameda	1,421	818	868	2,246	5,353
Albany	308	178	175	453	1,114
<b>Berkeley</b>	<b>2,446</b>	<b>1,408</b>	<b>1,416</b>	<b>3,664</b>	<b>8,934</b>
Dublin	1,085	625	560	1,449	3,719
Emeryville	451	259	308	797	1,815
Fremont	3,640	2,096	1,996	5,165	12,897
Hayward	1,075	617	817	2,115	4,624
Livermore	1,317	758	696	1,799	4,570
Newark	464	268	318	824	1,874
Oakland	6,511	3,750	4,457	11,533	26,251
Piedmont	163	94	92	238	587
Pleasanton	1,750	1,008	894	2,313	5,965
San Leandro	862	495	696	1,802	3,855
Unincorporated Alameda County	1,251	721	763	1,976	4,711
Union City	862	496	382	988	2,728

# City of Cambridge, MA: Affordable Housing Overlay (2020)



## Goals of Affordable Housing Overlay



Trolley Square: new construction of 40 affordable units in mixed-use development

- Help affordable housing providers have more success in purchasing sites to create new affordable housing;
- Foster equitable distribution of affordable housing citywide by expanding the viability of affordable housing in areas where there are fewer affordable units;
- Create opportunities in all neighborhoods for residents of all incomes;
- Make it easier to permit 100% affordable housing developments so that affordable housing developers can build needed housing more quickly; and
- Help reduce costs of building new affordable housing to accomplish more with affordable housing funds.

## City of Cambridge, MA: Affordable Housing Overlay (2020)

<b>Eligibility: “100%-Affordable Housing Projects”</b>	All units subject to long-term affordability restrictions, occupied by income-eligible households, rent or initial sale price is affordable to eligible households
<b>Existing Buildings</b>	Non-conforming buildings can be adapted for reuse
<b>Height and Scale</b>	Districts allowing $\leq 40$ feet: up to 4 stories Districts allowing b/t 40 and 50 feet: up to 6 stories Districts allowing $> 40$ feet: up to 7 stories



# City of Cambridge, MA: Affordable Housing Overlay (2020)

## Design Guidelines (2019)

### Site Design

- Response to Context
- Open Space & Landscape Design
- Circulation

### Building Design

- Massing
- Facades
- Architectural Details, Materials, Color, and Finishes

### Sustainability



# Cambridge AHO Project: Walden Square II

VIEW FROM RAYMOND ST



VIEW FROM RICHDALE ST



# Cambridge AHO Project: 54 New Street





# City of Cambridge

## Community Development Department

### Affordable Housing Overlay

- **All units** rented or sold to income-eligible households at affordable amounts
- Permanent affordability by covenant
- Rental units:
  - At least 80% of units affordable to households earning up to 80% of Area Median Income (AMI)
  - Rest may be affordable to households earning up to up to 100% of AMI
- Homeownership units:
  - At least 50% of units affordable to households earning up to up to 80% of AMI
  - Rest may be affordable to households earning up to up to 100% of AMI

### State of California: AB-1763 (Chiu, 2019)

#### 100% Affordable Density Bonus



- 100% BMR
- Minimum 80% of units low/very low-income; max. 20% moderate
- 80% Density Bonus + other incentives (up to +3 stories near transit)

# Berkeley Affordable Housing Overlay

Low Density Zones (R-1, R-1A, R-2, R-2A)



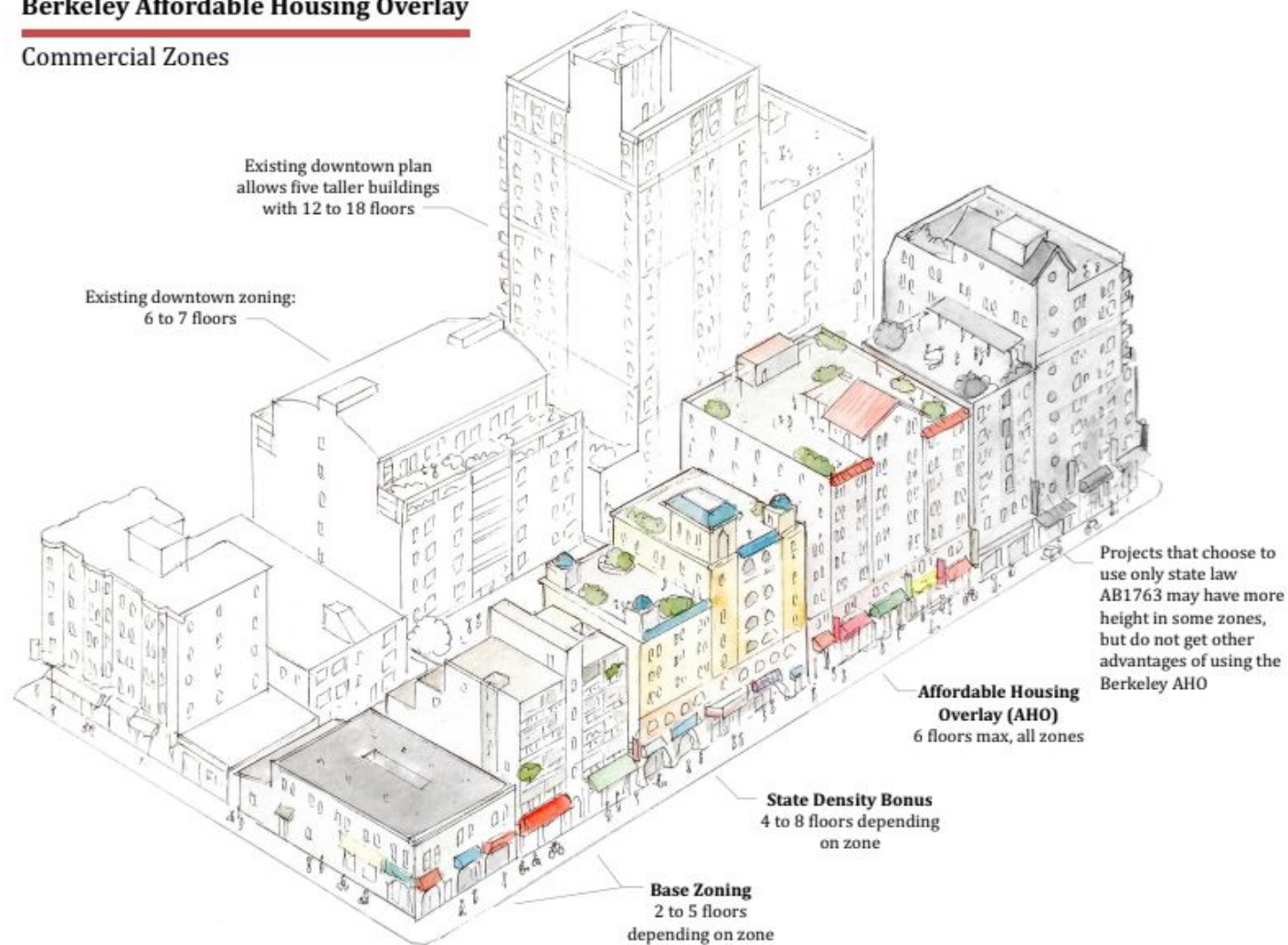
# Berkeley Affordable Housing Overlay

## Medium Density Zones (R-3, R-4)



# Berkeley Affordable Housing Overlay

## Commercial Zones





# Challenges to building affordable housing:

- High land costs and competition from market-rate developers
- Discretionary review can add significant cost, unpredictable risk and delays to nonprofit affordable housing developers
- Low density zoning makes it hard to find sites large enough to have enough units to qualify for state funding
  - Since 2016, the smallest project in Alameda County receiving state tax credit funding was 35 units (1601 Oxford St, Berkeley)
  - Smallest project in same period receiving competitive 9% LIHTC: 64 units (Laguna Commons in Fremont)

# 1601 Oxford St - 20-60% AMI - approved under SB35



(Zoning district is R3; currently not permitted in R1, R1A, R2, R2A)

# Opportunities for building affordable housing:

- Density bonuses help site acquisition and feasibility for nonprofit affordable housing
- More units per parcel reduces per-unit cost: “for each 10% increase in the number of units, the cost per unit declines by 1.7%.” (2014 HCD, CAHFA, TCAC Report)
- Ministerial review reduces construction costs, shortens timeline, particularly helpful with different grant deadlines from different funding sources for deed-restricted projects.

# CA HCD Guidance: Housing Element Site Inventory will enable by-right for *some* affordable housing (e.g. SB 35)

## PART B: SITES TO ACCOMMODATE LOW AND VERY LOW- INCOME RHNA

### Step 1: \*NEW\* Sites Used in Previous Planning Periods Housing Elements

*Government Code section 65583.2(c)*

#### Step 1A:

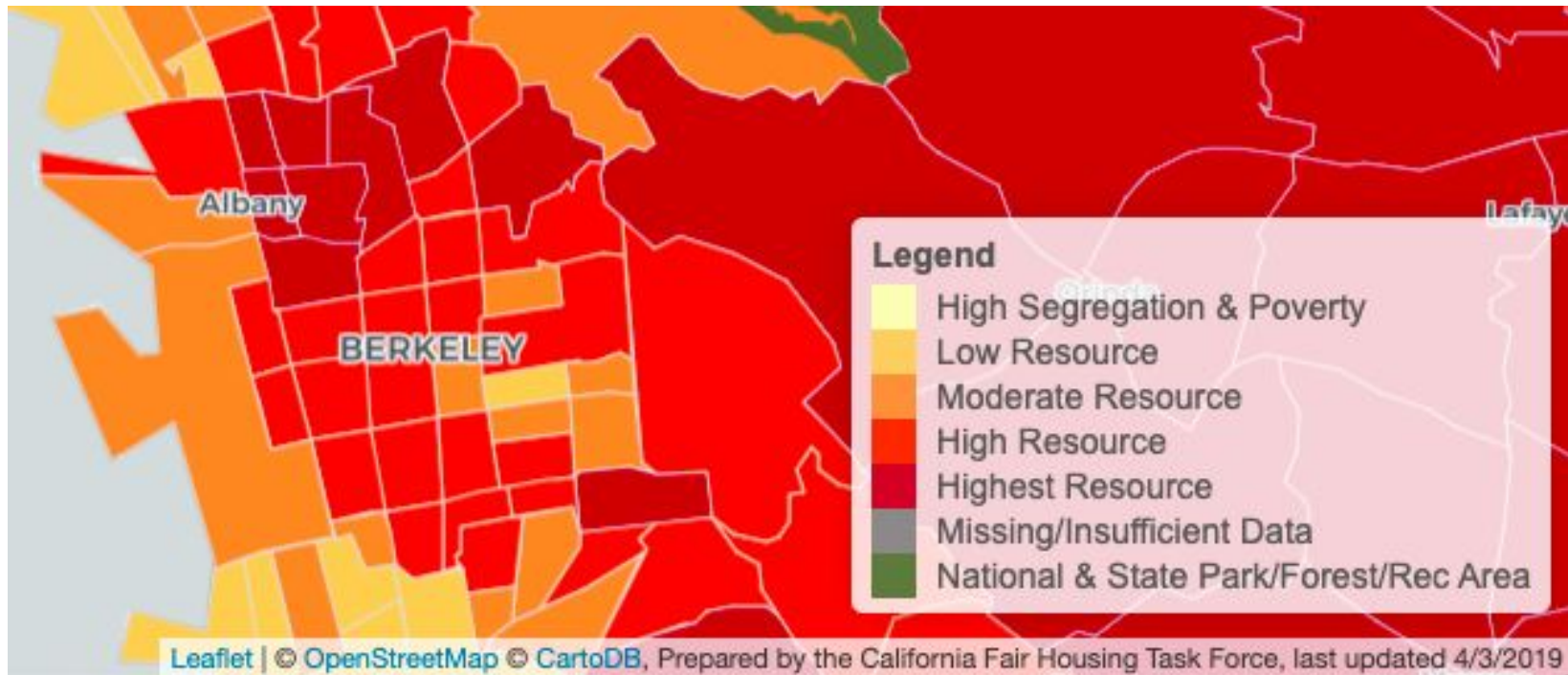
Indicate in the housing element site inventory that this parcel was used in a prior housing element planning period.

#### Step 1B:

Include a program in the housing element requiring rezoning within three years of the beginning of the planning period to **allow residential use by right at specified densities (see Step 2) for housing developments in which at least 20 percent of the units are affordable to lower income households. This program can be an overlay on these specific sites.** Please be aware that the intent of this requirement is to further incentivize the development of housing on sites that have been available over one or more planning periods. The application of the requirement should not be used to further constrain the development of housing. As such, housing developments that do not contain the requisite 20 percent would still be allowed to be developed according to the underlying (base) zoning but would not be eligible for "by right" processing. However, the jurisdiction would have to make findings on the approval of that project pursuant to No Net Loss Law (Government Code section 65863) and proceed to identify an alternative site or sites pursuant to that law. Sites where zoning already permits residential "use by right" as set forth in Government Code section 65583.2 (i) at the beginning of the planning period would be considered to meet this requirement.

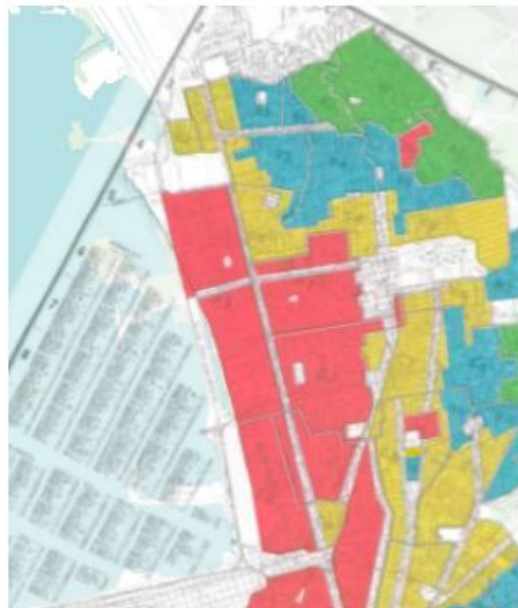


# Increasing affordable housing in high-resource neighborhoods (TCAC Opportunity Map, 2019)



# Segregation in Berkeley Today

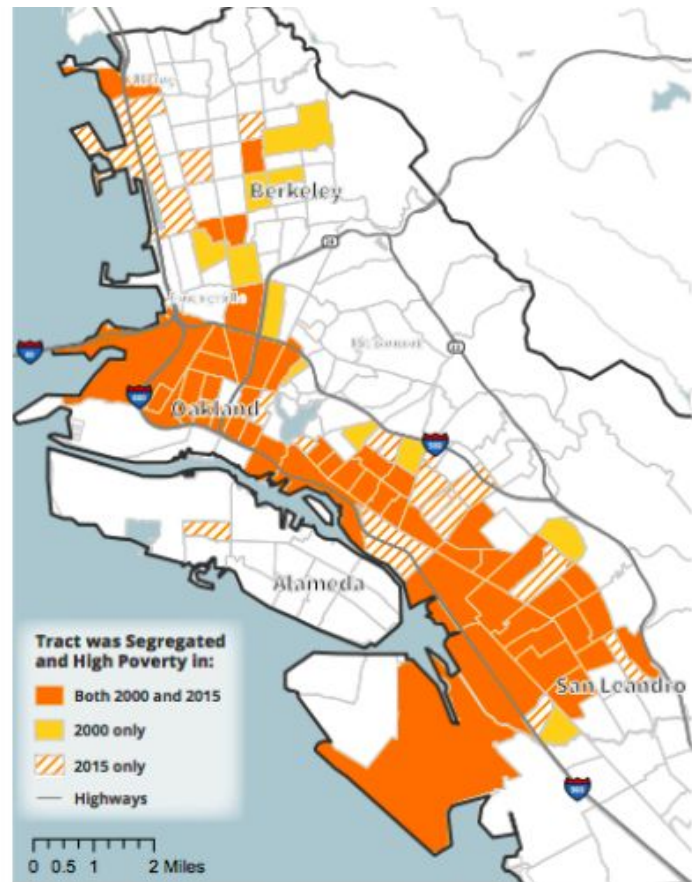
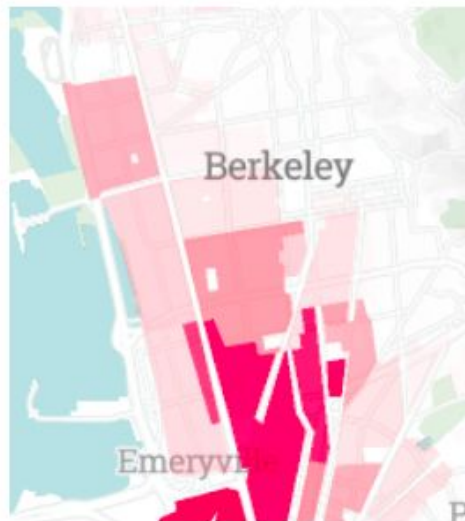
[wenfeixu.com/redliningmap](http://wenfeixu.com/redliningmap)



% Black (2016)



Source: NHGIS Decennial census and ACS

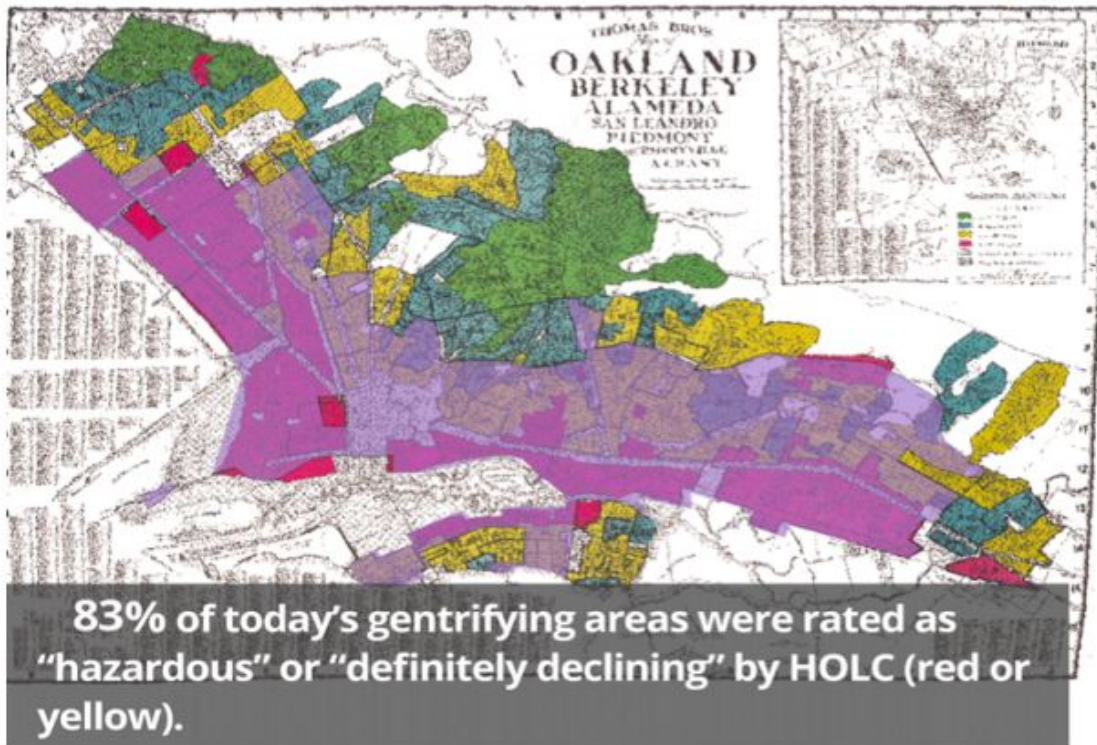


Source: U.S. Census 2000 (Table H063), ACS 2011-2015 (Table B25064)

(Urban Displacement Project, 2019)

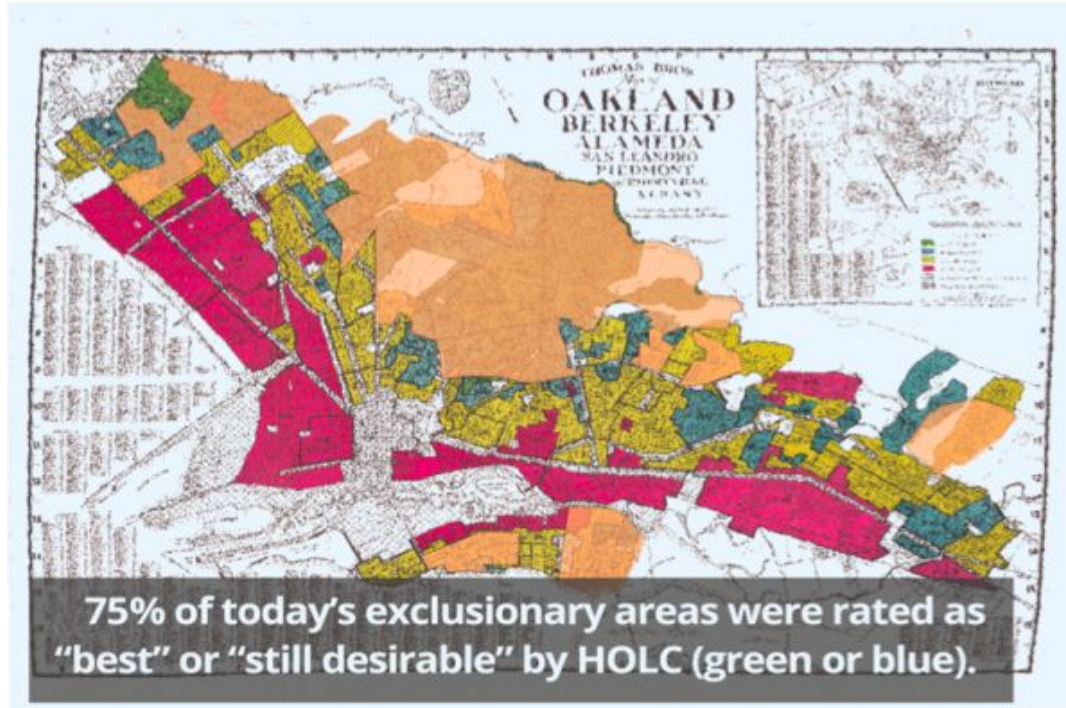
Source: Rent Board Report, 2020

# Legacy of Redlining in East Bay - Gentrification





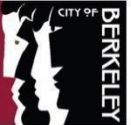
# Legacy of Redlining in East Bay- Exclusion in “Desirable” Areas





## **Additional considerations for ministerial review:**

- Not allowed in fire zones or historic landmarks
- Objective design standards



BERKELEY CITY COUNCILMEMBER  
**TERRY TAPLÍN**  
DISTRICT 2

“I’m privileged to call Berkeley my hometown. More people of all backgrounds should be able to enjoy this privilege as a right.”

