



Office of the Mayor

01

WORKSESSION
January 27, 2022

To: Honorable Members of the City Council

From: Mayor Jesse Arreguin

Subject: Tenant Opportunity to Purchase Act, Adding B.M.C. Chapter 13.89

INTRODUCTION

The proposed Tenant Opportunity to Purchase Act (TOPA), which would add Chapter 13.89 to the Berkeley Municipal Code, is a policy that empowers tenants to determine the future of their housing when a rental property owner is ready to sell, by giving tenants the opportunity to collectively purchase the property they live in. It does this by creating legal rights for tenants to purchase or assign rights to an affordable housing developer, and providing technical assistance, education, and financing to help make these purchases possible. TOPA provides a way to stabilize existing housing for tenants and preserve affordable housing in Berkeley. It also creates pathways for tenants to become first-time homeowners and facilitates democratic residential ownership.

TOPA requires owners of residential rental property in the City of Berkeley prior to sale or transfer of their property to 1) notice to existing tenants and Qualified Non-Profit organizations (hereinafter "Qualified Organizations") of their intent to sell and 2) give Qualified Organizations the Right of First Offer to express interest and submit an offer to purchase. The ordinance also confers a Right of First Refusal to Qualified Organizations to match third party offers submitted.

Ultimately, the property owner may reject any offers from Qualified Organizations and accept third party offers to sell or transfer the property after the established TOPA timelines. The timelines were designed based on input from Washington D.C and San Francisco which have Opportunity to Purchase laws. In addition, the authors consulted lenders, realtors, and affordable housing developers. The timelines are intended to provide the necessary time for parties to meaningfully exercise their rights to purchase the property.

TOPA sales would have longer escrow periods to provide tenants time to organize, engage in technical assistance, form an organization that would qualify for financing, and obtain the necessary financing to close a transaction. To incentivize owners to participate in a TOPA transaction, owners who sell to tenants or a qualified organization will receive a refund in the amount of the City's portion of the Real Property Transfer Tax (.75%) not including the proportional amount attributed to Measure P.

TOPA applies to the sale or transfer (as defined in the ordinance) of all residential rental properties in the City of Berkeley with the following exceptions:

1. Any Rental Property comprised entirely of owner-occupied Rental Units, including any owner-occupied Single-Family Dwelling;
2. Any Accessory Dwelling Unit (inclusive of any junior Accessory Dwelling Unit) located on the same parcel of an owner-occupied Single-Family Dwelling or owner-occupied Accessory Dwelling Unit;
3. Transfers to family members;
4. Transfers by inheritance;
5. Sale of properties of 4 units or less for the purpose of paying imminently necessary health care expenses of an Owner of the Rental Property.

Owners of rental properties that are exempt can receive the benefit of TOPA incentives if they comply voluntarily with TOPA policies and procedures.

The First Right to Purchase is conferred to tenants, and includes a right of first offer, right of first refusal, and a right for tenants to assign rights to a qualified affordable housing organization. The ability to assign rights benefits tenants who cannot purchase but wish to maintain affordable tenancies. It also benefits affordable housing developers as tenant buy-in is often critical to the successful management of the property. If tenants waive their rights, the list of qualified affordable housing organizations have a second opportunity to purchase the property. Qualified affordable housing organizations are vetted and must meet criteria such as being committed to permanent affordability and democratic residential control.

The policy is designed to preserve existing affordable housing and create new affordable housing for future generations. Any TOPA property that receives City investment would be deed restricted to ensure that the property remains permanently affordable.

Multi-tenant buildings that include a mix of TOPA buyers and tenants who wish to continue renting will be required to ensure tenant protections and the enforcement of tenant's rights. This will prevent any internal displacement caused by the exercising of TOPA rights.

Moving forward a TOPA policy will require detailed Administrative Regulations and a well-funded infrastructure to administer and enforce the policy. There is also a vital need to provide adequate education, legal and technical assistance to tenants as part of the implementation. As such, there is a requirement for tenants to engage a City approved supportive partner to assist in all aspects of the transaction, including submitting the initial offer. Finally, a more robust and vibrant acquisition fund will be required that can work efficiently with the TOPA ordinance. This funding could be accommodated through the Small Sites Program with potential funding coming from

Measure U1 tax receipts, the Housing Trust Fund, and Measure O or through another funding mechanism including grants and future regional subsidy¹.

CURRENT SITUATION AND ITS EFFECTS

The proposed Tenant Opportunity to Purchase Act would advance the following Strategic Plan Priorities:

- create affordable housing and housing support service for our most vulnerable community members.
- champion and demonstrate social and racial equity.

POLICY COMMITTEE REVIEW AND RECOMMENDATION

On March 10, 2020, the Tenant Opportunity to Purchase Act (TOPA) was first presented to the Berkeley City Council's Land Use, Housing and Economic Development Policy Committee. The presentation generated extensive public comment from 61 speakers, equally split between support and opposition. COVID-19 shelter-in-place orders were initiated the following week and, with concurrence by the Policy Committee, the item was placed on the list of Unscheduled Items.

Over the next 12 months, revisions to the policy were made and an updated staff report and draft Ordinance was presented to Policy Committee on March 18, 2021, at which time the Committee heard from 60 public speakers. It was suggested that a special Policy Committee meeting be scheduled at a future date with adequate time allotted for public comment and Committee discussion.

On May 6, 2021, TOPA came back before the Policy Committee, there were 48 public speakers and no discussion from the committee. The item was continued to May 20, 2021.

Prior to the May 20th meeting, Mayor Arreguin proposed amendments (Attachment #1) responding to public input received and addressing implementation issues. The Mayor's proposed amendments were as follows (also contained in Attachment 2):

Exemptions (13.89.050)

- *Clarify that any owner-occupied properties exempt under the ordinance must be the "principal residence" of the owner.*
- *Exempt all Single-Family Homes (SFH) from TOPA except investor-owned SFH properties using a definition based on language in AB 1482 (state rent cap law).*

CA Civil Code Section 1947.12 (AB 1482) defines investor-owned properties as

(i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(ii) A corporation.

¹ https://www.google.com/url?q=https://abag.ca.gov/sites/default/files/documents/2021-02/Launching%2520BAHFA-Regional%2520Housing%2520Portfolio_2-24-21_v6.pdf&sa=D&source=editors&ust=1615589062074000&usg=AOvVaw3u4K_b2vbj9BZ2J41dWjql

(iii) A limited liability company in which at least one member is a corporation.

• In addition to exempting Single Family Homes and Accessory Dwelling Units where an owner resides in one of the units as their principal residence, also exempt all owner-occupied Duplex properties where one of the units is the owners' principal residence or that of a family member defined as "Eligible Persons" in Section 13.89.050.B.10.

• Give tenants standing to file a complaint of non-compliance with the City if there is evidence that a property should be covered under TOPA and is not entitled to an exemption.

Right of First Refusal (13.89.100)

Shorten the timelines for the Right of First Refusal process as follows:

- Acceptance of offer:
 - 5 business days all properties (currently 10 or 30 days)**
- Close of transaction:
 - 45 days (under 5 units) (currently 90 days)*
 - 90 days (5 units or more) with one 30-day extension upon demonstrating that it is diligently pursuing financing or completing other requirements to close the transaction, to be further defined in the Administrative Regulations**

Clarifying Language

- Include prior definition of "Sale"*
- Right of First Offer Reset:
 - Right of First Offer will not reset unless Owner backs out of sale after escrow has opened.*
 - If Tenant or QO backs out of sale after escrow has been opened, then Owner will be exempt from complying with TOPA for 12 months.**

Implementation Phase-In

- Delay the effective date of the ordinance until July 1, 2023 so that the program can launch fully resourced This would align decisions on funding implementation with the FY23 budget process and provide sufficient time to fund and implement staffing, acquisition funding, and supportive partners.*
- Refer to the FY 2022 Budget process \$100,000 for the purpose of hiring a consultant to:
 - Conduct an Equity Study to inform implementation of TOPA*
 - Draft Administrative Regulations*
 - Develop the program model*
 - Identify staffing and administrative funding needs at time of effective date for successful launch and ongoing administration of the program*
 - Evaluate capacities and costs/benefits of various agencies (COB, Housing Authority, Rent Board, potential not-for-profit partners) to launch and administer the program**

- *Identify potential ongoing funding sources to support housing purchases and program administration over at least 5 years*
- *Assess other administrative and programmatic needs to support success.*

The Committee made the following recommendation after taking public comment and extensive discussion:

Action: *63 speakers. Discussion held.*

M/S/C (Hahn/Robinson) to make a Qualified Positive Recommendation to:

1. Send the item to the full Council incorporating the Mayor's May 20, 2021 amendments with the following revisions:

i. Increasing the Acceptance of Offer timelines for the Right of First Refusal process from 5 days to 14 days;

ii. Adding the possibility of a 30-day extension to the Close of Transaction timelines for the Right of First Refusal process for properties under 5 units;

iii. Clarify that the budget referral of \$100,000 would be for the purpose of hiring "consultants" rather than "a consultant" who would additionally "recommend any adjustments to the policy that may be warranted";

iv. Clarifying that the definition of "children" includes stepchildren, and further referring to Council to consider the possibility of adding nieces and nephews; and v. Referring to Council to consider the possibility of including parents into the imminent healthcare expense provision; and

2. Recommend the City Council consider the possibility of a phased launch of the Ordinance wherein properties over 5 units would be covered first followed by the remainder of other properties after two or three years.

Vote: *Ayes – Hahn, Robinson; Noes – Droste.*

POLICY CHANGES PROPOSED AFTER MAY 20, 2021 COMMITTEE MEETING

From the May 20, 2021 Committee meeting to the end of 2021, the Mayor has met with the TOPA supporters to discuss further Ordinance modifications. The Mayor has also met with the City Attorney's office regarding specific legal issues including making amendments to reflect the Committee's recommendation and any subsequent proposals, and brought on a CORO Program Fellow to provide research and produce a white paper on the New York City HDFC Co-op structure (Attachment 4).

In order to gain a better understanding of the cost to implement the TOPA policy, City staff produced an overview of an implementation plan, staffing required and ongoing costs to implement (Attachment 5). This information will inform the amount of funding the program will require for administration and the date that the policy will take effect. It

is also one of the responses required of the City Manager in the Policy that was submitted on March 10, 2020 (Attachment 6)

Following feedback from Land Use Committee members, public comments received and meetings with TOPA supporters, the Mayor is proposing the following changes to the TOPA ordinance:

- Exempting non investor-owned Single Family Residences (as defined in AB1482) inclusive of those with an ADU and/or JADU, if that is the Owners only rental property in Berkeley.
- Exempting owner-occupied duplexes if (a) one of the units is the Owner's principal residence and (b) that the property is the Owners only rental property in Berkeley.
- Preserve offer/acceptance and closing timelines for Right of First Refusal as proposed *prior to* May 20, 2021 revisions.
- If Tenant(s)/Qualified Organization(s) back out of a sale after escrow has been opened, Owners would be exempt from TOPA for a fixed 12-month period following escrow cancellation.
- Sale defined as: (a) A transfer in exchange for money or other economic value, including beneficial use of a rental property, (b) change in ownership as defined by the IRS, and (c) multiple transfers of minor interests that result in a transfer of rental property.
- Implementation Phase-In:
 - Notice of Sale to take effect within 30 days following second reading of the Ordinance.
 - Full implementation of all other TOPA provisions to take effect upon adoption of Administrative Regulations. This will phase full implementation of TOPA when there is adequate staffing and funding to launch the program.

There remain two (2) outstanding policy modifications that are under consideration by the office of the City Attorney:

- A speculation fee similar to New York City's HDFC program
- Ensuring that vacant rental properties fall under TOPA and would be offered to Qualified Organizations under the same timelines afforded to QOs in the ordinance.

A revised Ordinance (Attachment 1), dated January 3, 2022, is being reviewed by the City Attorney for form and compliance incorporating the proposed changes, except for the two outstanding policy issues. The City Attorney's office will also include the Land Use Committee's recommended amendments as an option for Council to consider.

ADDITIONAL RESOURCES/FEEDBACK

Since initial submittal in March 2020, there have been several articles written about the benefits of TOPA to tenants and ongoing affordability in communities seeing rapidly

rising property values and rental rates. The following are excerpts are from policy and housing advocates:

LISC

“...existing TOPA and COPA policies and proposals, including how they can advance equity in housing and stabilize communities....”

<https://www.lisc.org/our-resources/resource/advancing-equity-housing-tenant-opportunity-purchase-act/>

PolicyLink

“...strategies that cities can lead to creating equitable housing outcomes for residents by moving privately owned rental housing into tenant or nonprofit ownership to avoid speculation, promote community control, and create permanently affordable housing. It describes what an equitable housing acquisition strategy is, why cities should implement one now, and what are the local capacity, policy, and finance tools needed.”

<https://www.policylink.org/resources-tools/housing-acquisition-strategies>

SPUR

“Give tenants, public agencies and affordable housing nonprofits the first opportunity to purchase multifamily buildings or parcels when they are put on the market.” See page 24

https://www.spur.org/sites/default/files/2021-05/SPUR_Rooted_And_Growing_Report.pdf

CONTACT PERSON

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Attachments:

1. January 3, 2022 Proposed TOPA Ordinance
2. May 20, 2021 Mayor’s Proposed TOPA Amendments
3. May 6, 2021 Revised TOPA Background Report
4. CORO Fellow Research paper, “NYC HDFC Co-op Overview”
5. HHCS Analysis of Staffing and Costs to Implement TOPA
6. March 10, 2020 Original Submittal, Tenant Opportunity to Purchase Act, Report and Ordinance

ORDINANCE NO. -N.S.

ADOPTING CHAPTER 13.89 OF THE BERKELEY MUNICIPAL CODE
TENANT OPPORTUNITY TO PURCHASE ACT

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. Chapter 13.89 is hereby added to the Berkeley Municipal Code to read as follows:

Chapter 13.89

TENANT OPPORTUNITY TO PURCHASE ACT

- 13.89.010** Title and Purpose
- 13.89.020** Findings
- 13.89.030** Definitions
- 13.89.040** Applicability
- 13.89.050** **Sale Defined**
- 13.89.060** Exemptions
- 13.89.070** Qualified Nonprofits
- 13.89.080** Supportive Partners
- 13.89.090** Notice of Intent to Sell; Statement of Interest
- 13.89.100** Right of First Offer
- 13.89.110** Right of First Refusal
- 13.89.120** **Contract Negotiation**
- 13.89.130** Incentive to Accept Offer from Qualified Organization
- 13.89.140** Confidential Information Protected
- 13.89.150** Prohibited Conduct
- 13.89.160** **Complying Anew with the Right of First Offer**
- 13.89.170** Financial Assistance
- 13.89.180** Price Stabilization; Tenant Protections
- 13.89.190** Implementation
- 13.89.200** Enforcement
- 13.89.210** Severability

13.89.010 Title and Purpose.

- A. This Chapter shall be referred to as the Tenant Opportunity to Purchase Act.
- B. The purpose of this Chapter is to confer upon Tenants of Rental Properties as

defined herein a right of first offer and a right of first refusal upon the transfer or sale of Rental Property, and to create an incentive for Owners of Rental Properties to offer their property for sale to Tenants residing there.

13.89.020 Findings.

A. As the Bay Area region experiences increased economic growth and a high demand for housing, housing prices continue to rise which leads to displacement of low-income residents.

B. The current need for affordable housing units in Alameda County is 51,732 units (California Housing Partnership). Approximately 20% of residents in Berkeley are living in poverty.

C. The lack of affordable housing for Berkeley's low-income communities is resulting in Berkeley residents having no option but to leave the City entirely or risk becoming homeless. Currently, there are an estimated 2,000 people who experience homelessness in Berkeley each year, and in December 2019 the Council extended its declaration of a homeless shelter crisis to January 2022.

D. The nine-county Bay Area has been losing an annual average of 32,000 unsubsidized affordable homes occupied by low-income households since 2012. Unsubsidized affordable housing is the most common form of low-income housing, and at the same time is the most at risk of loss through rent increases, evictions, condo conversions, demolition and more. And, overall preservation is cost-effective compared to new production, at 50-70% of the cost of new affordable housing production (Enterprise Community Partners).

E. Affordable housing preservation and anti-displacement strategies will help keep low income tenants in their homes and is codified in the Berkeley General Plan Housing Element. Furthermore, production and maintaining affordable housing, at all income levels, is a stated priority of the City Council in its Housing Action Plan.

F. The City Council finds that in the interest of preventing the displacement of lower-income tenants and preserving affordable housing, it is necessary and appropriate to require that the owners of rental properties in the City offer tenants and qualified nonprofit organizations the opportunity to purchase the property before it may be sold on the market to a third-party purchaser.

13.89.030 Definitions.

A. "Dwelling Unit," "Accessory Dwelling Unit," "Single Family Dwelling," and "[Group Living Accommodations](#)" are defined in Section 23F.04.010.

B. "Offer for Sale" means an offer to sell a Rental Property that includes all material and commercially reasonable terms.

C. "Qualified Nonprofit" means a nonprofit, which is either exempt from federal

income tax under 26 U.S.C. § 501(c)(3) or a California cooperative corporation, that has the capacity to acquire, provide, and manage affordable housing for moderate, low, very low, and extremely low income households, and is certified by the City Manager pursuant to Section 13.89.070.A.

D. “Qualified Organization” means either a Tenant Organization or a Qualified Nonprofit.

E. “Owner” means any person, corporation, partnership, limited liability company, trustee, or any other entity, who is the owner of record of a Rental Property. Each Owner shall be jointly and severally responsible for compliance with the requirements of this Chapter.

F. “Rental Property” means any residential property containing one or more Rental Units and located in the City of Berkeley.

G. “Rental Unit” means any Dwelling Unit or Group Living Accommodations sleeping quarters occupied by one or more Tenants in the City of Berkeley.

H. “Sale,” “sell,” or “transfer” is defined in Section 13.89.050.

H.I. “Supportive Partner” means any person or organization certified by the City Manager pursuant to Section 13.89.080.A to provide Tenant counseling and technical support services [on first-time homeownership, obtaining financing for the purchase of Real Properties, assisting in the process of closing on property transactions, the formation and governance of legal and collective ownership structures, and supporting Tenants in the exercise of their rights](#) pursuant to this Chapter. [Supportive Partners may include but are not limited to Tenant Organizations, Qualified Nonprofits, consultants with expertise in non-profit housing acquisition and formation of cooperative ownership models, attorneys with real estate and contract experience, and real estate agents.](#)

H.J. “Tenant” means any renter, tenant, subtenant, lessee, or sublessee of a Rental Unit, or successor to a renter’s interest, or any group of tenants, subtenants, lessees, or sublessees of any Rental Unit, or any other person entitled to the use or occupancy of such Rental Unit.

H.K. “Tenant Organization” means any legal entity or unincorporated and/or informal association that is authorized to act on behalf of a majority of Tenants of a Rental Property. [A Tenant Organization must adopt a Governing Document and Governing Principles and may appoint officers and any other authorized agents specifically designated to execute contracts on its behalf.](#) [If only one Tenant of a Rental Property seeks to exercise the right of first offer conferred by Section 13.89.100, subject to the majority consent of any other existing Tenants, the one Tenant](#) may exercise the rights of a Tenant Organization under this Chapter. For purposes of this Paragraph only, any and all lessees of a Dwelling Unit or Group Living Accommodations sleeping quarters are collectively considered to be one Tenant, and such lessees of a Group Living Accommodation or Dwelling Unit must consent to representation by the Tenant

Organization, as furthered defined in Administrative Regulations.

K.L. “Third-Party Purchaser” means any prospective purchaser of a Rental Property other than a Qualified Organization as defined in Paragraph D.

L.M. “The City” shall mean the City of Berkeley, including any departments within the City that are assigned any responsibilities under this Chapter.

M.N. “City Manager” means the City Manager or their designee.

N.O. “Governing Document” means a constitution, articles, bylaws, operating agreement, or other writings that governs the purpose and operation of a Tenant Organization and the rights and obligations of its members, which shall include provisions on the Tenant Organization’s decision-making processes and appointing officers and other authorized agents to act on its behalf.

O.P. “Governing Principles” means the governance and management principles stated in a Tenant Organization’s Governing Documents.

P.Q. “Majority” means an affirmative vote of more than fifty percent (50%) required for decision-making under this Chapter.

13.89.040 Applicability.

This Chapter shall apply to the sale or transfer of all Rental Property in the City of Berkeley, unless otherwise exempted herein.

13.89.050 Sale Defined.

A. “Sale,” “sell,” or “transfer” is defined as the following:

1. The transfer, in exchange for money or any other thing of economic value, of a present interest in the Rental Property, including beneficial use, where the value of the present interest is the fee interest in the Rental Property, or substantially equal to the value of that fee interest.

2. Any change of ownership of real property as defined in Revenue & Taxation Code § 64(c).

3. Multiple transfers of minority interests in the Rental Property which, in effect, result in a transfer of the Rental Property.

13.89.060 Exemptions.

A. Residential Property Types Exempted. The following Rental Properties are not subject to the requirements of this Chapter.

1. Any Rental Property comprised entirely of owner-occupied Rental Units, including any owner-occupied Single-Family Dwelling.

2. Any Rental Property having no more than one Single Family Dwelling (inclusive of an Accessory Dwelling Unit or a junior Accessory Dwelling Unit) and such Rental Property is the Owners only Rental Property in the City of Berkeley. For purposes of this subparagraph only, the "Owner" of such Rental Property must not be any of the following set forth under California Civil Code Section 1947.12(d)(5)(A)(i)-(iii) ("AB 1482"): a real estate investment trust, as defined in Section 856 of the Internal Revenue Code; a corporation; or a limited liability company in which at least one member is a corporation.

2.3. Any Rental Property having no more than one Single Family Dwelling where the Owner occupies (or intends to reoccupy) as their principal residence either the Single Family Dwelling or an Accessory Dwelling Unit (inclusive of any junior Accessory Dwelling Unit) on the same parcel as the Single Family Dwelling.

4. Any Rental Property having no more than one Duplex where the Owner occupies (or intends to reoccupy) as their principal residence one of the units and such Rental Property is the Owners only Rental Property in the City of Berkeley.

3.5. Rental Properties owned by the local, state, or federal government.

4.6. Rental Properties owned by and operated as a hospital, convent, monastery, extended care facility, convalescent home, or dormitories owned by educational institutions.

5.7. Group Living Accommodations subject to monitoring by a Monitoring Organization, as defined in Section 13.42.020.E.

6.8. Properties owned by housing cooperatives, if the cooperative entity is owned and controlled by a majority of residents. This definition includes non-profit mutual housing associations and limited equity housing cooperatives.

7.9. Properties defined as "assisted housing developments" pursuant to California Government Code Section 65863.10(a)(3) so long as the provisions of California Government Code Section 65863.10, 65863.11, and 65863.13 apply.

B. Transfers Exempted. The following transfers of Rental Properties are not subject to the requirements of this Chapter.

1. An inter vivos transfer, whether or not for consideration, between spouses, domestic partners, parents and children, siblings, and/or grandparents and grandchildren.

2. A transfer for consideration by a decedent's estate if the consideration arising from the transfer will pass from the decedent's estate to, or solely for the benefit of, charity.

3. A transfer of legal title or an interest in an entity holding legal title to a Rental

Property pursuant to a bona fide deed of trust or mortgage, and thereafter any transfer by foreclosure sale or deed in lieu of foreclosure pursuant to a bona fide deed of trust or mortgage. This exemption does not supersede any rights to purchase afforded to Tenants or Qualified Nonprofits under the California Civil Code Sections 2924f-h, 2924m-n, or 2929.3.

4. A transfer of bare legal title into or out of a revocable trust, without actual consideration for the transfer, where one or more transferors is a current beneficiary of the trust.

5. A transfer by devise, descent, or operation of the law upon the death of a natural person.

6. A transfer pursuant to court order or court-approved settlement.

7. Any transfer to a public agency, including but not limited to a transfer by eminent domain or under threat of eminent domain.

8. A transfer of a fractional interest in a Rental Property that is less than 50% of an undivided interest in the Rental Property, unless Section 13.89.050.A30 applies.

9. Any transfer in which the transferee receives a low-income housing credit under 28 U.S.C. § 42.

10. A transfer of a Rental Property that is the Owner's sole Rental Property and has no more than five Rental Units made for the purpose of paying for imminently necessary health care expenses of an Owner of the Rental Property, or any such health care expenses incurred by a spouse, domestic partner, or child of any Owner ("Eligible Persons"), where requiring the Owner to comply with the requirements of this Chapter would result in medical financial hardship to an Eligible Person. For purposes of this subparagraph only, "Owner" shall be limited to a natural person having an undivided interest in the Rental Property of at least 50%. The process and requirements for determining eligibility of this exemption shall be defined in Administrative Regulations implementing this Chapter.

C. Exemption Procedures and Burden of Proof.

1. Burden of Proof. The burden of proof to establish that a property or transfer is exempt from the requirements of this Chapter shall be on the Owner.

2. The Owner of a property exempt from the requirements of this chapter or claiming an exemption pursuant to this Section must provide written notice to all Tenants of the Rental Property at time of listing or marketing property for sale. The notice shall inform the Tenants of the Owners intent to sell the Rental Property and must state whether the property is exempt from the requirements of this Chapter and specify the specific exemption claimed.

3. An Owner who believes that they should be granted an exemption under this Section shall comply with procedures that the City shall create for claiming an exemption in its Administrative Regulations.

13.89.070 Qualified Nonprofits.

A. Certification, Term, and Renewal. The City Manager shall certify Qualified Nonprofits that meet the requirements of this Chapter. The Qualified Nonprofit shall be a nonprofit organization exempt from federal income tax under 26 U.S.C. § 501(c)(3) or a California cooperative corporation that is committed to furthering permanent affordability, democratic residential control, and tenant ownership, as further defined in Administrative Regulations, and shall have demonstrated the capacity (including, but not limited to, the legal and financial capacity) to effectively acquire and manage residential real property and to provide affordable housing for very low and/or low-income households. The City Manager may prescribe additional requirements necessary to effectuate the purpose of this Chapter by Administrative Regulation. A nonprofit organization's certification as a Qualified Nonprofit shall be valid for four years. The City Manager shall solicit new applications for Qualified Nonprofit status at least once each calendar year, at which time existing Qualified Nonprofits shall be eligible to apply for renewed certification. A list of Qualifying Nonprofits shall be published on the City's website and made available by the City Manager upon request.

B. Conflicts of Interest; Disqualification of Qualified Nonprofits. A Qualifying Nonprofit may not act in a manner that is adverse to the interests of Tenants occupying a Rental Property that is subject to this Chapter. A Qualifying Nonprofit may not act as a Supportive Partner if it exercises its right of first offer under Section 13.89.100 or right of first refusal under Section 13.89.110. The City Manager shall promptly investigate any complaint alleging that a Qualified Nonprofit has a conflict of interest or has failed to comply with the requirements of this Chapter. If after providing the Qualified Nonprofit with notice and opportunity to be heard, the City Manager determines that an organization listed as a Qualified Nonprofit has a conflict of interest or has failed to comply with the requirements of this Chapter, the City Manager may limit, suspend, or revoke that organization's certification as a Qualified Nonprofit.

C. A Qualified Nonprofit is conferred a right of first offer and right of first refusal as a Qualified Organization under this Chapter only if a Tenant Organization qualified to act on behalf of Tenants of a Rental Property (1) assigns in writing the Tenants' rights under this Chapter to the Qualified Nonprofit within the Notice Period; (2) executes a written waiver of the Tenants' rights under this Chapter within the Notice Period; or (3) no Tenant submits a statement of interest pursuant to Section 13.89.090.C. Subsequently, Qualified Nonprofits shall have the same amount of time conferred to Tenants to perform under this Chapter, except that Qualified Nonprofits shall only have the remaining time conferred to Tenants to perform within the Notice Period, and any extensions thereof, or a minimum of 5 days, whichever is greater. If no Tenant Organization has been formed to act on behalf of Tenants of a Rental Property, an assignment or written waiver of rights pursuant to this Paragraph shall be valid if signed by the majority of Tenants.

13.89.080 Supportive Partners.

A. Certification of Supportive Partners. The City Manager shall establish criteria for the identification and selection of persons or organizations who may serve as Supportive Partners under this Chapter. Supportive Partners shall be selected based on their expertise and ability to counsel Tenants on first-time homeownership, obtaining financing for the purchase of Rental Properties, and the formation and governance of collective ownership structures, and to otherwise provide support for Tenants who seek to exercise their rights under this Chapter. Supportive Partners may include but are not limited to Tenant Organizations, Qualified Nonprofits, consultants with expertise in non-profit housing acquisition and formation of cooperative ownership models, attorneys with real estate and contract experience, and real estate agents. The certification as a Supportive Partner shall be valid for four years. The City Manager shall solicit new applications for Supportive Partner status at least once each calendar year, at which time existing Supportive Partners shall be eligible to apply for renewed certification. A list of Supportive Partners shall be published on the City's website and made available by the City Manager upon request.

B. Requirement to Select Supportive Partner. A Tenant Organization seeking to exercise a right of first offer under Section 13.89.100 or right of first refusal under Section 13.89.110 must select a Supportive Partner and disclose the Supportive Partner to the City and Owner of the Rental Property within the time set forth in the Notice Period and any extensions thereof. The requirement to select a Supportive Partner shall not apply if there are no certified Supportive Partners on the list maintained by the City Manager pursuant to Paragraph A.

C. Conflicts of Interest; Disqualification of Supportive Partners. A Supportive Partner may not act in a manner that is adverse to the interests of Tenants occupying a Rental Property that is subject to this Chapter. The City Manager shall promptly investigate any complaint alleging that a Supportive Partner has a conflict of interest or has failed to comply with the requirements of this Chapter. If after providing the Supportive Partner with notice and opportunity to be heard, the City Manager determines that a Supportive Partner has a conflict of interest or has failed to comply with the requirements of this Chapter, the City Manager may limit, suspend, or revoke that organization's certification as a Supportive Partner.

13.89.090 Notice of Intent to Sell; Statement of Interest.

A. Notice of Intent to Sell. An Owner of a Rental Property shall provide all Tenants (if any) notice of their intent to sell prior to listing or otherwise marketing a Rental Property for sale ("Notice of Intent to Sell"). The Notice of Intent to Sell shall be provided at least 45 days before marketing a Rental Property with three or more Rental Units, or at least 20 days before marketing a Rental Property with two or fewer Rental Units ("Notice Period"). The Notice of Intent to Sell shall be sent to each Tenant address via certified mail and posted at conspicuous locations at the Rental Property and shall include the

following:

1. A statement that the Owner intends to sell the Rental Property.
2. A statement describing the rights of Tenants under this Chapter and stating the deadlines for exercising those rights.
3. A list of units by address and the rent due for each unit, if occupied, and any available [contact](#) information for each occupant.
4. An itemized list of annual income and expenses for each of the two preceding calendar years, including but not limited to rent and other income collected and costs of management, insurance, utilities, and maintenance.
5. Instructions for submitting a Statement of Interest pursuant to Paragraph C.

B. Notice to Qualified Nonprofits. On the same date as notice is provided to [any](#) Tenants pursuant to Paragraph A, the Owner shall provide a copy of the Notice of Intent to Sell the Rental Property via email to each Qualified Nonprofit certified by the City Manager. The City Manager shall maintain a list of email addresses for distribution of the Notice of Intent to Sell and shall make that list available on the City's website and upon request.

C. Statement of Interest. Prior to the expiration of the Notice Period set forth in Paragraph A, [the majority of Tenants](#) may deliver a statement of interest to the Owner of the Rental Property ("Statement of Interest"), [unless the Tenants execute a written waiver of rights or assign rights to a Qualified Nonprofit pursuant to Section 13.89.060.C](#). The Statement of Interest shall notify the Owner of the [Tenants'](#) or Qualified [Nonprofit's](#) interest in exercising [their rights](#) under this Chapter. In the event that [the majority of Tenants](#) submit a Statement of Interest in response to a Notice of Intent to Sell, [the right of first offer conferred by Section 13.89.090 may be exercised solely by a Tenant Organization that satisfies the requirements of Section 13.89.030.J.](#); provided, however, nothing in this Paragraph shall prohibit a Tenant Organization from assigning the Tenants' right of first offer or right of first refusal to a Qualified Nonprofit [prior to the expiration of the Notice Period](#).

D. Formation of Tenant Organization; Selection of Supportive Partner. If [the majority of](#) Tenants submit a Statement of Interest, the Tenants of the Rental Property must identify or form a Tenant Organization as defined in Section 13.89.030.[K](#) and select a Supportive Partner, subject to Section 13.89.080.B. [If there is only one](#) Tenant of a Rental Property [who seeks to exercise the right of first offer conferred by Section 13.89.100, subject to the majority consent of any other existing Tenants, the one Tenant](#) may exercise the rights of a Tenant Organization under this Chapter [but shall not](#) be exempt from the requirement to select a Supportive Partner. A Tenant Organization identified or formed pursuant to this Paragraph shall be entitled to exercise the rights of a Qualified Organization set forth in Sections 13.89.[100](#) and 13.89.[110](#).

E. Effect of Statement of Interest. Receipt of a timely Statement of Interest shall

extend the Notice Period for 60 days. For Rental Properties having 10 or more Rental Units, any Tenant or Qualified Nonprofit that submits a valid Statement of Interest shall be granted an additional 30-day extension of the Notice Period upon timely written request. For Rental Properties having 20 or more Rental Units, any Tenant or Qualified Nonprofit that submits a valid Statement of Interest shall be granted a total of two additional 30-day extensions of the Notice Period upon timely written request.

F. Prohibition on Marketing Property to Third-Party Purchasers During Notice Period. Prior to the expiration of the Notice Period, the Owner of a Rental Property shall be prohibited from listing or marketing the Rental Property for sale or entering into any agreement for the sale or transfer of the Rental Property to Third-Party Purchasers.

13.89.100 Right of First Offer.

A. Right of First Offer. A Tenant or Qualified Nonprofit that submits a Statement of Interest shall have the right to make an offer to purchase a Rental Property prior to the sale of the Rental Property to a Third-Party Purchaser; provided, however, that in the event that any Tenant submits a Statement of Interest pursuant to Section 13.89.090.C, the right of first offer conferred by this Section may be exercised solely by a Tenant Organization that satisfies the requirements of Section 13.89.030.K unless an assignment or waiver of rights have been executed pursuant to Section 13.89.070.C.

A.B. The Qualified Organization may deliver to the Owner of the Rental Property an offer to purchase the property, together with disclosure of its selected Supportive Partner, at any time prior to the expiration of the Notice Period. The Owner may accept or reject any offer to purchase received from a Qualified Organization.

B.C. Acceptance of Offer of Purchase. Upon acceptance of any offer to purchase a Rental Property made pursuant to Paragraph A, the Owner and Qualified Organization shall make reasonable and good faith efforts to close the transaction. The Qualified Organization shall have at least 30 days to close the transaction for the sale of a property having one Rental Unit; 90 days to close the transaction for the sale of property having two Rental Units; and 120 days to close the transaction for the sale of property having three or more Rental Units. The deadline to close a transaction for the sale of Rental Property having one Rental Unit shall be extended for an additional 60 days from the date of acceptance of the offer if the Qualified Organization provides written documentation that its lender will require a commercial loan for the purchase of the Rental Property. The Qualified Organization shall be entitled to reasonable extensions of the time to close not to exceed 30 days upon demonstrating that it is diligently pursuing financing or diligently pursuing the completion of other requirements to close the transaction. Nothing in this Paragraph shall prevent the Owner and the Qualified Organization for agreeing to further extend the deadline to close the transaction.

C.D. Termination of Right of First Offer. Upon (1) rejection of all offers to purchase made within the Notice Period, (2) the expiration of the Notice Period, or (3) the failure to close the transaction within the time period set forth in Paragraph B, the Owner may list and market for sale the Rental Property and may solicit and conditionally accept offers from a

Third-Party Purchaser, subject to the requirements of Section 13.89.110. The requirements of Section 13.89.110 shall not apply if no Qualified Organization submits an offer to purchase the Rental Property under this Section.

13.89.110 Right of First Refusal.

A. Disclosure of Offer of Sale. The Owner shall disclose any Offer of Sale received from a Third-Party Purchaser to any Qualified Organization that exercised a valid right of first offer under Section 13.89.100, and shall provide said Qualified Organization a right of first refusal pursuant to the requirements of this Chapter. The Owner shall disclose to each Qualified Organization eligible to exercise a right of first refusal under this Section all material terms of any Offer of Sale of the Rental Property, together with all commercially reasonable disclosures, in substantially the same form and having substantially the same content as would be provided to any prospective Third-Party Purchaser. Any written offer received by the Owner shall be provided to said Qualified Organizations; provided, however, that any confidential information not necessary to comply with the requirements of this Paragraph may be redacted from such offers.

B. Right of First Refusal. Any Qualified Organization that exercised a valid right of first offer under Section 13.89.100 may exercise a right of first refusal and accept the Offer for Sale of the Rental Property within the time period set forth in Paragraph C. To exercise its right of first refusal, the Qualified Organization must accept all material terms of the Offer for Sale; provided, however, the financing of the Qualified Organization's purchase shall not be considered a material term of the Offer for Sale so long as it does not affect the net value of the Sale to the Owner.

C. Time to Exercise Right of First Refusal. The Owner shall provide any Qualified Organization eligible to exercise a right of first refusal under this Section at least 10 days to accept the Offer of Sale of Rental Property having no more than two Rental Units, or at least 30 days to accept the Offer of Sale of Rental Property having three or more Rental Units. The acceptance of an Offer of Sale by any Qualified **Nonprofit** extinguishes any right of first refusal of other eligible Qualified **Nonprofits**.

D. Time to Close. Upon acceptance of the Offer of Sale, the Qualified Organization shall have at least 30 days to close the transaction for the sale of a property having one Rental Unit; 90 days to close the transaction for the sale of property having two Rental Units; and 120 days to close the transaction for the sale of property having three or more Rental Units. The Qualified Organization shall be entitled to reasonable extensions of the time to close not to exceed 30 days upon demonstrating that it is diligently pursuing financing or completing other requirements to close the transaction.

E. Rejection of Offer or Failure to Close. If each Qualified Organization entitled to receive an Offer of Sale rejects or fails to accept such offer of sale within the time set forth in Paragraph C or if a Qualified Organization that accepts an Offer for Sale fails to close the transaction within the time set forth in Paragraph D, the Owner may immediately proceed with the sale or transfer of the Rental Property to a Third-Party Purchaser.

F. Notwithstanding any other provision of this Section, conditional sales agreements between an Owner and a Third-Party Purchaser are permitted so long as the agreement is subject to the contingency that no Qualified Organization exercises a right of first refusal conferred by this Chapter.

13.89.120 Contract Negotiation

A. Bargaining in good faith. The Owner and any Tenant, Tenant Organization, and/or Qualified Organization shall bargain in good faith regarding the terms of any Offer for Sale. Any one of the following constitutes prima facie evidence of bargaining without good faith:

1. The failure of an Owner to offer a Tenant, Tenant Organization, or Qualified Organization a price and other material terms at least as favorable as that offered to a Third-Party Purchaser.
2. Any requirement by an Owner that a Tenant, Tenant Organization, or Qualified Organization waive any right under this Chapter.
3. The intentional failure of an Owner, Tenant, Tenant Organization, or Qualified Organization to comply with the provisions of this Chapter.

B. Termination of rights. The intentional failure of any Tenant, Tenant Organization, or Qualified Organization to comply with the provisions of this Chapter shall result in the termination of their rights under this Chapter.

13.89.130 Incentive to Accept Offer from Qualified Organization.

A. **Transfer Tax Refund.** An Owner that accepts an offer to purchase Rental Property from a Qualified Organization submitted pursuant to Section 13.89.100 and transfers title to a Rental Property to said Qualified Organization shall be entitled to reimbursement of any real property transfer tax imposed under Section 7.52.040.A. Said reimbursement shall not include the amount of any voter-approved transfer tax assessed pursuant to Section 7.52.040.B-C.

B. **Exempt Properties.** An Owner of a Rental Property that is exempt from this Chapter may comply with the requirements of this Section, and shall be entitled to reimbursement of real property transfer tax pursuant to Paragraph A upon sale of the Rental Property to a Qualified Organization.

13.89.140 Confidential Information Protected.

Any information exchanged between an Owner, Tenants, or Qualified Organizations under this Chapter shall be kept confidential to the greatest extent permitted by law. This Section shall not prohibit disclosure of information necessary to effectuate the purpose of this Chapter to any Owner, Tenant, or Qualified Organization, or to the City of Berkeley

or its agents or contractors, nor shall this Chapter be construed to limit disclosure of information in response to a lawfully issued subpoena or court order.

13.89.150 Prohibited Conduct.

A. The sale or transfer of any Rental Property subject to this Chapter and not exempt pursuant to Section 13.89.060 is prohibited unless the Owner complies with Sections 13.89.100 and 13.89.110.

B. A Tenant or Qualified Organization shall not buy or sell any right afforded to them under this Chapter or sell a waiver of any such right, nor shall any Tenant or Qualified Organization assign or otherwise transfer any such right except as authorized to do so under this Chapter.

C. An Owner shall not (1) coerce a Tenant or Tenant Organization to waive their rights under this Chapter; (2) retaliate against or harass a Tenant seeking to exercise their rights under this Chapter; or (3) engage in conduct intended to prevent a Tenant from exercising their rights under this Chapter.

D. Any agreement to shorten the time periods provided for exercise of any right afforded under this Chapter. Nothing in this Paragraph shall prohibit an agreement to extend the deadlines set forth herein.

13.89.160 Complying Anew with the Right of First Offer.

An Owner shall comply anew with the Right of First Offer if one of the following occur:

A. The Owner decides not to sell the Rental Property after providing the Notice of Intent to Sell, and then proceeds to undertake a Sale again as defined in Section 13.89.050; or the Owner cancels a contract of sale entered into with Tenant or Qualified Organization after escrow has opened.

B. 365 days have elapsed since a Tenant or Qualified Organization cancelled a contract of sale entered into with the Owner after escrow has opened, and the Owner has not sold the Rental Property to a Third-Party Purchaser.

C. 90 days have elapsed from the date of an Owner's rejection of an offer from a Tenant or Qualified Organization pursuant to Section 13.89.100.B and the Owner has not provided an Offer of Sale to the Tenant or Qualified Organization pursuant to Section 13.89.110.A; however, the Owner may submit a notarized statement to the City to extend this time period if the Owner is still actively seeking to sell the Rental Property to a Third-Party Purchaser.

D. 180 days have elapsed since the expiration of a Notice Period and any extensions thereof and no Tenant or Qualified Organization submitted a Statement of Interest or offer and the Owner has not sold the Rental Property to a Third-Party Purchaser; however, the Owner may submit a notarized statement to the City to extend this time period if the Owner is still actively seeking to sell the Rental Property to a Third-Party Purchaser.

13.89.170 Financial Assistance.

The City Manager shall develop guidelines for providing financial assistance to allow for the acquisition of Rental Properties pursuant to this Chapter. Financial assistance may be provided to Tenants, Tenant Organizations, or Qualified Nonprofits. Nothing in this provision commits the City Council to providing a specified level of funding for the acquisition of Rental Property under this Chapter.

13.89.180 Price Stabilization; Tenant Protections.

A. Affordability Restriction. Except as otherwise provided herein, any Rental Unit acquired pursuant to this Chapter shall be subject to a recorded affordability restriction that ensures that each Rental Unit acquired is available to very low, low, or moderate income renters or buyers in perpetuity. The City Manager shall set standards for the provisions of affordable units by Administrative Regulation and for the enforcement of the requirements of this Section.

B. Exemptions from Affordability Restriction.

1. Any Rental Property purchased by a Tenant Organization that exercises its rights under this Chapter is exempt from the requirements of Paragraph A unless any Tenant or the Tenant Organization receives financial assistance pursuant to the guidelines established under Section 13.89.170.

2. A limited equity housing cooperative that meet the requirements of Civil Code Sections 817 and 817.1 is exempt from the requirements of Paragraph A.

C. The sale of a Rental Property pursuant to this Chapter shall not impair the rights of any Tenant under Chapter 13.76 or any other applicable state law or local ordinance. Further, any Tenant who resides in any Rental Unit at the time of the sale of a Rental Property under this Chapter shall not be subject to eviction based on their failure to meet income restrictions or other eligibility requirements imposed by this Section. If the sale of the Rental Property under this Chapter to a Tenant Organization results in the exemption of any Rental Unit from the requirements of Chapter 13.76, the Tenant Organization and any subsequent Owner of the Rental Property shall, unless and to the extent prohibited by state law, limit the increase in rent for any such Rental Unit to 65% of the percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) in the San Francisco-Oakland-San Jose region as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve month period ending the previous June 30; provided, however, the Owner may further increase the rent for any such Rental Unit to cover the cost or planned cost of a reasonable, pro rata share of capital improvements for common areas and of any other capital improvements that are necessary to bring the property into compliance or maintain compliance with applicable local code requirements affecting health and safety, where such capital improvement costs are properly amortized over the life of the improvement. In no event, however, shall the allowable annual

adjustment be less than zero (0%) or greater than seven percent (7%).

D. Rental Properties acquired pursuant to this Chapter and converted to condominiums or stock cooperatives (including limited equity housing cooperatives that meet the requirements of Civil Code Sections 817 and 817.1) subject to a recorded affordability restriction under this Section shall be exempt from the requirements of Section 21.28.070 (“Affordable housing mitigation fee”).

13.89.190 Implementation

A. The City Manager shall adopt Administrative Regulations necessary to implement the requirements of this Chapter, and may adopt additional rules and regulations for purposes of administering this Chapter, including but not limited to rules and regulations governing the reporting of information regarding transactions subject to the requirements of this Chapter.

B. This ordinance shall take effect 90 days after the City Manager adopts Administrative Regulations pursuant to Paragraph A.

C. The City Manager shall report annually on the implementation of this Chapter to the City Council or to such City Council Committee as the City Council may designate. The City Manager’s report shall include the number and types of sales of tenant-occupied properties including whether purchased by a Qualified Organization or Third-Party Purchaser; the number of Qualified Organizations that purchase Real Property pursuant to this Chapter; the number and types of units covered by this Chapter; and other data and information relevant to evaluating the effectiveness of this Chapter in creating and preserving affordable housing for residents in the City of Berkeley and in preventing displacement of City of Berkeley tenants.

C.D. The City Manager or their designee shall provide counseling and technical assistance to Owners regarding the requirements of this Chapter to assist in achieving compliance.

13.89.200 Enforcement

A. Any violation of this Chapter or the Administrative Regulations promulgated under Section 13.89.190.A shall be subject to administrative citation under Chapter 1.28.

B. The City Attorney, any Tenant of a Rental Property subject to this Chapter, or a Qualified Organization eligible to purchase Rental Property under this Chapter may bring a civil action to enforce this Chapter, and shall be entitled to the remedies set forth in this Section to the greatest extent permitted by law.

C. Any violation of the requirements of this Chapter shall be subject to a civil penalty not to exceed \$1,000 per day of violation. Each failure to provide the required notice or disclosure under this Chapter shall be considered a separate violation for each Rental Unit on a Rental Property.

D. A prevailing plaintiff in any action to enforce this Chapter shall be entitled to damages according to proof and reasonable attorneys' fees and costs. Any court of competent jurisdiction may order that an Owner of Rental Property comply with the requirements of this Chapter.

13.89.210 Severability

If any word, phrase, clause, sentence, subsection, section, or other portion of this Chapter, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason by a decision of a court of competent jurisdiction, then such word, phrase, clause, sentence, subsection, section, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this Chapter, and all applications thereof, not having been declared void, unconstitutional or invalid, shall remain in full force and effect. The City Council hereby declares that it would have passed this Chapter, and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or words had been declared invalid or unconstitutional.

Section 2. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

May 20, 2021

To: Land Use, Housing and Economic Development Policy Committee

From: Mayor Jesse Arreguín

Subject: Proposed Amendments to TOPA

Thank you for all the time and thoughtful discussion over the proposed TOPA ordinance. Throughout the committee's deliberations, I have listened carefully to public comments and read every email and letter sent in. I strongly support TOPA and believe it is an important tool to prevent displacement and keep housing affordable. But I also understand there are some concerns around the ordinance, specifically as they relate to small property owners. We can launch an effective TOPA program and address suggestions offered by stakeholders.

I am therefore proposing several amendments related to: 1) the applicability of the ordinance; 2) length of timelines; 3) implementation phase-in; 4) and clarifying language in response to committee members' questions and concerns.

As today is the last day for the committee to act on this proposal, I am respectfully requesting that the policy committee make a **Qualified Positive Recommendation to the full Council incorporating the following amendments**. After Committee action I will work with the City Attorney's office to incorporate language reflecting these amendments:

Exemptions (13.89.050)

- Clarify that any owner-occupied properties exempt under the ordinance **must be the "principal residence" of the owner.**
- **Exempt all Single-Family Homes (SFH) from TOPA except investor-owned SFH properties** using a definition based on language in AB 1482 (state rent cap law).

CA Civil Code Section 1947.12 (AB 1482) defines investor-owned properties as

(i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(ii) A corporation.

(iii) A limited liability company in which at least one member is a corporation.

- In addition to exempting Single Family Homes and Accessory Dwelling Units where an owner resides in one of the units as their principal residence, **also exempt all owner-occupied Duplex properties where one of the units is the owners' principal residence or that of a family member defined as "Eligible Persons" in Section 13.89.050.B.10.**

- Give tenants standing to file a complaint of non-compliance with the City if there is evidence that a property should be covered under TOPA and is not entitled to an exemption.

Right of First Refusal (13.89.100)

Shorten the timelines for the Right of First Refusal process as follows:

- Acceptance of offer:
 - 5 business days all properties (currently 10 or 30 days)
- Close of transaction:
 - 45 days (under 5 units) (currently 90 days)
 - 90 days (5 units or more) with one 30-day extension upon demonstrating that it is diligently pursuing financing or completing other requirements to close the transaction, to be further defined in the Administrative Regulations

Clarifying Language

- **Include prior definition of “Sale”**
- **Right of First Offer Reset:**
 - Right of First Offer will not reset unless Owner backs out of sale after escrow has opened.
 - If Tenant or QO backs out of sale after escrow has been opened, then Owner will be exempt from complying with TOPA for 12 months.

Implementation Phase-In

- **Delay the effective date of the ordinance until July 1, 2023 so that the program can launch fully resourced**

This would align decisions on funding implementation with the FY23 budget process and provide sufficient time to fund and implement staffing, acquisition funding, and supportive partners.
- Refer to the FY 2022 Budget process \$100,000 for the purpose of hiring a consultant to:
 - **Conduct an Equity Study to inform implementation of TOPA**
 - Draft Administrative Regulations
 - Develop the program model
 - Identify staffing and administrative funding needs at time of effective date for successful launch and ongoing administration of the program
 - Evaluate capacities and costs/benefits of various agencies (COB, Housing Authority, Rent Board, potential not-for-profit partners) to launch and administer the program
 - Identify potential ongoing funding sources to support housing purchases and program administration over at least 5 years
 - Assess other administrative and programmatic needs to support success.



Office of the Mayor

ACTION CALENDAR

March 10, 2020

Revised for Policy Committee
March 18, 2021

Revised for Policy Committee
May 6, 2021

To: Honorable Members of the City Council
From: Mayor Jesse Arreguín
Subject: Tenant Opportunity to Purchase Act, Adding BMC Chapter 13.89

RECOMMENDATION

1. Adopt a first reading of an ordinance adding Berkeley Municipal Code Chapter 13.89, the Tenant Opportunity to Purchase Act (TOPA), that will take effect on final adoption with an implementation start upon completion of Administrative Regulations and funding of related program costs; and
2. Direct the City Manager to take all necessary steps to implement this chapter including, but not limited to:
 1. Developing Administrative Regulations;
 2. Preparing an implementation strategy;
 3. Identifying resources to align databases from Finance, Planning, and the Rent Board to accurately reflect the properties that would be subject to TOPA;
 4. Determining necessary staffing for program administration and hearing officers for adjudication and hiring staffing to support the program upon implementation;
 5. Timelines for project “roll-out”;
 6. Determining appropriate amount of funding needed to support the acquisition of TOPA properties and identify recommending possible-funding sources;
 7. Quantifying an annual program budget and referring such program costs to the June 202~~1~~0 Budget process.

SUMMARY

TOPA is a policy that empowers tenants to determine the future of their housing when ~~an~~ rental property owner is ready to sell, by giving tenants the opportunity to collectively purchase the property they live in. It does this by creating legal rights for tenants to purchase or assign rights to an affordable housing developer, and providing technical assistance, education, and financing to help make these purchases possible. TOPA provides a way to stabilize existing housing for tenants and preserve affordable housing in Berkeley. It also creates pathways for tenants to become first-time homeowners and facilitates democratic residential ownership. TOPA will apply to all rental properties in Berkeley, subject to a number of exemptions:

1. Any Rental Property comprised entirely of owner-occupied Rental Units, including any owner-occupied Single-Family Dwelling
2. Any Accessory Dwelling Unit (inclusive of any junior Accessory Dwelling Unit) located on the same parcel of an owner-occupied Single Family Dwelling or owner-occupied Accessory Dwelling Unit
3. Transfers to family members
4. Transfers by inheritance
- 4-5. Sale of properties of 4 units or less for the purpose of paying imminently necessary health care expenses of an Owner of the Rental Property, including owner-occupied Single Family/Owner Occupied properties, including those with an Accessory Dwelling Unit (ADU) or other secondary dwelling unit, that do not have a homeowner exemption registered with the County Tax Assessor.

Owners of rental properties that are exempt can receive the benefit of TOPA incentives if they comply voluntarily with TOPA policies and procedures.

The first right to purchase is conferred to tenants, and includes a right of first offer, right of first refusal, and a right for tenants to assign rights to a qualified affordable housing organization. The ability to assign rights benefits tenants who cannot purchase but wish to maintain affordable tenancies. It also benefits affordable housing developers as tenant buy-in is often critical to the successful management of the property. If tenants waive their rights, the list of qualified affordable housing organizations have a second opportunity to purchase the property ~~within shorter timelines~~. Qualified affordable housing organizations are vetted and must meet criteria such as being committed to permanent affordability and democratic residential control. Assigning rights in this manner also benefits the affordable housing developers, especially community land trusts, as the tenant buy-in is often critical to the successful management of the property.

The policy is designed to ~~maintain-preserve existing affordable housing and create new properties purchased under TOPA as permanently~~ affordable housing for future generations. Any TOPA property that receives City investment would be deed restricted to ensure that the property remains permanently affordable. ~~TOPA properties that are purchased without City investment would also have a deed restricted upper limit for property appreciation. This would result in the accessibility of those properties to serve tenants around 80% AML.~~

Multi-tenant buildings that include a mix of TOPA buyers and tenants who wish to continue renting will be required to ensure tenant protections and the enforcement of tenant's rights. This will prevent any internal displacement caused by the exercising of TOPA rights.

TOPA sales have longer escrow periods in order to provide tenants time to organize, engage technical assistance, form an organization that would qualify for financing, and obtain the necessary financing to close a transaction. In order to incentivize owners to participate in a TOPA sale, owners who sell to tenants or a qualified organization will receive a refund in the amount of ~~since it may potentially take more time, upon close of escrow the City would refund to the seller~~ the City's portion of the Real Property Transfer Tax (.75%) not including the proportional amount attributed to Measure P. Recent transactions from the previous 12 months, including asking vs. sales price and days on the market, were gathered from the MLS Zillow and provided in Attachment 2.

Moving forward a TOPA policy will require detailed Administrative Regulations and a well-funded infrastructure to administer and enforce the policy. There is also a vital need to provide adequate education, legal and technical assistance to tenants as part of the implementation. As such, there is a requirement for tenants to engage a City approved supportive partner to assist in all aspects of the transaction, including submitting the initial offer. Finally, a more robust and vibrant acquisition fund will be required that can work efficiently with the TOPA ordinance. This funding could be accommodated through the Small Sites Program with potential funding coming from Measure U1 tax receipts, the Housing Trust Fund, and Measure O or through another funding mechanism including grants and future regional subsidy¹.

BACKGROUND

Since 2015, Mayor Arreguin and community-based organizations such as the East Bay Community Law Center (EBCLC), Bay Area Community Land Trust, ~~and~~ Northern California Land Trust (NCLT) and tenants' rights organizations have been researching TOPA's effectiveness as an anti-displacement strategy in Berkeley, to be paired with a robust Small Sites acquisition program.

¹ https://www.google.com/url?q=https://abag.ca.gov/sites/default/files/documents/2021-02/Launching%2520BAHFA-Regional%2520Housing%2520Portfolio_2-24-21_v6.pdf&sa=D&source=editors&ust=1615589062074000&usg=AOvVaw3u4K_b2vbj9BZ2J41dWjql

On February 14, 2017, Mayor Arreguin introduced a Council item entitled “*Small Sites Acquisition Program and Tenant Opportunity to Purchase Act*”² which among other provisions, referred to the City Manager to:

Review and develop an ordinance modeled after Washington D.C.’s Tenant Opportunity to Purchase Act that offers existing tenants the first right of refusal when property owners place rental property on the sale market, which can be transferred to a qualifying affordable housing provider.

On May 30 and November 28, 2017, the Berkeley City Council adopted the “*Affordable Housing Action Plan*”³ which included a referral to staff to develop a Tenant Opportunity to Purchase Ordinance (TOPA) modeled after a Washington DC law that was enacted in 1980. On June 11, 2019, City staff returned to Council with an Information item⁴ that outlined its research and discussed the administration and implementation requirements. This item was referred to the Agenda & Rules Committee for scheduling at a future Council meeting. On September 24, 2019, the information item was included on the Consent Calendar with an action of “received and filed”.

Since the last date of Council action, the Mayor’s Office has been working to develop a TOPA ordinance, which has been drafted by the East Bay Community Law Center (EBCLC), with a diverse group of stakeholders including EBCLC, the Northern California Community Land Trust (NCLT), Bay Area Community Land Trust (BACLT), tenant advocates, legal professionals that specialize in tenant rights, experts familiar with the Washington DC policy and its implementation history, and City of Berkeley staff from the City Attorney’s Office, Planning Department, HHCS, Finance and the Rent Board.

Additionally, in September 2019, City Planning staff and the East Bay Community Law Center applied for a grant from the San Francisco Foundation as part of the Partnership for the Bay’s Future initiative. The Grant purpose was to be used for technical assistance to jurisdictions for projects focused on protection and preservation of affordable housing that result in measurable benefits for tenants. Staff applied for the grant in response to the Berkeley City Council directive, in part, to develop a TOPA policy as part of the City’s Housing Action Plan (HAP), adopted in 2017.

On February 4, 2020 the San Francisco Foundation officially announced the awards, one being the City of Berkeley and the East Bay Community Law Center, for the purposes of developing a Tenant Opportunity to Purchase ordinance and a Local

² https://www.cityofberkeley.info/.../2017-02-14_Item_18b_Small_Sites_Acquisition.aspx

³ https://www.cityofberkeley.info/.../2017-11-14_Item_26_Implementation_Plan_for_Affordable_Housing.aspx

⁴ https://www.cityofberkeley.info/.../2019-06-11_Item_50_Referral_Response_Tenant_Opportunity_to_Purchase.aspx

Housing Preference Policy.⁵

On March 4, 2020, the TOPA Ordinance was heard before the Land Use Policy Committee. There were well over 50 community comments, both in favor and against the policy as proposed. Policy Committee members provided feedback and questions to the Mayor's Office and team. It was clear that there was a greater need to seek more feedback from property owners and create more educational materials. Over the last year, the team has been intentional with outreach that included multiple conversations with the Berkeley Property Owners' Association (BPOA); a lengthy presentation/Q&A session with Berkeley Neighborhoods Council, which reached members of neighborhood associations across the City; and working with Councilmembers to host neighborhood meetings in D3 and D4 (McGee Spaulding Neighbors in Action). BRIDGE Realtors requested and met with the Mayor but delivered no substantive comments to the original submittal. The Mayor, with support from the TOPA team, held a Forum on Zoom that included the capacity for chat and email inbox for the event to address attendees' questions. Importantly, the Ordinance has been rewritten to improve clarity, reflecting the core concepts while revising timelines, based on stakeholder input. Additionally, the feedback from last year's LUPC meeting and feedback received over the last year has informed more modifications to the policy (such as removing the appraisal provision, limiting disclosures on the front end of the process, defining exemptions and modifying the permanent affordability restrictions (See Attachment 5)).

CURRENT SITUATION AND ITS EFFECTS

Housing Affordability and Regional Impacts

At the end of 1998, just before State-mandated vacancy decontrol took effect, the average rent in Berkeley's 20,000 apartments built before 1980 was \$720 a month. Twenty years later the average rent for these same units is \$1,956. If rents had risen only by the rate of inflation, they would average \$1,150 a month. In the last five years alone, rents have increased by 50 percent. Similarly, in 2000 the median home price in Berkeley was \$380,000, rising to \$704,000 in 2013 and by 2019 it had reached \$1,300,000.⁶

Rents in Berkeley and the greater Bay Area continue to rise, with low vacancy rates.⁷ Future trends are indicating additional loss of naturally occurring affordable housing, according to the County of Alameda Regional Analysis of Impediments to Fair Housing Choice (IFHC). As an example: for decades, a 13-unit complex on Solano Ave. housed a mix of residents — including, teachers, business owners and a 96-year-old woman.

⁵ <https://sff.org/partnership-for-the-bays-future-marks-one-year-anniversary/>

⁶ [Housing for a Diverse, Equitable and Creative Berkeley, July 16, 2019](#)

⁷ <https://www.huduser.gov/portal/publications/pdf/OaklandCA-comp-17.pdf>

The property is rent-controlled and subject to Berkeley's eviction protections, but the owners invoked the Ellis Act that permits full-building evictions if the property is removed from the rental market altogether (the owners intend to convert the building to a "tenancy-in-common" and sell the units at market rates).⁸

Anecdotal research, received from local real estate brokers, when the policy was presented in 2020 over the past two months, indicate a desire to increase returns on investment as well as concerns about buyers moving away from the multi-unit property market.⁹ Due to rent control, tenant protections and eviction laws some owners are looking to sell multi-unit properties, however existing tenant rents impact the sales price. Some of the methods being utilized to raise rents, and therefore increase the property value for sale, include paying tenants to move out of the building, evictions for cause (when a case can be made), owner-move-in evictions, and Condo/Tenants-in-Common conversions.

Economic Factors

The COVID-19 crisis makes the passage of TOPA even more important and timely. As properties become distressed, some rental property owners will exit the rental market. TOPA could present opportunities for tenants or qualified organizations to purchase and stabilize those buildings, mitigating the potential displacement risk that was borne out in the 2008 recession. Moreover, TOPA builds on the passage of SB 1079, which was passed during the pandemic to give occupants of distressed properties priority in purchasing these dwellings as they enter foreclosure.¹⁰

~~As the Bay Area region experiences increased~~ The Bay Area's economic growth and a high demand for housing, this growth is causing housing prices to rise that ~~then~~ displaces low-income residents. As seen throughout the IFHC report, low-income residents tend to also be minority residents. Therefore, continued growth of the region could lead to more displacement of minority residents and increased segregation unless certain actions are taken to encourage economic and racial/ethnic integration and access to stable affordable units in a range of sizes. Contributing factors affecting disproportionate housing needs include:

- Lack of private investments in specific neighborhoods
- The availability of affordable units in a range of sizes
- Displacement of residents due to economic pressures
- Limited supply of affordable housing within neighborhoods
- Lack of economic support for low income home ownership

⁸ <https://www.berkeleyside.com/2019/12/10/theyve-been-evicted-from-a-north-berkeley-building-now-they-want-to-buy-it-with-help-from-a-land-trust>

⁹ <https://www.fool.com/millionacres/real-estate-market/articles/8-real-estate-market-predictions-2020/>

¹⁰ <https://calmatters.org/commentary/my-turn/2020/10/the-affordable-housing-crisis-is-about-to-get-worse-heres-a-policy-that-will-help-renters/>

The National Low-Income Housing Coalition (NLIHC) ~~2020~~ *2018 Out of Reach Study* listed the Bay Area region as one of the least affordable areas in the United States. To be able to afford a two-bedroom market rate unit in Alameda County, a household would need to earn ~~\$44,7949.23/~~ per hour ~~over~~ \$93,163102,000 annually (“housing wage”). Comparatively, the average housing wage for California is ~~\$36.962.68/~~ per hour or ~~\$67,97477,000~~ annually.

Regional Policy 6, as recommended by the IFHC, is to:

Increase homeownership among low- and moderate-income households by allocating funds for homeownership programs that support low- and moderate-income households. This would include down payment assistance, first time home buyer programs, Mortgage Credit Certificate, below market rate (BMR) homeownership programs and financial literacy and homebuyer education classes. There is also a requirement to promote the programs and any other existing programs through marketing efforts.¹¹

National Research on Ownership

While today’s economy is strong and job growth high, there is a growing gap between rates of economic growth and the levels of income. Wages can be growing but not at the same rate as the economy. Many low to middle income people do not have enough money to cover the basic needs due to rising costs – especially in housing. These lower earnings lead to fewer assets and less wealth. For most Americans the greatest source of their wealth is their home, but home ownership is considerably lower than in past decades. Among African Americans, home ownership has decreased to a 60-year low.¹²

Providing ownership options for tenants is a mechanism to sustain affordability. According to the *Urban Institute’s Opportunity and Ownership Project*, creating ownership within existing rental units provides opportunities for low income renters that will keep their housing costs stable over many years. They suggest that, rather than providing housing subsidies at the Federal and State level for new construction, investing in existing housing would provide many more units at an affordable level (new construction – especially in a good economy – is increasingly expensive).¹³

Further academic analysis from the *Joint Center for Housing Studies, Harvard University* states: “Public polices attempt to subsidize these barriers to home buying for

¹¹ <http://www.acgov.org/cda/hcd/documents/Draft-AI-Combined2019-10-24.pdf>

¹² <http://wbur.org/hereandnow/2020/02/10/job-economy-middle-class>

¹³ <https://www.urban.org/sites/default/files/publication/46626/411523-Promoting-Homeownership-among-Low-Income-Households.PDF>

low-income people through tax policies, grants and other strategies. Current policies are, at best, inefficient and inequitable, and, at worst, ineffective. A more systematic approach would adhere to a set of operating principles including achieving scale, focusing on moving renters to ownership, targeting subsidies to underserved populations, creating incentives for repayment, and maximizing efficiency”.¹⁴

City of Berkeley Housing Policies and TOPA Opportunity

Housing production in Berkeley has accelerated but there remains a significant unmet need for affordable housing for low-income people. Compared to Berkeley’s 2014-2022 Association of Bay Area Governments’ (“ABAG”) Regional Housing Needs Allocation (RHNA) goals , between January 1, 2014 and December 31, 2019, Berkeley permitted 128% of its above moderate income allocation (+120% AMI), 23% of its moderate income allocation (81-120% AMI), 4% of its low income allocation(51 - 80% AMI), and 21% of its very low income (31 - 50% AMI) and extremely low income allocation (less than 30% AMI).Housing development has accelerated in Berkeley and while new permits issued from January 1, 2017 through December 31, 2018 exceed Regional Housing Needs Allocation (RHNA) requirements for above moderate incomes by 141%, affordable housing development is well below regional goals. The following table shows Berkeley’s progress toward its RHNA goals through December 2018.¹⁵

Progress towards 2014-2022 RHNA: Approved Building Permits January 1, 2014 – December 31, 2018							
Building Permit Action Year	Extremely Low Income (<30% AMI)	Very Low Income (31-50% AMI)	Low Income (51%-80% AMI)	Moderate Income (81-120% AMI)	BMR Total	Above MOD	Total
January 1, 2014 – December 31, 2018	0	66	0	240	1,975	2,215	
RHNA	20	442	584	1,558	1,401	2,959	
Remaining RHNA Capacity Requirement			376	584		-574	
Percent of Goal Achieved	0%	65%	15%	0%		141%	

The current RHNA is for an 8.8-year period, from January 1, 2014 through October 31, 2022.

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

¹⁴ <https://www.jchs.harvard.edu/sites/default/files/hbtl-08.pdf>

¹⁵ Item 13 Annual Housing Pipeline Report

ABAG and MTC are in the process of developing Plan Bay Area 2050, the region's Transportation Plan and Sustainable Communities Strategy, which will identify where growth should be concentrated and how to ensure that the Bay Area is affordable, equitable, sustainable and resilient for the future. The Plan will be aligned with the Regional Housing Needs Allocation (RHNA) which will take into account the number of affordable housing units for which each community is responsible for and the number of units required for each income level. Preservation of existing housing is a policy strategy already proposed in the draft Blueprint. In February 2021, the Association of Bay Area Governments, released updated RHNA requirements to address the needs from 2023 through 2031. The following table shows Berkeley's allocation requirement for this time period.

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
ALAMEDA COUNTY					
Alameda	1,421	818	868	2,246	5,353
Albany	308	178	175	453	1,114
Berkeley	2,446	1,408	1,416	3,664	8,934
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

Housing affordability is the first objective of the *Housing Element of the City of Berkeley General Plan*. Policy H-1 - Extremely Low, Very Low, Low, and Moderate-Income Housing sets the goal of increasing housing affordable to residents with lower incomes and outlines a number of actions to achieve this goal, including encouraging incentives for affordable housing development.¹⁶

The Berkeley City Council, in the referenced *Housing Action Plan (HAP)*, stated support for Non-profit housing developers and Community Land Trust acquisition of property to stabilize rents through a Small Sites Program. Two such recent transactions, at 2321-

¹⁶ https://www.cityofberkeley.info/Planning_and_Development/Home/General_Plan_-_Housing_Element.aspx

2323 Tenth Street and 1640 Stuart Street, have resulted in maintaining 16 units at below-market rates. This policy also stated consideration for the creation of limited and non-equity cooperatives affiliated with a democratic community land trust. This program was initially funded through Measure U1 tax receipts with an option of also utilizing Housing Trust Fund resources.

Until 1996, Berkeley condominium conversions provided the tenants a first right to purchase their unit, as did policies in Santa Monica whose policy was more far reaching.

TOPA working group members estimate that approximately 42% of all Berkeley residential properties would fall under TOPA. This estimate was based on an analysis of the property type, homeowner exemption and number of units from the 2018/2019 Alameda Property Tax roll. It is not reflective of the total *number* of units that would benefit from a TOPA Ordinance. (See Attachment 3).

Washington D.C. TOPA

Washington D.C. passed the Tenant Opportunity to Purchase Act (TOPA) in 1980. This policy regulates the conversion of use, sale and transfer of rental housing. Tenants have the first right of refusal to purchase their buildings and also can assign their rights to third parties, such as affordable housing developers. The impact of this policy has been immense with approximately 30% of annual multi-unit sales going through the TOPA process. Since 2002, this policy has helped preserve over 3,500 units of affordable housing, 2,000 of which have been preserved since 2013.¹⁷ The growing impact of TOPA is due to massive and sustained increases in DC's Housing Production Trust Fund, collaborative efforts to identify and harness other funding/financing, as well as sustained support for the community based organizations that help tenants understand and exercise their TOPA rights.

In order to fund the program, Washington DC dedicates at least \$10M per year in Housing Trust Fund (HTF) allocations directly to TOPA purchases, and usually much more. DC's FY2021 budget included \$100 million for HPTF, a slight decrease from the previous year due to the budget impacts of the pandemic. TOPA purchases are often financed initially through the city's Housing Preservation Fund, which leverages at least \$10 million of public funds annually with additional private and or philanthropic funds to provide loans.¹⁸ and the Housing Production Trust Fund which has \$40M for affordable housing preservation.

TOPA has also helped to create many limited equity cooperatives (LECs) in DC, which currently number 4,400 units across 99 buildings.¹⁹ The DC Limited Equity Cooperative

¹⁷ https://www.dcfpi.org/wp-content/uploads/2013/09/9-24-13-First_Right_Purchase_Paper-Final.pdf

¹⁸ <https://dhcd.dc.gov/service/housing-preservation-fund>

¹⁹ <https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Greysteel-%20D.C.%20Multifamily%20Market%20Statistics.pdf>

Task Force, formed in 2018, came out with recommendations in October 2019 to increase the number of LEC units in DC by 45% by 2025 (additional 2000 units). TOPA will be a major vehicle to create these additional units. The task force has also identified how to improve/expand existing policy, financing and technical assistance to support the health of existing and future LECs. This work has been further fleshed out by a March 2020 report on LECs by the Coalition for Nonprofit Housing and Economic Development which showed that the median share of DC LEC residents who are people of color is 75%.²⁰

Finally, TOPA has led to the creation of hundreds of tenant associations across Washington, DC. Many of these tenant associations were the main leaders and organizers in creating the DC Tenants Union in 2019.²¹ The Tenants Union is focused on supporting rent control and other tenant protection policies and plans to build power and solidarity across tenant associations from different parts of the city. (See Attachment 4)

San Francisco COPA²²

In April 2019, the San Francisco Board of Supervisors passed, by a unanimous vote, the Community Opportunity to Purchase Act (COPA). COPA is designed to stabilize communities by preventing displacement and preserving affordable housing and applies to the sale or marketing of buildings with three or more legal residential units, or vacant land on which three or more residential units may be developed “by right” of any non-condo residential building of 3 or more units. It gives qualified non-profit organizations a right of first offer prior to the property going on the market and a right of first refusal when the owner has a bona fide offer from a potential buyer.

Nonprofit buyers have a limited time (25 days) to work with tenants, secure financing and present a formal offer to purchase the building, exercise their rights under COPA and enter into a Purchase-Sale agreement. Nonprofit buyers and their agents in San Francisco have expressed these timeframes are insufficient, even with the additional resource of San Francisco’s Housing Accelerator Fund which streamlines the process. Recent articles are indicating challenges to the prescribed timeframes.²³ While a seller is not required to accept the offer, the qualified nonprofit also has a right of first refusal on any subsequent third-party to match a competing offer. At closing, deed restrictions are placed on the building restricting the building to affordable housing for the life of the building with a mean value of rents not to exceed 80% AMI.

²⁰ https://cnhed.org/wp-content/uploads/2020/10/Creating-and-Sustaining-Limited-Equity-Cooperatives-in-Washington-DC_REV.pdf

²¹ <https://www.streetsemmedia.org/article/dc-residents-launch-a-city-wide-tenant-union-in-hopes-to-foster-solidarity-across-the-district/#.XjSX3i2ZOt8>

²² <https://sfmohcd.org/community-opportunity-purchase-act-copa>

²³ <https://www.sfchronicle.com/bayarea/article/City-officials-want-landlord-to-delay-sale-of-76-15002958.php>

The building could eventually be transferred to tenant ownership under a Limited Equity Cooperative or other model, as long as permanent affordability deed restrictions are maintained. The ordinance includes incentives, including partial exemption from the City's transfer tax and the potential for qualified nonprofits to facilitate sellers' efforts to obtain federal tax benefits.

San Francisco will set aside \$40M – 90M in a specific MOHCD fund to support first time home buyers and its Small Sites Program that could also support the COPA ordinance. This fund provides resources for deposits, down payments and bridge loans until permanent financing is in place.

Oakland TOPA

Inspired by the Moms-for-Housing advocates, on January 30, 2020 at the Oakland City Council's Rules and Legislation Committee meeting, a TOPA ordinance was introduced and was scheduled for a vote in the Community and Economic Development Committee in March 2020. From there it could go to a full City Council vote.²⁴ This vote was scheduled for the week that COVID shelter-in-place went into effect, so the policy never went to committee and was slowed down further by COVID emergency response. Oakland Mayor Libby Schaaf has already expressed support for the ordinance.

The Oakland ordinance has been developed since 2017⁸ by a group of community land trusts, tenant advocacy organizations, including ACCE (of which Moms 4 Housing is a project), and the East Bay Community Law Center, whose draft ordinance for Berkeley provided a foundation for Oakland's ordinance. The Oakland ordinance largely mirrors Berkeley's TOPA this proposal but will also reportedly include a COPA option for non-profits to buy vacant properties.

The political will for TOPA in Oakland was prompted by Moms 4 Housing — a group of homeless women who took over an empty, investor-owned house in West Oakland for two months before they were evicted and arrested. Their actions garnered national attention and symbolize the Bay Area's housing and homelessness crisis.

Since the eviction of the Moms 4 Housing, the property owner has agreed to negotiate to sell the house to the nonprofit Oakland Community Land Trust. They have also agreed to give the land trust or other nonprofits a chance to buy dozens of other single-family homes it owns in Oakland.

Minneapolis TOPA

In fall 2019, Minneapolis City Council conducted a Study Session, hosting officials and TOPA housing organizers from Washington D.C. to learn more about DC's TOPA law. The City then brought on consultants to study other TOPA policies, and make

²⁴ <https://www.mercurynews.com/2020/01/30/oakland-councilwoman-to-introduce-moms-4-housing-inspired-ordinance/>

recommendations about a TOPA policy for the Minneapolis context. In January 2021, Coalition for Nonprofit Housing and Economic Development and LISC Twin Cities published their research report, “Opportunity to Purchase Options for the City of Minneapolis.” The City has also discussed tenant organizing support for the policy with Inquilinxs Unidxs por Justicia (United Renters for Justice, which also goes by the abbreviation IX), a tenant organizing group that has already worked with groups of tenants to purchase their buildings in Minneapolis.

Massachusetts State TOPA

In January 2021, a state bill that would enable local jurisdictions to pass opportunity to purchase ordinances successfully passed both houses of the Massachusetts state legislature, but was ultimately vetoed by Governor Charlie Baker (R-MA). As of February 2021, this policy has been redrafted and re-filed in the MA House and Senate.²⁵ A coalition led by the Massachusetts Association of Housing Cooperatives had been working on the policy for over four years, beginning with conversations in both Boston and Somerville. The policy was then introduced as a state enabling act in early 2017 with many local activists championing the policy. The policy did not move forward in its first two-year legislative session, but was reintroduced in the state legislature in 2019 and championed by Boston Mayor Marty Walsh and his Chief of Housing, the Mayor of Somerville and many councilors, then-At-Large City Councilor for Boston Ayanna Pressley (now Representative D-MA 7th District). This time around, the coalition expanded to involve more community land trusts like Boston Neighborhood CLT and Chinatown CLT, Fenway Community Development Corporation and the statewide CDC umbrella, Massachusetts Law Reform Institute and other legal advocates, larger nonprofit developers, and several mayors, which continues to champion the version currently in the legislature.

New York State TOPA

At the end of January 2020, New York State Sen. Zellnor Myrie, who represents Central Brooklyn, announced that he is in the process of drafting new legislation that would give tenants the first right to buy their landlord’s property should it come up for sale. Myrie stated that “Landlords who claim they will be unable to keep their buildings in good repair or cover the cost of capital improvements” would have an opportunity, in the New York rent-regulated market, to “keep tenants in their homes, create a path to ownership and maintain buildings,”

This Tenant Opportunity to Purchase Act is said to be modeled after right-of-first-refusal statutes in Washington D.C., and its drafters have also reached out to Berkeley TOPA for guidance.²⁶

²⁵ <https://malegislature.gov/Bills/192/SD1672>

²⁶ <https://therealdeal.com/2020/01/31/bill-make-landlords-give-tenants-first-shot-to-buy-buildings/>

Financing for TOPA projects

Financing for TOPA projects is expected to be provided from a combination of city subsidies, the private capital of tenants, and loans from community-oriented banks and lending institutions like credit unions, CDFIs, local banks, future public banks and others. In this sense, TOPA effectively leverages both private and public financing in advancing permanent affordability.²⁷

Subsidies

In order to make TOPA effective and responsive to the full scale of anticipated community needs²⁸, the City will need to enlarge the current Small Sites Program (SSP), or create a new fund, to a minimum of \$10-15 million dollars per year and reconfigure SSP guidelines to align with TOPA. While TOPA projects can benefit from existing streams of affordable housing funding, the scale of community need far outweighs the existing funding sources. As demonstrated by the case of the D.C. TOPA, it was only with substantial financing added to its Housing Production Trust Fund that the ordinance became an effective way to prevent and fight displacement - DC has an annual \$116M for their Housing Production Trust Fund (HPTF), with a minimum of \$10M set aside for TOPA projects. However, D.C. typically spends more out of its HPTF on TOPA - in FY2018, DC spent close to \$22.5M on TOPA acquisition projects with additional funds for rehab in some instances (449 units over 9 projects). Without similar enhancement of SSP, or another funding source, TOPA will not be able to produce the necessary impactful levels of affordability needed to meet the crisis, particularly for those of very-low, low and moderate income who may not be able to leverage their own private capital to get a loan.

Private Capital of Tenants

Single family home households and tenants of multi-unit buildings with mixed income units would be able to purchase buildings on their own or with smaller amounts of subsidy involved because these tenants will most likely be able to pay a higher debt service coverage ratio in order to obtain a mortgage from an institutional lender to acquire a property. This could allow higher income tenants with private capital to assist lower income tenants with less capital by

²⁷ While financing percentages of each project may vary substantially according to building costs, tenant resources, and subsidy availability a combination of these financing streams is expected to be a part of most if not all TOPA projects.

²⁸ 2019 real estate transaction data for Berkeley show that approximately 250 multi-unit buildings (duplexes and up) sold. Assuming similar sales volume and that a similar percentage (32%) of tenant groups exercise their right to purchase as under the D.C. ordinance we anticipate potentially 80 projects annually, with a greater number of smaller unit buildings participating than occur in DC.

securing a blanket mortgage to purchase the building for mutual benefit. This would also benefit “missing middle” income tenants who may not be able to purchase homes on their own, in the current market, but might have enough private capital saved to contribute to the purchase of their building.

Loans from Institutional Lenders

Many banks are willing to work with re-sale restricted properties such as those created by TOPA, the majority of which are local commercial lenders, credit unions, cooperative banks, and Community Development Finance Institutions (CDFIs).²⁹ However, even mainstream primary lenders have told community partners (NCLT & BACLТ) that there is no inherent obstacle to lending to resale restricted properties such as a community land trust (CLТ)³⁰ or limited equity housing cooperative (and LEHC) since they are valid forms of California non-profit corporation. In fact, many mainstream primary lenders have provided CLТ loans for single family homes.³¹ Additionally, there is nothing to prevent newly formed tenant organizations from acquiring property collectively as it is not uncommon for lenders to process and begin underwriting loan applications from newly formed corporate entities during the acquisition phase. While the most common form or ownership is an LLC, there have also been many instances of newly created 501(c)3 non-profit corporations like the non-profit public³² or mutual benefit³³ corporation, the legal entity that is the basis of the limited equity housing cooperative, which have been successful in acquiring loans.³⁴

An important factor to note is that the loans that would be provided to TOPA tenants are commercial loans, not consumer loans, because the borrower is not a natural person, but rather a corporate entity (even though the owners of the entity will be owner-occupants of the property), which means they are for a shorter term of 10-15 years. The loan approval process for such commercial loans, from lenders willing to loan on such re-sale restricted properties, tends to range from 90 to 120 days depending on the lender & lender type (e.g. CDFIs tend to take longer). The most limiting factor in this estimate is the ability of the borrowing entity (the tenant group) to timely respond to lender’s underwriting requests. This variable can be dramatically improved and

²⁹ For example Clearinghouse CDFI, Community Bank of the Bay, National Housing Trust, Capital Impact Partners, Heritage Bank (formerly Presidio Bank), and the Local Initiatives Support Corporation (LISC).

³⁰ https://www.lisc.org/media/filer_public/f0/e0/f0e07be0-1ca5-4720-b78c-3a0d7a0181dd/022519_white_paper_community_land_trusts.pdf

³¹ http://www.freddiemac.com/singlefamily/land_trust_mortgages_faq.html, <https://groundedsolutions.org/tools-for-success/resource-library/mortgage-financing-options>

³² http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CORP§ionNum=5151.

³³ https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=CORP&division=2.&title=1.&part=3.&chapter=&article=

³⁴ For example: Derby Walker House in Berkeley, California and Columbus United in San Francisco CA.

streamlined with a robust technical assistance program through the City and Supportive Partners.

The most important considerations for an institutional lender in underwriting a loan for a tenant organized entity (including LEHCs³⁵) will be:

Repayment of the Loan: First and foremost, the lender will look at the fair market value of the underlying property (that there is adequate loan to value ratio); and secondly, they look at net operating income of the property, and that there is adequate debt service coverage ratio. In other words, the primary underwriting is of the property itself, similar to how a lender would look at a residential rental property.

Viability & Validity of the Borrowing Entity: As stated above, the lender can start the loan review and underwriting process while the entity is still being formed. However, they will require that the Articles of Incorporation have been filed to start the process. A condition of loan closing will be that the entity is duly formed (i.e. that the Secretary of State has approved the Articles, typically a 30-day process; and that all other governing docs, such as by-laws, have been finalized). This condition being met will also be necessary for the entity to properly take title.

Stability of Property/Asset Management: This is determined by the capacity of the tenants to manage and maintain the property, fill vacancies, properly budget income & expenses for the property. In self-managed properties, banks will look to the experience of the individuals, their internal property management plan, and any partnerships/alliances with outside property management firms or organizations. A second option is for the tenant organization to hire a professional property management firm, which can be an expedient way to secure loan approval and get through the acquisition process, while a tenant group develops the skills and leadership necessary to self-manage in the future.

Credit enhancements, supporting partners and other backstop mechanisms: Many existing resident initiated purchases that were structured in models such as LEHC's and limited equity condominiums overcame underwriting challenges through backstop mechanisms such as a Community Land Trust, other organizational partner and/or municipality providing a credit enhancement such as a loan guarantee or co-signature on the primary mortgage.

³⁵ <https://groundedsolutions.org/sites/default/files/2018-11/Limited%20Equity%20Co-ops%20by%20Community%20Land%20Trusts.pdf>

ALTERNATIVE ACTIONS CONSIDERED***No Action***

Taking no action could, over time, further reduce naturally occurring affordable housing. It would also take away an opportunity for lower income tenants to participate in the ownership of their residence and increase their personal wealth – the historic driver of lower to middle class wealth creation.³⁶

No Action would direct Housing Trust Fund, Measure U1 and other assets primarily to the construction of new affordable housing projects that can cost up to 4 times more than the conversion of existing property to permanent affordable housing. It would also require no investment of other City General Fund/Other Resources in administrative implementation and oversight. It could also lead to further speculation on rental properties by investors and corporations (in light of the pandemic and a possible recession). This, in turn, could fuel gentrification and displacement of low-income communities of color as it did after the 2008-2010 recession.³⁷

Support the Repeal of Costa Hawkins

For over twenty years, the Costa-Hawkins Rental Housing Act (*California Civil Code Sections 1954.50-1954.535*) has impacted California renters and the affordability of housing. A statewide law backed by the real estate industry that passed in 1995, Costa-Hawkins ties the hands of cities when it comes to protecting tenants and stabilizing rents:

- Cities can't pass vacancy control; if a tenant leaves or is forced out of a rent-controlled unit, a landlord can raise the rent to whatever the market will bear upon new tenancy;
- Cities can't extend rent control to any rented condominiums, single-family homes, and any new housing built after 1995.

Since Costa-Hawkins passed, tenants have paid ever increasing rents and been forced from their communities or into homelessness due to high housing costs. Additionally, since the Great Recession, roughly tens of thousands of single-family home rentals have been purchased by investors all across the state and nationwide.

On October 27, 2015, the Berkeley City Council unanimously adopted a resolution calling on the Governor and State Legislature to repeal the Costa-Hawkins Rental Housing Act.³⁸

³⁶ <https://www.cato.org/publications/policy-analysis/exploring-wealth-inequality#poverty-matters-not-inequality>

³⁷ <https://nextcity.org/daily/entry/2008-was-disaster-heres-how-california-should-respond-save-affordable-homes>

³⁸ https://ci.berkeley.ca.us/.../2015-10-27_Item_16_Urging_the_State_Legislature.aspx

Costa-Hawkins was also a key part of a 2009 court decision, *Palmer v. the City of Los Angeles*,³⁹ that found that the imposition of local inclusionary housing requirements for rental housing was in conflict with Costa-Hawkins. In 2017, former Governor Jerry Brown signed AB 1505 to restore the ability for California cities to require developers include affordable units in new rental projects. Additionally, in 2019 the State passed historic legislation, AB 1482, which implemented a cap on rents for non-controlled units of 5% plus CPI, and just cause for eviction statewide. These protections will apply to most housing units not currently deed restricted or controlled, including those exempt from rent control under Costa-Hawkins.

There has been movement among tenant rights advocates to repeal Costa Hawkins to give cities the option to expand and strengthen rent control policies. However, California voters rejected reform in recent years – through~~The latest effort is a statewide ballot measure similar to~~ Proposition 10, which California voters rejected in 2018 and Proposition 21 in 2020. Should this new measure succeed, cities would still need to go through the process of passing new legislation before the repeal would have any effect.³⁹

While new any future statewide rent control legislation might provide some relief to tenants, it is still unknown as to what properties would be included in the legislation, and what level of rent increases would be allowed. It Any future rent stabilization legislation would not give tenants an option to participate in the ownership of their properties nor would there be deed restrictions to provide rent stabilization for years into the future.

Rely on Regional Policy

The current need for deed restricted affordable units in Alameda County is 52,594~~51,732~~ according to California Housing Partnership and cooborated in the recent RHNA allocation.⁴⁰ Much work is being done on the regional level to address this crisis. In January 2019, the Metropolitan Transportation Commission (MTC) released the *CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area.*⁴¹ This report was the product of over two years of stakeholder meetings with elected officials, builders, affordable housing developers and other housing professionals to study the root causes and develop solutions to the region's housing crisis. The CASA Compact provides a roadmap for regional action on housing affordability. It recommends a series of policies and programs to Produce, Preserve and Protect housing and renters in the Bay Area (known as “the 3P’s” framework). Preservation of existing naturally occurring affordable housing as a key strategy and the plan recommended a variety of regional funding sources to help

³⁹ <https://la.curbed.com/2018/1/12/16883276/rent-control-california-costa-hawkins-explained>

⁴⁰ <https://1p08d91kd0c03rlxhmhtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2019/05/Alameda-HNR-2019-Final.pdf>

⁴¹ https://mtc.ca.gov/sites/default/files/CASA_Compact.pdf

acquire and rehabilitate existing housing to preserve affordability. One bill that come out of the CASA process, AB1487 (2019, Chiu), established the Bay Area Housing Finance Agency (BAHFA), a shared initiative of The Association of Bay Area Governments (ABAG) and MTC, which offers financing and policy support across the “3Ps”.⁴² ABAG and MTC are considering the placement of a regional housing finance measure on a future the November 2020 ballot.

~~In addition, ABAG and MTC are currently developing *Plan Bay Area 2050*, the region’s Transportation Plan and Sustainable Communities Strategy, which will identify where growth should be concentrated and how to ensure that the Bay Area is affordable, equitable, sustainable and resilient for the future. The Plan will be aligned with the Regional Housing Needs Allocation (RHNA) which will take into account the number of affordable housing units for which each community is responsible for and the number of units required for each income level. Preservation of existing housing is a policy strategy already proposed in the draft Blueprint.~~

Alameda County Measure A1, the county affordable housing bond approved by voters in 2016, has provided new resources to create new affordable units. Approximately 1,000 new units are in some stage of development. The bond could yield approximately 3,500 affordable units countywide.

While this work is promising, it has a long horizon and the need to maintaining existing affordable housing units is immediate.

⁴² <https://mtc.ca.gov/about-mtc/what-mtc/bay-area-housing-finance-authority-bahfa>

Investor Only TOPA Application

An “investor only” approach would craft a TOPA ordinance that would apply to owners with a 50% or greater ownership position in 3 or more rental units within the City of Berkeley.

There is great difficulty in identifying what properties would fall under this approach. Many investors create Limited Liability Companies (LLCs) for legal protection. Without review of the underlying documents, the City would not know the make-up of ownership and whether one or more owners own greater than 50% in each individual property in an LLC or LLCs. There are also many properties that are owned in Trust. The beneficiaries of these trusts could own different percentages of each property and in this situation trust documents would need to be obtained and analyzed for each property owned. While it might be possible to create a database that would identify all rented properties in Berkeley and the ownership entities, the ownership participation and owner names associated with properties could be impossible and could change from property to property.

This approach would require significant resources for enforcement, for a City agency to determine who has a 50% or more ownership interest in every rental property, and to count up the number of rental units owned by each owner to determine which properties TOPA applies to. This could cause confusion by tenants and owners as to the basic question of whether TOPA applies to a given property and could undermine TOPA’s effectiveness and usefulness overall.

When analyzing the number of properties that would fall under an Investor Only TOPA, recent property tax rolls were reviewed and sorted by ownership name/entity. The applicability standard with this approach would yield approximately 1/3 the potential properties that would fall under a TOPA ordinance. (See Attachment 2)

San Francisco COPA Model

The San Francisco COPA model would provide a first right to purchase to nonprofit qualified organizations. Tenants do not have a say in the nonprofit provider that will own their building and there are no pathways for tenant ownership or democratic control by the tenants once the property changed hands. SF COPA does not provide the facilitated resident ownership models as does the Berkeley TOPA Ordinance.

Timeframes to respond to exercise the COPA are short and have resulted in lost opportunities.⁴³ Incentives that are available to sellers that participate in the SF COPA have been used as a model for the TOPA Ordinance in Berkeley.

⁴³ [SF Chronicle, City Officials Want Landlord to Delay Sale](#)

SF COPA does have some valuable elements which have been incorporated into the TOPA ordinance in Berkeley, such as a right of first offer and accompanying incentives to sellers who accept the initial offer, as well as a vetting process for qualified affordable housing organizations who can purchase.

The SF COPA makes more sense given the rental housing stock in San Francisco is generally larger buildings. Utilizing a SF COPA Model for Berkeley would result in 50% fewer TOPA opportunities than the Investor Only TOPA application.

CONSULTATION/OUTREACH OVERVIEW AND RESULTS

City Staff Research

As part of the 2017 referral to the City Manager to create a TOPA policy, City staff in the Health, Housing and Community Services Department (HHCS) conducted research and interviews with a variety of stakeholders about TOPA policy and implementation including:

- Apartment and Office Building Association of Metropolitan Washington
- City of Los Angeles, Office of the Chief Legislative Analyst
- City of San Francisco, Office of Supervisor Sandra Lee Fewer
- DC Association of Realtors
- East Bay Community Law Center
- Housing Counseling Services (City-funded technical assistance provider)
- Latino Economic Development Corporation (City-funded technical assistance provider)
- Washington, DC Department of Housing and Community Development, Rental and Sales Division

The research that staff presented at the Council meeting informed the development of this ordinance.

Tenant Outreach and Focus Groups

In addition to a number of TOPA workshops conducted for Berkeley community members over the years, EBCLC designed and conducted tenant-centered focus groups in 2019 for the purpose of eliciting feedback on key provisions of the TOPA Ordinance to inform policy proposals. EBCLC identified key questions, had a purposeful recruitment strategy during which they reached out to a number of tenant organizations to gauge interest in participating, and prepared participants via orientations beforehand to provide background on TOPA and answer any questions. Two focus groups were held with a total of nine participants, and there was a post-focus group survey with additional questions.

With the exception of one homeowner participant, all focus group participants were Berkeley tenants and included three Section 8 voucher holders and almost all were low-income, with varying levels including 80% of AMI, 50% of AMI, and 30% of AMI and below. Participants lived in property types ranging from multi-family to single family, an ADU and senior housing. Out of the four people of color, two identified as Latino/Hispanic, one as Black/African American, and one as Asian/Pacific Islander. An even spread of ages from 25 to 60+ years of age were represented with five participants identifying as female, three as male, and one as non-binary. All participants had some form of high school education, six having at least a bachelor's degree.

Tenants were engaged through presentations, simulations, and written feedback on two core provisions of TOPA: timelines and permanent affordability restrictions. The decision points for the timelines included eliciting feedback on the amount of time it would take to submit a statement of interest and submit an offer. To perform these milestones, tenants were advised that they would need to organize a tenant meeting, gather financial information, and decide on ownership type. The results showed that tenants needed more time across all property types. Considerations for timelines that were raised during focus groups included the time necessary for tenants to build consensus, gather financial information, receive guidance on options of assigning rights vs. purchasing, and learning about first-time homeownership, including a cost-benefit analysis.

Participants identified the following supportive service needs: City-sponsored workshops, financial assistance in the form of subsidy and financial advising, centralized forms and documents regarding a clear articulation of TOPA rights and process, legal assistance, and mediation services especially for multi-family homes. Overall, tenants were excited about the prospect of being able to purchase or assign their rights to an affordable housing organization. However, tenants would like to ensure that non-profits are held to a high standard of care.

Permanent affordability requirements for all TOPA projects were presented, as well as the major trade-offs of equity building and future affordability. Participants were asked for their impressions on the fairness of permanent affordability in exchange for the bundle of rights that TOPA provides to tenants. Overall, there was a strong sense from participants that they would want to use the TOPA rights to buy the property they live in primarily for the purpose of staying there, and that keeping the property **affordability affordable** for future generations was more important than individual profit gain or reaping a high appreciation on the property. All of the participants agreed that permanent affordability **is a critical component of TOPA. needs to be a part of any TOPA transaction.**

General feedback from the focus groups demonstrated that there is support for a TOPA policy, although it is contingent on resources such as financial and technical assistance.

There is a strong sense among low-income tenants that technical and financial assistance are necessary for them to exercise their TOPA rights.

The focus groups, despite the small sample size, provided useful feedback to inform the policy. ~~Nonetheless~~, EBCLC, NCLT, and BACLT, with the support of the Partnership for the Bay's Future Challenge Grant Fellow, intend to continued reaching out over the last year to more residents and groups, especially those representing low-income people of color and particularly groups most impacted by the displacement crisis, to do outreach and solicit feedback ~~as necessary~~(see Attachment 5). As described in Attachment 5, nuanced conversations in this ongoing outreach continued to shape policy provisions, including modifications made to permanent affordability provisions to balance the goals of creating more permanently affordable housing, and opening up benefits of homeownership to those who may have faced barriers.

Lender/financing overview

The TOPA working group has contacted the following banks and lending institutions in recent months: Clearinghouse CDFI, Community Bank of the Bay, National Housing Trust, Capital Impact Partners, Heritage Bank (formerly Presidio Bank), Enterprise Community Partners, Low-Income Investment Fund and the Local Initiatives Support Corporation (LISC). Early conversations with these lenders, as reflected previously, indicate that there is interest in funding TOPA projects so long as they meet the necessary requirements (as detailed in the 'Financing for TOPA' section above). Again, in the case of most lenders, they do not offer 30-year consumer loans for these types of projects, but instead offer the more typical 10-15 year term commercial-residential acquisition loans. However, TOPA working group members have been in conversation with several of these lenders who have interest in creating a new/hybrid type of consumer/commercial loan geared towards the owner-occupants of LEHC properties. This would ideally be a fully amortized 30 year loan, backed by the types of investments which offer the more favorable interest rates typical of consumer (owner-occupied) mortgages. With a solid potential demand for more of these types of loans through TOPA, there could be the momentum needed to persuade lenders to advance this concept.

Research of rental sales professionals

Real estate professionals from four different organizations were interviewed and asked about asking vs. sales price and also length of time the properties were on the market, including escrow time. Additionally, several online resources and articles were reviewed to greater understand buyers of multi-tenant properties and market speculation expectations for 2020. Comments gathered directly from real estate professionals included:

- Berkeley/Oakland property is seen as a safe investment because selling prices don't usually go below asking prices
- Due to rent control, tenant protections and eviction laws investors are looking to move out of property ownership in Berkeley/Oakland
- It is difficult to make improvements on properties due to inability to raise rents and recoup improvement investment costs
- Property desirability depends on tenant occupation, property condition, cash flow, location and zoning (depending on buyers intended use)
- Selling time is longer and price is lower for multi-unit properties with rent-controlled units because it is difficult to make profitable returns on investment
- Larger companies that buy multi-unit properties are often looking to redevelop

Property sale and time on the market, gathered from Zillowthe MLS, is included in Attachment 2.

During stakeholder outreach, specifically meetings with the Berkeley Property Owners Association (BPOA), several multi-unit real estate brokers provided input to the TOPA team and they provided valuable input on the need for greater clarification and other policy changes. Many of their suggestions have been incorporated in the updated ordinance (see Attachment 1).

~~In order to ensure that TOPA ordinance development would align with the work of the San Francisco Foundation grant, additional outreach will continue during the City Council Committee process. Feedback from proposed meetings with Berkeley Property Owners Association and BRIDGE Association of Realtors will be included as Attachment 5.~~

RATIONALE FOR RECOMMENDATION

Taking no action or waiting for significant changes in state rental laws or for more affordable housing production will continue to exacerbate the housing affordability crisis. The need to provide more options for low income tenants is immediate.

Increasing affordable housing is a policy priority for Berkeley. The most cost-effective way to do so is creating sustained affordability within existing housing stock. The recommendation to apply TOPA to all properties with the exception of Single Family/Owner Occupied Residences including those with ADUs, will at least **triple** the number of units that could be made available to tenants under TOPA (compared to other options that were considered). This policy would provide ownership opportunity for low income tenants or stabilize rents, keeping their housing cost affordable for generations. Furthermore, maximizing the number of units that could invoke the TOPA policy would justify the City's investment of resources for purchase, administration and enforcement.

Legislation of a Tenant Opportunity to Purchase Act (TOPA) has inherent and significant benefits for tenants, including:

- Effective anti-displacement tool by giving tenants options to stay in their home
- Creates pathways to homeownership for tenants, thereby helping low-income families of color to have permanency in Berkeley and build equity
- Stabilizes rents and keeps rental properties from converting to market-rate
- Levels the playing field for tenants and affordable housing developers by providing an opportunity for them to purchase properties, and incentivizing owners to sell to them when the owner is ready
- Provides Tenants empowerment and control of their housing
- Preserves existing, naturally occurring affordable units
- Creates more affordable housing by converting rental properties to deed-restricted permanently affordable properties
- Provides an opportunity for tenants to stay in their homes without fear of eviction

Future regional housing policy will require greater accountability for housing production and more requirements to provide affordable units. Converting existing housing stock to affordable units could help Berkeley meet these required housing goals.

IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT

Optimally, the goal for the TOPA policy to be in full force and effect would be following funding in the June 2020 Budget process. In order to meet that goal, additional work must be completed:

- Develop Administrative Regulations. The fellow awarded to the Planning Department by the San Francisco Foundation for the Bay's Challenge Grant will be working with the East Bay Community Law Center in developing the Administrative Regulations and Implementation Plan for the TOPA Ordinance.
- Database development. A consultant should be hired to create an accurate database of all rental properties that will support many other existing programs, such as the Rental Housing Safety Program, Measure U1, Below Market Rate units and measuring RHNA goals. This could be accomplished in much the same manner as the database for short term rentals.
- Program administration, oversight and enforcement. Adequate funding to support the administration, oversight and enforcement must be identified, departmental oversight needs to be confirmed and staff hired. ~~The Rent Board is willing to assume the role as the administrating body and will also adjudicate any claims of noncompliance through their hearing officer processes.~~

- Funding for Program Costs. Quantifying adequate project costs, that would be included in a budget referral, are a component of the required actions contained herein. The City must be prepared to fully fund the program however, future State and regional housing incentives and regional philanthropy could help offset City investment and such opportunities should be followed and pursued by the City Manager and the administrating body.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES AND LAWS

TOPA aligns with the Berkeley plans, programs, policies and laws in the following way:

City of Berkeley 2019-2020 Strategic Plan

- Create affordable housing and housing support services for our most vulnerable community members
- ~~—~~Champion and demonstrate social and racial equity
- Foster a dynamic, sustainable and locally based economy

Housing Element of the General Plan

Objectives

- **Housing Affordability.** Berkeley residents should have access to quality housing at a range of prices and rents. Housing is least affordable for people at the lowest income levels, and City resources should focus on this area of need.
- **Maintenance of Existing Housing.** Existing housing should be maintained and improved.
- **Fair and Accessible Housing.** The City should continue to enforce fair housing laws and encourage housing that is universally accessible.
- **Public Participation.** Berkeley should continue to improve the role of the neighborhood residents and community organizations in housing and community development decision making.

Policies and Actions

- **Policy H-1 Affordable Housing.** Increase the number of housing units affordable to Berkeley residents with lower income levels.
- **Policy H-2 Funding Sources.** Aggressively search out, advocate for, and develop additional sources of funds for permanently affordable housing, including housing for people with extremely low incomes and special needs.
- **Policy H-3 Permanent Affordability.** Ensure that below market rate rental housing remains affordable for the longest period that is economically and legally feasible.

- Policy H-4 Economic Diversity. Encourage inclusion of households with a range of incomes in housing developments through both regulatory requirements and incentives.
- Policy H-5 Rent Stabilization. Protect tenants from large rent increases, arbitrary evictions, hardship from relocation and the loss of their homes.
- Policy H-6 Rental Housing Conservation and Condominium Conversion. Preserve existing rental housing by limiting conversion of rental properties to condominiums.
- Policy H-7 Low-Income Homebuyers. Support efforts that provide opportunities for successful home ownership for residents and workers in the City of Berkeley.
- Policy H-8 Maintain Housing. Maintain and preserve the existing supply of housing in the City.

Affordable Housing Action Plan adopted November 28, 2017:

High Priority #2: Develop an ordinance modeled after Washington D.C.'s Tenant Opportunity to Purchase Act (TOPA) that offers existing tenants the first right of refusal when property owners place rental property on the sale market, which can be transferred to a qualifying affordable housing provider.

Rent Stabilization and Eviction for Good Cause Ordinance

In June 1980, Berkeley residents passed the City's comprehensive rent stabilization law known as the Rent Stabilization and Eviction for Good Cause Ordinance (BMC Chapter 13.76). The Ordinance regulated most residential rents in Berkeley and provided tenants with increased protection against unwarranted evictions and is intended to maintain affordable housing and preserve community diversity. However, in 1995, the California Legislature enacted Costa-Hawkins Rental Housing Act. Since that time owners may now set a market rent for most tenancies once a new tenant occupies a unit. While there are some tenants that remain in previous units under the Berkeley Rent Stabilization Ordinance, their rents increase by a set percentage annually. Landlords of rent stabilized units are motivated to get their long tenants to move out, therefore putting these tenants at risk of eviction. TOPA aligns with the spirit of the 1980 law in that it would stabilize the rents in TOPA acquired properties.

Housing for a Diverse, Equitable and Creative Berkeley: Proposing a Framework for Berkeley's Affordable Housing

Referred to the Housing Advisory Commission, Measure O Committee, and Homeless Services Panel of Experts in July 2019, the proposed Framework presents a vision for affordable housing policy and proposes aligning funding streams with existing and new programs. It is intended to guide the work of City Commissions and the Council in implementing Measure U1, Measure O and

Measure P and City housing policies. The Framework also sets an ambitious goal of 30% of all housing being dedicated as subsidized affordable housing. Among the many policies and programs recommended, it specifically calls out the acquisition and preservation of existing housing and democratic ownership and control. These strategies are identified as key to preventing displacement, preserving affordability and building wealth. TOPA is also called out as a policy strategy. The Framework is under review by Commissions and has not been adopted by the City Council.

Regional Policies

ABAG and MTC are developing a regional transportation and land use plan to address the region’s housing crisis through 2050. Along with determining the allocation by city, it is also looking at revenue generation and financing methods to support the need for low income housing. TOPA could help Berkeley meet its low-income regional allocation and there is also a possibility that funds generated through ABAG policy, especially through the Bay Area Housing Finance Agency (BAHFA, described above) could help fund some TOPA projects in the future.

FINANCIAL IMPLICATIONS

Revenue impact of Incentive to Sellers

Based on transactions from November 1, 2018 to November 30, 2019, 245 multi-unit residential (including mixed use) properties transferred hands for a total of \$9.65M in base transfer tax revenue. Half of the base transfer tax from these properties is approximately \$4.825M; this would be the amount the City would forgo with the TOPA program.

Total Base Transfer Tax from November 2018 to November 2019 from multi-unit residential properties	\$ 9.65M
Eligible amount for TOPA rebate (1/2 of transfer tax)	\$ 4.83M

% participation in TOPA	Revenue Loss in Millions
100%	\$ 4.83
50%	\$ 2.41
25%	\$ 1.21
10%	\$ 0.48

The City currently has a Seismic Retrofit Refund Program which provides refunds for voluntary seismic upgrades to residential properties. Up to one-third of the base 1.5% transfer tax may be refunded on a dollar-for-dollar basis. This program applies to structures that are used exclusively for residential purposes, or any mixed-use structure that contains two or more dwelling units.

If ~~half~~ 50% of the base transfer tax is ~~given~~ returned to sellers via the TOPA program, this will have a negative impact on the Seismic Retrofit Refund Program. It should also be noted that the Planning Department is making an effort to enhance the seismic program to include other qualifying measures (regarding energy efficiency) that require a permit. The amount available for rebate to the new buyer would ~~significantly~~ be reduced due to the lower base amount once TOPA is implemented.

Cost for Administration, Education, Outreach and Purchase Support

Council can consider additional policies to support TOPA acquisitions that would supplement current funding sources such as: Small Sites Program, Measure U1 tax receipts, Housing Trust Fund and other government resources that might come in the future. One consideration would be the establishment of a Housing Accelerator Fund similar to that established in San Francisco. Acquisition support could include, but not be limited to, purchase deposits, appraisals, down payment assistance, capital improvements and capital reserves.

Additional resources for implementation, administration, enforcement and adjudication are being referred to the City Manager to determine the appropriate level of funding to support the program:

- Cost of administration (including notices, database management, rental cost history and adjustments for non-ownership units)
- Cost of tenant education/outreach/purchase support/adjudication

The estimates below draw on D.C.'s workload experience and tenant participation rate to generate expected staffing needs. Berkeley and D.C. could have a comparable number of sales each year covered under TOPA, but D.C.'s housing stock features much larger buildings that require more organizing and technical assistance support.

Budget estimates are broken down into 2 priorities:

1. Ongoing staffing support for Supportive Partners
2. Pre-development and project management needs for Qualified Organizations

Staff for "Supportive Partners" (i.e. technical assistance, on-going)

Berkeley's TOPA requires tenants to work with a Supportive Partner in order to exercise their rights to purchase under the policy. Supportive partners function in a supportive role to assist tenants in exercising their rights. This may include education, outreach, organizing, supporting tenants through the purchase, connecting tenants to resources, and counseling tenants on first-time homeownership and collective ownership structures.

Washington D.C. funds the equivalent of 8 FTE staff to provide direct outreach and resident organizing support under TOPA, which is broadly comparable to the scope of work envisioned for the Supportive Partners. This level of staffing support provides assistance for 30 transactions per year. Given the slightly reduced organizing workload with smaller buildings, we anticipate a need going forward for 6 FTE staff in order to adequately and professionally support the anticipated number of tenant groups exploring their TOPA rights and either purchasing or assigning their rights. Expected costs for 6 FTE staff positions for Supportive Partners. Salary costs vary but an anticipated average cost of \$125,000/year per FTE assuming a salary of between \$60,000 to \$75,000 plus taxes, benefits and insurance was assumed for estimating.

Total: 6 FTE at \$125,000 each = \$750,000/year once TOPA has been fully implemented and mature. Initial "ramp-up" is estimated at 2 – 3 FTE.

Costs for pre-development work and project management needs of Qualified Organizations (on-going)

An essential part of the program is sufficient project management capacity at the Qualified Organizations to support the development of TOPA projects. Again, referring to the D.C. model, the City helps support the project management capacity via developer fees. Since this capacity was built up over 40 years of TOPA implementation, it is anticipated that Berkeley will need to support start-up capacity and allow for ongoing support through pre-development funds related to specific TOPA projects.

For the first year of TOPA, Qualified Organizations will need to be able to request pre-development funds of ~\$25,000 per project from the City. The City's existing pre-development loan process provides an excellent model for covering the out of pocket costs of projects, but typically does not cover the staffing and project management costs at that phase.

Due to the unique nature of TOPA project staffing, close work with residents is expected to be a substantial portion of the development workload. If there is a large volume of TOPA projects at once, the Qualified Organizations will likely need a mechanism to advance a portion of developer's fees to cover early-stage project

management. This could mean that Qualified Organizations serving Berkeley may each need a project manager staff to support the volume of projects.

ENVIRONMENTAL SUSTAINABILITY

Creating and preserving affordable housing in Berkeley will allow lower income individuals and families to live closer to transit and to their workplaces, reducing greenhouse gas emissions. Preserving and refurbishing existing housing stock is an important environmental strategy, as reuse/repair/refurbishment of materials avoids spending resources on a new building construction, and the disposal of construction debris. Finally, increasing affordable housing in Berkeley will make the City more economically and racially equitable, which is a goal in Berkeley's *Resilience Strategy*.

CONTACT PERSON

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Attachments:

1. Ordinance (revised)
2. ~~Zillow Multi Unit MLS~~ Property Sale Information
3. Berkeley Properties and TOPA Applicability
4. DC Apartment Buildings and TOPA
- 4.5. Community Outreach on TOPA and Responsive Policy Changes

Price	Building Type	City	List Date	Closing Date	List date to Closing Date	How Sold	List Price	Sold Price	Address
\$1,700,000	Detached	BERKELEY	10/9/2020	11/2/2020	24	Cash	\$1,649,000	\$1,700,000	1032 Overlook Road
\$820,000	Detached	BERKELEY	7/8/2020	8/10/2020	33	Cash	\$675,000	\$820,000	1034 Pardee St
\$900,000	Detached	BERKELEY	9/6/2020	9/29/2020	23	Cash	\$899,000	\$900,000	1067 Woodside Rd
\$2,400,000	Detached	BERKELEY	6/22/2020	7/17/2020	25	Cash	\$2,350,000	\$2,400,000	1070 Keeler Ave
\$1,675,000	Detached	BERKELEY	10/14/2020	11/10/2020	27	Cash	\$1,099,000	\$1,675,000	1072 Overlook Rd
\$1,495,000	Detached	BERKELEY	1/21/2021	2/11/2021	21	Cash	\$1,499,000	\$1,495,000	1112 Chaucer Street
\$1,580,000	Detached	BERKELEY	10/13/2020	10/13/2020	0	Cash	\$1,600,000	\$1,580,000	1120 The Alameda
\$1,720,000	Detached	BERKELEY	4/4/2020	4/21/2020	17	Cash	\$1,395,000	\$1,720,000	1136 Fresno Ave
\$1,250,000	Detached	BERKELEY	4/3/2020	6/5/2020	82	Cash	\$1,295,000	\$1,250,000	1146 Keith Ave
\$944,100	Detached	BERKELEY	12/4/2020	12/17/2020	14	Cash	\$849,950	\$944,100	1165 Sterling Avenue
\$597,500	Detached	BERKELEY	5/8/2020	6/8/2020	31	Cash	\$448,888	\$597,500	1200 Cornell Ave
\$1,025,000	Detached	BERKELEY	5/24/2020	7/9/2020	46	Cash	\$900,000	\$1,025,000	1209 Oxford St
\$1,205,000	Detached	BERKELEY	2/19/2020	3/19/2020	28	Cash	\$865,000	\$1,205,000	1227 Delaware St
\$1,310,000	Detached	BERKELEY	8/19/2020	9/14/2020	26	Cash	\$898,000	\$1,310,000	1230 66Th St
\$2,030,000	Detached	BERKELEY	9/16/2020	10/20/2020	26	Cash	\$1,695,000	\$2,030,000	1238 Carlotta Ave
\$1,715,000	Detached	BERKELEY	11/5/2020	11/30/2020	25	Cash	\$1,350,000	\$1,715,000	1238 Hearst Ave
\$1,000,000	Detached	BERKELEY	7/7/2020	7/30/2020	13	Cash	\$895,000	\$1,000,000	1241 Carrison St
\$886,000	Detached	BERKELEY	11/25/2020	1/21/2021	57	Cash	\$850,000	\$886,000	1241 Talbot Ave
\$1,365,000	Detached	BERKELEY	2/12/2020	3/13/2020	29	Cash	\$1,050,000	\$1,365,000	1261 Hopkins St
\$1,620,000	Detached	BERKELEY	8/19/2020	9/4/2020	16	Cash	\$1,295,000	\$1,620,000	1293 Queens Rd
\$1,200,000	Detached	BERKELEY	9/15/2020	9/30/2020	15	Cash	\$829,000	\$1,200,000	1301 Blake St
\$1,499,750	Condo	BERKELEY	2/5/2020	3/2/2020	25	Cash	\$1,050,000	\$1,499,750	1307 Henry St
\$1,460,000	Detached	BERKELEY	9/2/2020	9/21/2020	19	Cash	\$1,079,000	\$1,460,000	1309 Parker St
\$1,375,000	Detached	BERKELEY	9/17/2020	10/6/2020	19	Cash	\$1,190,000	\$1,375,000	1322 66Th St
\$4,100,000	Detached	BERKELEY	8/31/2020	9/14/2020	15	Cash	\$4,100,000	\$4,100,000	1325 Arch St
\$1,210,000	Detached	BERKELEY	10/20/2020	11/17/2020	28	Cash	\$998,000	\$1,210,000	1377 Rose St
\$3,100,000	Detached	BERKELEY	9/8/2020	10/7/2020	29	Cash	\$2,980,000	\$3,100,000	1401 Le Roy Ave
\$915,000	Condo	BERKELEY	8/21/2020	9/8/2020	18	Cash	\$799,000	\$915,000	1406 Euclid Ave
\$800,000	Detached	BERKELEY	3/11/2020	5/11/2020	61	Cash	\$800,000	\$800,000	1420 5th St
\$1,393,000	Detached	BERKELEY	9/22/2020	10/13/2020	21	Cash	\$975,000	\$1,393,000	1427 Holly
\$1,550,000	Detached	BERKELEY	6/11/2020	7/7/2020	25	Cash	\$1,095,000	\$1,550,000	1480 Dwight Way
\$1,206,000	Detached	BERKELEY	6/13/2020	7/14/2020	31	Cash	\$938,000	\$1,206,000	1506 California St
\$975,000	Detached	BERKELEY	2/18/2020	4/3/2020	44	Cash	\$499,000	\$975,000	1519 Fairview
\$3,100,000	Detached	BERKELEY	8/28/2020	9/18/2020	21	Cash	\$2,895,000	\$3,100,000	1530 Grizzly Peak Boulevard
\$1,200,000	Detached	BERKELEY	9/25/2020	10/22/2020	27	Cash	\$989,000	\$1,200,000	1589 La Vereda rd

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\$1,050,000	Detached	BERKELEY	5/28/2020	6/26/2020	29	Cash	\$1,100,000	\$1,050,000	1604 Virginia St
\$2,900,000	Detached	BERKELEY	5/5/2020	5/28/2020	23	Cash	\$2,850,000	\$2,900,000	1615 Francisco St
\$830,000	Detached	BERKELEY	10/5/2020	1/27/2021	114	Cash	\$799,000	\$830,000	1623 Russell St.
\$850,000	Condo	BERKELEY	4/10/2020	5/8/2020	28	Cash	\$745,000	\$850,000	1628 Berkeley Way
\$1,600,000	Detached	BERKELEY	8/22/2020	9/9/2020	18	Cash	\$1,385,000	\$1,600,000	1633 62nd Street
\$843,000	Detached	BERKELEY	6/4/2019	10/28/2020	146	Cash	\$1,099,000	\$843,000	1641 STUART ST.
\$808,000	Detached	BERKELEY	3/3/2020	4/28/2020	56	Cash	\$599,900	\$808,000	1646 Ashby Ave
\$1,800,000	Detached	BERKELEY	11/12/2020	12/3/2020	21	Cash	\$1,295,000	\$1,800,000	1651 Visalia Ave
\$1,255,000	Detached	BERKELEY	8/15/2020	8/15/2020	0	Cash	\$1,200,000	\$1,255,000	1724 Berkeley Way
\$1,030,000	Detached	BERKELEY	9/18/2020	11/5/2020	48	Cash	\$950,000	\$1,030,000	1725 Berkeley Way
\$3,060,000	Detached	BERKELEY	7/8/2020	8/24/2020	47	Cash	\$2,995,000	\$3,060,000	1725 Grand View Dr
\$1,055,000	Detached	BERKELEY	10/8/2020	11/9/2020	31	Cash	\$799,000	\$1,055,000	1734 Cedar St
\$1,050,000	Detached	BERKELEY	4/16/2020	7/13/2020	88	Cash	\$1,050,000	\$1,050,000	1734 Lincoln St
\$1,150,000	Detached	BERKELEY	7/17/2020	9/8/2020	53	Cash	\$1,295,000	\$1,150,000	1770 Rose Street
\$760,000	Detached	BERKELEY	5/13/2020	6/26/2020	44	Cash	\$750,000	\$760,000	1821 Ward Street
\$1,414,662	Detached	BERKELEY	10/23/2020	12/31/2020	69	Cash	\$1,549,000	\$1,414,662	1823 Fairview St
\$3,300,000	Detached	BERKELEY	6/24/2020	10/6/2020	104	Cash	\$3,450,000	\$3,300,000	185 The Uplands
\$1,075,000	Detached	BERKELEY	6/24/2020	7/9/2020	15	Cash	\$889,000	\$1,075,000	1906 Stuart St
\$827,000	Detached	BERKELEY	5/12/2020	7/1/2020	50	Cash	\$799,000	\$827,000	1926 Monterey Ave
\$2,005,000	Detached	BERKELEY	8/8/2020	9/8/2020	31	Cash	\$1,795,000	\$2,005,000	2 Hazel Rd
\$2,800,000	Detached	BERKELEY	5/12/2020	5/12/2020	0	Cash	\$2,800,000	\$2,800,000	20 OAK RIDGE ROAD
\$2,193,502	Detached	BERKELEY	6/5/2019	2/26/2020	266	Cash	\$2,199,000	\$2,193,502	200 Panoramic Way
\$1,100,000	Detached	BERKELEY	10/27/2020	12/23/2020	57	Cash	\$890,000	\$1,100,000	2018 Blake Street
\$1,175,000	Detached	BERKELEY	1/4/2020	2/24/2020	51	Cash	\$1,150,000	\$1,175,000	2121 Woolsey Street
\$1,400,000	Detached	BERKELEY	3/4/2020	4/10/2020	37	Cash	\$1,140,000	\$1,400,000	2131 Spaulding Ave
\$1,600,000	Detached	BERKELEY	7/31/2020	8/21/2020	22	Cash	\$998,000	\$1,600,000	2224 California Street
\$1,900,000	Detached	BERKELEY	7/17/2020	8/18/2020	32	Cash	\$2,100,000	\$1,900,000	2225 Blake Street
\$2,060,000	Detached	BERKELEY	5/1/2020	5/18/2020	17	Cash	\$1,650,000	\$2,060,000	2319 CALIFORNIA STREET
\$2,343,000	Detached	BERKELEY	2/16/2020	3/17/2020	29	Cash	\$2,195,000	\$2,343,000	2333 Rose St
\$879,000	Condo	BERKELEY	4/6/2020	4/17/2020	11	Cash	\$879,000	\$879,000	2352 Hilgard Ave
\$1,600,000	Detached	BERKELEY	10/8/2020	10/23/2020	15	Cash	\$1,195,000	\$1,600,000	2422 Mcgee Ave
\$1,776,000	Detached	BERKELEY	2/5/2020	3/2/2020	25	Cash	\$1,315,000	\$1,776,000	2433 Browning St
\$1,777,000	Detached	BERKELEY	12/9/2020	1/8/2021	31	Cash	\$899,000	\$1,777,000	2508 Woolsey Street
\$1,280,000	Detached	BERKELEY	9/22/2020	10/13/2020	21	Cash	\$1,225,000	\$1,280,000	2623 Virginia St
\$554,000	Condo	BERKELEY	12/8/2020	1/15/2021	38	Cash	\$549,000	\$554,000	2628 Telegraph

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\$630,000	Condo	BERKELEY	11/12/2020	12/4/2020	32	Cash	\$640,000	\$630,000	2634 Virginia St
\$1,525,000	Detached	BERKELEY	1/14/2021	2/11/2021	28	Cash	\$1,049,000	\$1,525,000	2641 Grant St
\$2,825,000	Detached	BERKELEY	11/10/2020	12/10/2020	30	Cash	\$2,585,000	\$2,825,000	265 Hillcrest Road
\$630,000	Condo	BERKELEY	7/21/2020	8/10/2020	20	Cash	\$599,888	\$630,000	2700 Le Conte Ave
\$1,715,000	Detached	BERKELEY	10/20/2020	12/16/2020	57	Cash	\$1,795,000	\$1,715,000	2709 College Ave
\$2,100,000	Detached	BERKELEY	10/15/2020	11/12/2020	38	Cash	\$1,795,000	\$2,100,000	2738 Benvenue Ave
\$495,000	Condo	BERKELEY	1/28/2020	5/6/2020	35	Cash	\$495,000	\$495,000	2747 san pablo
\$1,450,000	Detached	BERKELEY	8/21/2020	10/19/2020	59	Cash	\$1,100,000	\$1,450,000	2777 Hilgard Ave
\$1,660,000	Detached	BERKELEY	10/7/2020	11/24/2020	48	Cash	\$1,495,000	\$1,660,000	2800 Piedmont ave
\$1,300,000	Detached	BERKELEY	1/20/2021	2/4/2021	15	Cash	\$895,000	\$1,300,000	2801 Park St
\$1,350,000	Detached	BERKELEY	7/30/2020	8/14/2020	16	Cash	\$800,000	\$1,350,000	2809 Fulton
\$4,370,000	Detached	BERKELEY	10/8/2020	12/18/2020	71	Cash	\$4,295,000	\$4,370,000	2902 Buena Vista Way
\$585,000	Condo	BERKELEY	10/16/2020	11/2/2020	17	Cash	\$585,000	\$585,000	2907 Channing Way
\$1,227,500	Detached	BERKELEY	9/27/2020	10/23/2020	26	Cash	\$1,085,000	\$1,227,500	2910 Acton Street
\$1,330,000	Detached	BERKELEY	3/17/2020	6/2/2020	77	Cash	\$1,350,000	\$1,330,000	2943 Hillegass Ave
\$1,800,000	Detached	BERKELEY	4/20/2020	5/18/2020	28	Cash	\$1,600,000	\$1,800,000	30 Bay Tree Lane
\$955,000	Condo	BERKELEY	11/30/2020	12/23/2020	24	Cash	\$789,000	\$955,000	3040 College Ave
\$335,000	Condo	BERKELEY	5/26/2020	6/16/2020	21	Cash	\$299,000	\$335,000	3050 College Ave
\$1,750,000	Detached	BERKELEY	1/13/2021	2/5/2021	23	Cash	\$1,325,000	\$1,750,000	3075 Bateman St
\$2,510,000	Detached	BERKELEY	3/18/2020	4/1/2020	14	Cash	\$1,999,000	\$2,510,000	45 The Plaza Dr
\$1,025,000	Detached	BERKELEY	8/6/2020	8/28/2020	22	Cash	\$848,000	\$1,025,000	48 Mosswood Rd
\$1,650,000	Detached	BERKELEY	7/5/2020	9/8/2020	65	Cash	\$1,900,000	\$1,650,000	5 W Parnassus Ct
\$2,230,000	Detached	BERKELEY	5/20/2020	6/5/2020	16	Cash	\$1,995,000	\$2,230,000	536 The Alameda
\$1,177,000	Detached	BERKELEY	3/31/2020	4/22/2020	23	Cash	\$1,050,000	\$1,177,000	545 Panoramic Way
\$1,814,000	Detached	BERKELEY	9/4/2020	9/25/2020	21	Cash	\$1,295,000	\$1,814,000	573 Santa Rosa Ave
\$900,000	Detached	BERKELEY	8/8/2020	9/3/2020	26	Cash	\$829,000	\$900,000	604 neilson
\$1,400,639	Detached	BERKELEY	1/18/2021	2/8/2021	21	Cash	\$999,000	\$1,400,639	639 Cragmont
\$2,500,000	Detached	BERKELEY	9/24/2020	10/13/2020	19	Cash	\$1,995,000	\$2,500,000	646 COLUSA AVENUE
\$2,300,000	Detached	BERKELEY	6/25/2020	7/16/2020	21	Cash	\$1,800,000	\$2,300,000	649 Alvarado Rd
\$1,816,616	Detached	BERKELEY	3/6/2020	4/20/2020	45	Cash	\$1,995,000	\$1,816,616	765 San Luis Rd
\$3,000,000	Detached	BERKELEY	3/24/2020	3/24/2020	0	Cash	\$2,695,000	\$3,000,000	822 Mendocino Ave
\$2,335,000	Detached	BERKELEY	2/24/2020	3/19/2020	23	Cash	\$1,895,000	\$2,335,000	844 Spruce St
\$1,960,000	Detached	BERKELEY	1/7/2021	1/26/2021	19	Cash	\$1,430,000	\$1,960,000	90 Alamo Ave
\$1,908,108	Detached	BERKELEY	9/18/2020	10/28/2020	40	Cash	\$1,908,108	\$1,908,108	906 Hearst Ave
\$1,650,000	Detached	BERKELEY	1/15/2020	2/19/2020	35	Conventional	\$1,395,000	\$1,650,000	1 Rock Ln

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\$1,625,000	Detached	BERKELEY	12/2/2019	3/9/2020	70	Conventional	\$1,625,000	\$1,625,000	10 Terrace Walk
\$1,600,000	Detached	BERKELEY	9/19/2020	10/30/2020	41	Conventional	\$1,325,000	\$1,600,000	100 Parnassus Rd
\$1,300,000	Detached	BERKELEY	7/30/2020	10/30/2020	92	Conventional	\$1,449,000	\$1,300,000	1000 Mariposa Ave
\$1,200,000	Detached	BERKELEY	3/6/2020	4/22/2020	12	Conventional	\$899,000	\$1,200,000	1001 Merced St
\$925,000	Detached	BERKELEY	12/11/2020	2/8/2021	59	Conventional	\$850,000	\$925,000	1004 Cedar St
\$1,500,000	Detached	BERKELEY	6/12/2020	10/7/2020	117	Conventional	\$1,598,000	\$1,500,000	1008 Euclid Ave
\$1,200,000	Detached	BERKELEY	8/13/2020	9/22/2020	40	Conventional	\$1,250,000	\$1,200,000	101 Tamalpais Rd
\$1,400,000	Detached	BERKELEY	10/22/2020	1/5/2021	75	Conventional	\$1,499,888	\$1,400,000	101 Tunnel Road
\$1,450,000	Detached	BERKELEY	5/27/2020	6/24/2020	28	Conventional	\$1,349,000	\$1,450,000	1016 Cedar St
\$1,200,000	Detached	BERKELEY	5/7/2020	6/4/2020	28	Conventional	\$1,000,000	\$1,200,000	1019 Addison Street
\$1,410,000	Detached	BERKELEY	11/25/2020	1/11/2021	47	Conventional	\$1,200,000	\$1,410,000	1019 Middlefield Rd
\$1,350,000	Detached	BERKELEY	10/9/2020	11/13/2020	35	Conventional	\$1,095,000	\$1,350,000	1025 Colusa Ave
\$885,000	Detached	BERKELEY	12/14/2019	3/3/2020	79	Conventional	\$899,900	\$885,000	1030 Camelia Street
\$849,000	Condo	BERKELEY	10/2/2020	11/2/2020	31	Conventional	\$849,000	\$849,000	1032 Delaware St
\$1,440,000	Detached	BERKELEY	5/30/2020	8/28/2020	90	Conventional	\$1,395,000	\$1,440,000	1032 Keith Ave
\$1,900,000	Detached	BERKELEY	7/6/2020	8/14/2020	39	Conventional	\$1,850,000	\$1,900,000	1033 Amito Dr
\$1,250,000	Detached	BERKELEY	12/10/2020	2/5/2021	57	Conventional	\$1,250,000	\$1,250,000	1034 Pardee St
\$1,655,000	Detached	BERKELEY	12/29/2020	2/9/2021	42	Conventional	\$1,395,000	\$1,655,000	1036 Creston Rd
\$2,100,000	Detached	BERKELEY	10/24/2020	12/15/2020	52	Conventional	\$1,970,000	\$2,100,000	1040 AMITO DR
\$905,000	Detached	BERKELEY	3/17/2020	6/5/2020	80	Conventional	\$898,000	\$905,000	1040 Camelia
\$1,190,000	Detached	BERKELEY	5/3/2020	8/5/2020	94	Conventional	\$1,250,000	\$1,190,000	1044 Siler Pl
\$1,750,000	Detached	BERKELEY	6/18/2020	8/4/2020	47	Conventional	\$1,750,000	\$1,750,000	1050 Grand View Dr
\$1,575,000	Detached	BERKELEY	3/27/2020	3/27/2020	0	Conventional	\$1,575,000	\$1,575,000	1057 Monterey Ave
\$1,605,000	Detached	BERKELEY	11/2/2020	12/3/2020	31	Conventional	\$1,605,000	\$1,605,000	1076 Siler Pl
\$2,100,000	Detached	BERKELEY	12/9/2020	1/14/2021	36	Conventional	\$1,998,000	\$2,100,000	109 Strathmoor Dr
\$1,450,000	Detached	BERKELEY	10/23/2020	11/30/2020	37	Conventional	\$1,198,000	\$1,450,000	1097 MILLER AVENUE
\$1,865,000	Detached	BERKELEY	3/4/2020	4/24/2020	42	Conventional	\$1,695,000	\$1,865,000	1100 The Alameda
\$1,400,000	Detached	BERKELEY	10/16/2020	12/2/2020	47	Conventional	\$1,297,000	\$1,400,000	1104 Park Hills Rd
\$1,370,000	Detached	BERKELEY	10/8/2020	12/11/2020	64	Conventional	\$1,449,000	\$1,370,000	1104 Woodside Rd
\$1,335,000	Detached	BERKELEY	9/17/2020	10/19/2020	28	Conventional	\$1,295,000	\$1,335,000	1106 Besito Ave
\$2,099,000	Detached	BERKELEY	5/9/2020	10/2/2020	136	Conventional	\$2,000,000	\$2,099,000	1107 Alvarado Rd
\$1,210,000	Detached	BERKELEY	10/21/2020	11/19/2020	29	Conventional	\$895,000	\$1,210,000	1108 Dwight Way
\$2,000,000	Detached	BERKELEY	9/1/2020	10/7/2020	36	Conventional	\$1,195,000	\$2,000,000	1109 Cowper St
\$2,700,000	Detached	BERKELEY	8/17/2020	9/10/2020	22	Conventional	\$2,195,000	\$2,700,000	111 Alvarado Rd
\$1,100,000	Detached	BERKELEY	2/12/2020	3/17/2020	33	Conventional	\$850,000	\$1,100,000	1110 Chaucer St

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\$1,500,000	Detached	BERKELEY	11/16/2020	12/23/2020	37	Conventional	\$1,495,000	\$1,500,000	1114 Hillview Rd
\$1,200,000	Detached	BERKELEY	3/11/2020	4/14/2020	45	Conventional	\$899,000	\$1,200,000	1117 Cowper St
\$1,550,000	Detached	BERKELEY	11/20/2020	12/29/2020	39	Conventional	\$1,125,000	\$1,550,000	1121 Grizzly Peak Blvd
\$1,545,000	Detached	BERKELEY	12/24/2020	12/24/2020	0	Conventional	\$1,500,000	\$1,545,000	1125 Grizzly Peak Blvd
\$888,000	Condo	BERKELEY	3/10/2020	4/21/2020	42	Conventional	\$795,000	\$888,000	1125 Hearst Ave
\$1,500,000	Detached	BERKELEY	9/17/2020	10/26/2020	39	Conventional	\$1,160,000	\$1,500,000	1125 Spruce St
\$1,460,000	Detached	BERKELEY	9/8/2020	10/9/2020	31	Conventional	\$995,000	\$1,460,000	1126 Miller Ave
\$1,550,000	Detached	BERKELEY	9/24/2020	10/30/2020	36	Conventional	\$1,295,000	\$1,550,000	1135 The Alameda
\$1,051,000	Condo	BERKELEY	6/3/2020	7/9/2020	33	Conventional	\$950,000	\$1,051,000	1140 Delaware
\$2,200,000	Detached	BERKELEY	3/21/2020	7/10/2020	111	Conventional	\$2,150,000	\$2,200,000	1143 Keith Ave
\$2,600,000	Detached	BERKELEY	7/17/2020	8/20/2020	34	Conventional	\$1,995,000	\$2,600,000	1146 Spruce St
\$3,126,000	Detached	BERKELEY	8/19/2020	10/16/2020	58	Conventional	\$2,599,000	\$3,126,000	115 Parkside Dr
\$1,700,000	Detached	BERKELEY	10/2/2020	11/2/2020	30	Conventional	\$1,498,000	\$1,700,000	1151 Woodside Rd
\$1,500,000	Detached	BERKELEY	7/30/2020	9/10/2020	42	Conventional	\$1,150,000	\$1,500,000	1157 Cragmont Ave.
\$1,830,000	Detached	BERKELEY	4/6/2020	7/9/2020	94	Conventional	\$1,895,000	\$1,830,000	1157 Oxford Street
\$1,200,000	Detached	BERKELEY	4/22/2020	5/29/2020	37	Conventional	\$1,050,000	\$1,200,000	1161 Miller Ave
\$2,900,000	Detached	BERKELEY	10/23/2020	12/29/2020	67	Conventional	\$2,800,000	\$2,900,000	1165 Miller Avenue
\$1,300,000	Detached	BERKELEY	11/24/2020	12/30/2020	36	Conventional	\$1,110,000	\$1,300,000	1171 1/2 Grizzly Peak Blvd
\$1,260,000	Detached	BERKELEY	12/11/2020	1/21/2021	41	Conventional	\$919,000	\$1,260,000	1171 Glen Ave
\$1,390,000	Detached	BERKELEY	10/28/2019	8/28/2020	304	Conventional	\$1,195,000	\$1,390,000	1171 Sterling Ave
\$1,640,000	Detached	BERKELEY	5/22/2020	6/19/2020	28	Conventional	\$1,385,000	\$1,640,000	1171 Sutter St
\$1,600,000	Detached	BERKELEY	7/31/2020	9/10/2020	41	Conventional	\$1,395,000	\$1,600,000	1174 Cragmont Ave
\$1,100,000	Detached	BERKELEY	10/2/2020	11/13/2020	32	Conventional	\$987,000	\$1,100,000	1180 Keeler Ave
\$1,350,000	Detached	BERKELEY	10/29/2020	12/10/2020	42	Conventional	\$1,295,000	\$1,350,000	1190 Grizzly Peak Blvd
\$1,950,000	Detached	BERKELEY	2/11/2020	3/24/2020	41	Conventional	\$1,750,000	\$1,950,000	1194 Cragmont Ave
\$890,000	Detached	BERKELEY	9/1/2020	10/20/2020	49	Conventional	\$699,000	\$890,000	1200 Cornell Ave
\$1,275,000	Detached	BERKELEY	6/12/2020	7/10/2020	28	Conventional	\$1,049,000	\$1,275,000	1201 Hopkins St
\$1,575,000	Detached	BERKELEY	9/11/2020	10/21/2020	40	Conventional	\$1,498,000	\$1,575,000	121 Brookside Dr
\$2,400,000	Detached	BERKELEY	11/4/2020	12/15/2020	41	Conventional	\$1,875,000	\$2,400,000	1211 Spruce Street
\$955,000	Detached	BERKELEY	7/17/2020	8/12/2020	26	Conventional	\$925,000	\$955,000	1214 Talbot Ave
\$2,088,888	Detached	BERKELEY	7/23/2020	9/3/2020	42	Conventional	\$1,400,000	\$2,088,888	1215 Delaware St
\$1,300,000	Detached	BERKELEY	4/7/2020	5/29/2020	52	Conventional	\$1,300,000	\$1,300,000	1220 Martin Luther King Jr Way
\$1,100,000	Detached	BERKELEY	3/6/2020	4/21/2020	46	Conventional	\$975,000	\$1,100,000	1220 Peralta Ave
\$1,460,000	Detached	BERKELEY	12/2/2020	1/20/2021	49	Conventional	\$1,195,000	\$1,460,000	1222 Russell Street
\$838,000	Detached	BERKELEY	10/1/2020	11/24/2020	55	Conventional	\$780,000	\$838,000	1225 Cedar St

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\$1,600,000	Detached	BERKELEY	8/29/2020	10/12/2020	44	Conventional	\$1,049,000	\$1,600,000	1226 Carleton St
\$3,500,000	Detached	BERKELEY	8/11/2020	9/8/2020	28	Conventional	\$3,465,000	\$3,500,000	123 Parkside Dr
\$975,000	Detached	BERKELEY	3/11/2020	4/24/2020	44	Conventional	\$995,000	\$975,000	1236 Neilson Street
\$1,180,000	Detached	BERKELEY	10/9/2020	11/6/2020	28	Conventional	\$925,000	\$1,180,000	1242 Addison St
\$1,330,000	Detached	BERKELEY	6/23/2020	7/30/2020	37	Conventional	\$1,095,000	\$1,330,000	1249 Bancroft Way
\$755,000	Detached	BERKELEY	9/20/2020	12/18/2020	90	Conventional	\$739,000	\$755,000	1253 Ashby
\$1,050,000	Detached	BERKELEY	8/19/2020	10/1/2020	42	Conventional	\$949,000	\$1,050,000	1254 67Th St
\$2,600,000	Detached	BERKELEY	2/21/2020	3/17/2020	24	Conventional	\$1,495,000	\$2,600,000	1270 Monterey Avenue
\$815,000	Condo	BERKELEY	1/15/2020	4/7/2020	80	Conventional	\$749,000	\$815,000	1301 Bonita Ave
\$1,270,000	Detached	BERKELEY	6/2/2020	7/24/2020	52	Conventional	\$1,025,000	\$1,270,000	1303 Mcgee Ave
\$825,000	Detached	BERKELEY	12/3/2020	2/11/2021	70	Conventional	\$799,000	\$825,000	1308 Alcatraz Ave
\$1,409,500	Detached	BERKELEY	7/29/2020	9/4/2020	37	Conventional	\$1,100,000	\$1,409,500	1308 Derby Street
\$865,000	Detached	BERKELEY	2/11/2020	6/26/2020	135	Conventional	\$799,000	\$865,000	131 Avenida Dr
\$935,000	Detached	BERKELEY	4/12/2020	5/8/2020	26	Conventional	\$899,888	\$935,000	1310 Dwight Way
\$1,771,750	Detached	BERKELEY	7/6/2020	11/9/2020	126	Conventional	\$1,790,000	\$1,771,750	1310 Evelyn Ave
\$284,661	Condo	BERKELEY	5/15/2020	9/1/2020	109	Conventional	\$284,661	\$284,661	1314 Haskell St
\$985,000	Detached	BERKELEY	8/11/2020	9/23/2020	43	Conventional	\$985,000	\$985,000	1314 La Loma Ave
\$1,065,000	Detached	BERKELEY	1/8/2020	3/31/2020	82	Conventional	\$998,000	\$1,065,000	1322 Carrison St
\$3,100,000	Detached	BERKELEY	11/10/2020	12/25/2020	45	Conventional	\$3,100,000	\$3,100,000	1326 Arch St
\$900,000	Condo	BERKELEY	11/5/2020	12/10/2020	35	Conventional	\$785,000	\$900,000	1329 66Th St
\$1,290,000	Detached	BERKELEY	11/5/2020	12/29/2020	54	Conventional	\$1,050,000	\$1,290,000	1329 Albina Ave
\$1,085,000	Detached	BERKELEY	8/27/2020	10/5/2020	39	Conventional	\$895,000	\$1,085,000	1331 Gilman St
\$1,021,000	Condo	BERKELEY	9/16/2020	10/29/2020	43	Conventional	\$769,000	\$1,021,000	1336 Berkeley Way
\$953,000	Condo	BERKELEY	9/15/2020	10/9/2020	24	Conventional	\$849,000	\$953,000	1337 Henry St
\$1,350,000	Detached	BERKELEY	1/6/2020	3/12/2020	63	Conventional	\$1,249,000	\$1,350,000	1347 La Loma Ave
\$800,000	Detached	BERKELEY	6/11/2020	9/18/2020	99	Conventional	\$799,000	\$800,000	1349 Neilson
\$960,000	Detached	BERKELEY	10/20/2020	12/21/2020	62	Conventional	\$989,000	\$960,000	1360 Virginia St
\$1,000,000	Detached	BERKELEY	3/9/2020	5/20/2020	72	Conventional	\$1,000,000	\$1,000,000	1376 Grizzly Peak Blvd
\$1,450,000	Detached	BERKELEY	2/26/2020	4/14/2020	47	Conventional	\$1,095,000	\$1,450,000	1385 Virginia St
\$1,525,000	Detached	BERKELEY	7/10/2020	8/5/2020	26	Conventional	\$1,079,000	\$1,525,000	1386 Gilman St
\$925,000	Detached	BERKELEY	1/13/2021	2/3/2021	31	Conventional	\$850,000	\$925,000	1390 Summit Rd
\$1,700,000	Detached	BERKELEY	5/29/2020	11/5/2020	160	Conventional	\$1,775,000	\$1,700,000	14 Chancellor Pl
\$2,175,000	Detached	BERKELEY	10/26/2020	12/9/2020	14	Conventional	\$1,695,000	\$2,175,000	14 Eucalyptus Rd
\$1,100,000	Detached	BERKELEY	8/21/2020	2/2/2021	165	Conventional	\$1,295,000	\$1,100,000	140 Panoramic Way
\$1,380,000	Detached	BERKELEY	8/30/2020	11/6/2020	69	Conventional	\$1,288,888	\$1,380,000	1401 Channing Way

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\$1,250,000	Condo	BERKELEY	3/6/2020	4/17/2020	39	Conventional	\$945,000	\$1,250,000	1401 Walnut St
\$1,625,000	Detached	BERKELEY	1/13/2020	2/18/2020	36	Conventional	\$1,350,000	\$1,625,000	1404 Cypress St
\$1,097,469	Detached	BERKELEY	5/29/2020	7/2/2020	34	Conventional	\$1,100,000	\$1,097,469	1406 Peralta Ave
\$700,000	Condo	BERKELEY	12/2/2020	12/29/2020	27	Conventional	\$675,000	\$700,000	1406 San Pablo Avenue
\$860,000	Detached	BERKELEY	6/3/2020	7/2/2020	29	Conventional	\$698,000	\$860,000	1411 10Th St
\$1,175,000	Detached	BERKELEY	8/25/2020	10/16/2020	42	Conventional	\$1,050,000	\$1,175,000	1411 Acroft Court
\$950,000	Detached	BERKELEY	9/17/2020	10/23/2020	36	Conventional	\$799,000	\$950,000	1411 Acton Crescent
\$1,500,000	Detached	BERKELEY	1/14/2021	2/17/2021	34	Conventional	\$1,049,000	\$1,500,000	1411 Lincoln St
\$1,225,000	Detached	BERKELEY	1/29/2020	2/28/2020	30	Conventional	\$950,000	\$1,225,000	1414 Kains Avenue
\$1,384,500	Condo	BERKELEY	7/29/2020	9/11/2020	44	Conventional	\$1,300,000	\$1,384,500	1414 Oxford St
\$1,530,000	Detached	BERKELEY	9/17/2020	10/23/2020	35	Conventional	\$1,049,000	\$1,530,000	1416 Neilson Street
\$950,000	Detached	BERKELEY	6/16/2020	8/19/2020	64	Conventional	\$950,000	\$950,000	1417 Fairview St
\$1,300,000	Detached	BERKELEY	2/19/2020	3/31/2020	40	Conventional	\$979,000	\$1,300,000	1418 Grant St
\$1,490,000	Detached	BERKELEY	2/7/2020	5/13/2020	34	Conventional	\$1,198,000	\$1,490,000	1419 Derby St
\$952,000	Detached	BERKELEY	10/12/2020	11/19/2020	36	Conventional	\$850,000	\$952,000	1419 Harmon St.
\$1,250,000	Detached	BERKELEY	10/13/2020	11/20/2020	38	Conventional	\$949,000	\$1,250,000	1420 Acroft Ct
\$1,301,000	Detached	BERKELEY	11/30/2020	1/8/2021	40	Conventional	\$899,000	\$1,301,000	1421 Cornell Ave
\$1,335,000	Detached	BERKELEY	11/2/2020	12/8/2020	36	Conventional	\$1,095,000	\$1,335,000	1424 Stannage Ave
\$950,000	Detached	BERKELEY	7/7/2020	8/16/2020	0	Conventional	\$899,000	\$950,000	1428 Ward St
\$1,395,000	Detached	BERKELEY	10/2/2020	11/6/2020	35	Conventional	\$1,285,000	\$1,395,000	1429 Campus Dr
\$1,300,000	Detached	BERKELEY	7/27/2020	10/5/2020	70	Conventional	\$1,350,000	\$1,300,000	1434 Queens Road
\$1,300,000	Detached	BERKELEY	5/18/2020	7/1/2020	44	Conventional	\$1,050,000	\$1,300,000	1436 Carleton Street
\$1,205,781	Detached	BERKELEY	9/25/2020	11/16/2020	52	Conventional	\$900,000	\$1,205,781	1436 Delaware St
\$1,083,000	Detached	BERKELEY	9/25/2020	11/5/2020	41	Conventional	\$895,000	\$1,083,000	1444 66Th St
\$1,250,000	Detached	BERKELEY	1/29/2020	3/16/2020	46	Conventional	\$989,000	\$1,250,000	1444 Queens Rd
\$699,000	Condo	BERKELEY	10/16/2020	12/10/2020	55	Conventional	\$699,000	\$699,000	1450 4th Street
\$1,600,000	Detached	BERKELEY	7/17/2020	8/25/2020	39	Conventional	\$1,495,000	\$1,600,000	1451 Scenic Ave
\$1,480,000	Detached	BERKELEY	7/17/2020	9/3/2020	51	Conventional	\$1,395,000	\$1,480,000	1452 Grizzly Peak Blvd
\$1,610,000	Detached	BERKELEY	11/6/2020	12/17/2020	31	Conventional	\$1,349,000	\$1,610,000	1457 Olympus Ave
\$1,328,000	Detached	BERKELEY	11/12/2020	12/29/2020	47	Conventional	\$1,328,000	\$1,328,000	1459 Grizzly Peak Blvd
\$1,300,000	Detached	BERKELEY	7/9/2020	8/20/2020	42	Conventional	\$1,288,000	\$1,300,000	1464 Olympus Ave
\$1,650,000	Detached	BERKELEY	1/23/2020	3/5/2020	40	Conventional	\$1,190,000	\$1,650,000	1468 Stannage Ave
\$1,510,000	Detached	BERKELEY	8/20/2020	9/25/2020	36	Conventional	\$1,499,000	\$1,510,000	149 Strathmoor Dr
\$2,400,000	Detached	BERKELEY	9/11/2019	4/6/2020	207	Conventional	\$2,650,000	\$2,400,000	150 Bret Harte Rd
\$1,660,000	Detached	BERKELEY	6/23/2020	7/23/2020	30	Conventional	\$1,495,000	\$1,660,000	1500 Spruce St

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\$1,095,000	Detached	BERKELEY	7/22/2020	9/11/2020	51	Conventional	\$1,095,000	\$1,095,000	1501 Channing Way
\$950,000	Detached	BERKELEY	9/30/2020	11/12/2020	43	Conventional	\$925,000	\$950,000	1504 Russell St
\$925,000	Detached	BERKELEY	9/30/2020	1/13/2021	76	Conventional	\$950,000	\$925,000	1505 Russell St
\$1,499,000	Detached	BERKELEY	4/12/2020	5/15/2020	33	Conventional	\$1,495,000	\$1,499,000	1507 Grant St
\$2,050,000	Detached	BERKELEY	10/1/2020	11/9/2020	39	Conventional	\$1,595,000	\$2,050,000	1509 HOLLY STREET
\$1,282,000	Detached	BERKELEY	1/29/2020	3/6/2020	36	Conventional	\$925,000	\$1,282,000	1512 Bonita Ave
\$1,150,000	Detached	BERKELEY	4/17/2020	5/18/2020	31	Conventional	\$1,050,000	\$1,150,000	1513 Juanita Way
\$860,000	Detached	BERKELEY	8/13/2020	9/23/2020	41	Conventional	\$795,000	\$860,000	1514 Allston Way
\$960,000	Detached	BERKELEY	6/3/2020	9/3/2020	92	Conventional	\$960,000	\$960,000	1514 Prince St
\$1,350,000	Detached	BERKELEY	9/24/2020	11/3/2020	40	Conventional	\$1,095,000	\$1,350,000	1516 Hopkins St
\$950,000	Detached	BERKELEY	8/18/2020	9/23/2020	36	Conventional	\$750,089	\$950,000	1519 Carleton
\$1,350,000	Detached	BERKELEY	6/11/2020	7/31/2020	50	Conventional	\$990,000	\$1,350,000	1519 Milvia St
\$1,593,750	Detached	BERKELEY	10/16/2020	12/2/2020	47	Conventional	\$1,550,000	\$1,593,750	1519 Westview Dr
\$1,349,000	Detached	BERKELEY	10/22/2020	11/30/2020	39	Conventional	\$1,349,000	\$1,349,000	1522 Summit
\$1,300,000	Detached	BERKELEY	8/26/2020	9/29/2020	34	Conventional	\$925,000	\$1,300,000	1527 Buena Ave
\$640,000	Condo	BERKELEY	11/7/2020	1/8/2021	62	Conventional	\$575,000	\$640,000	1528 Julia St
\$1,605,000	Detached	BERKELEY	6/25/2020	7/28/2020	33	Conventional	\$1,295,000	\$1,605,000	1528 Mcgee Ave
\$1,400,000	Detached	BERKELEY	5/4/2020	6/12/2020	39	Conventional	\$1,389,000	\$1,400,000	1530 Carleton St
\$1,010,000	Detached	BERKELEY	5/22/2020	6/18/2020	27	Conventional	\$799,000	\$1,010,000	1530 Rose St
\$1,500,000	Detached	BERKELEY	11/21/2020	1/12/2021	52	Conventional	\$1,499,000	\$1,500,000	1536 62nd St
\$1,190,000	Detached	BERKELEY	12/2/2020	1/14/2021	33	Conventional	\$849,000	\$1,190,000	1547 Sacramento St
\$1,095,000	Detached	BERKELEY	8/26/2020	10/2/2020	37	Conventional	\$998,000	\$1,095,000	1555 Oregon St
\$1,000,000	Detached	BERKELEY	11/6/2020	12/16/2020	30	Conventional	\$949,000	\$1,000,000	1558 Acton St
\$1,010,000	Detached	BERKELEY	7/10/2020	8/10/2020	31	Conventional	\$999,000	\$1,010,000	1575 Portland Ave
\$978,000	Condo	BERKELEY	9/23/2020	11/12/2020	50	Conventional	\$829,000	\$978,000	1583 Arch St
\$1,550,000	Detached	BERKELEY	8/21/2020	10/1/2020	40	Conventional	\$1,350,000	\$1,550,000	1590 Campus Dr
\$1,015,000	Detached	BERKELEY	3/6/2020	8/10/2020	157	Conventional	\$1,025,000	\$1,015,000	1604 Belvedere Avenue
\$1,069,000	Detached	BERKELEY	6/12/2020	12/11/2020	182	Conventional	\$1,075,999	\$1,069,000	1605 Tyler St
\$1,415,000	Detached	BERKELEY	11/18/2020	12/30/2020	42	Conventional	\$1,398,000	\$1,415,000	1607 5th St
\$1,445,000	Detached	BERKELEY	9/24/2020	10/29/2020	35	Conventional	\$1,095,000	\$1,445,000	1608 Virginia St
\$1,925,000	Detached	BERKELEY	5/12/2020	6/17/2020	36	Conventional	\$1,895,000	\$1,925,000	1609 Visalia
\$1,275,000	Detached	BERKELEY	5/14/2020	6/19/2020	36	Conventional	\$998,000	\$1,275,000	1611 Beverly Place
\$1,260,000	Detached	BERKELEY	10/13/2020	11/18/2020	35	Conventional	\$1,075,000	\$1,260,000	1611 Curtis St
\$1,144,000	Detached	BERKELEY	8/19/2020	11/10/2020	83	Conventional	\$1,225,000	\$1,144,000	1613 Fifth St
\$1,200,000	Detached	BERKELEY	11/19/2020	1/28/2021	70	Conventional	\$1,299,888	\$1,200,000	1615 62Nd St

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\$880,000	Detached	BERKELEY	10/9/2020	11/18/2020	40	Conventional	\$798,000	\$880,000	1618 Belvedere Ave
\$1,200,000	Detached	BERKELEY	10/6/2020	11/20/2020	45	Conventional	\$899,000	\$1,200,000	1618 Grant St
\$1,425,000	Detached	BERKELEY	5/23/2020	7/7/2020	43	Conventional	\$1,500,000	\$1,425,000	1620 Berkeley Way
\$1,450,000	Detached	BERKELEY	9/16/2020	10/20/2020	34	Conventional	\$1,095,000	\$1,450,000	1620 California St
\$1,149,000	Detached	BERKELEY	5/20/2020	9/16/2020	119	Conventional	\$1,149,000	\$1,149,000	1628 Acton St
\$1,145,000	Detached	BERKELEY	10/28/2020	12/11/2020	44	Conventional	\$925,000	\$1,145,000	1628 Eighth St
\$1,300,000	Detached	BERKELEY	12/9/2020	1/15/2021	39	Conventional	\$975,000	\$1,300,000	1630 Derby St
\$1,780,000	Detached	BERKELEY	3/19/2020	5/6/2020	48	Conventional	\$1,549,000	\$1,780,000	1631 Fairview St
\$1,450,000	Detached	BERKELEY	10/6/2020	11/12/2020	37	Conventional	\$998,000	\$1,450,000	1634 California St
\$1,500,000	Detached	BERKELEY	4/8/2020	6/19/2020	72	Conventional	\$1,595,000	\$1,500,000	1634 McGee Ave
\$980,000	Detached	BERKELEY	1/7/2021	1/22/2021	0	Conventional	\$759,000	\$980,000	1634 Ninth St
\$885,000	Condo	BERKELEY	2/24/2020	2/24/2020	0	Conventional	\$885,000	\$885,000	1635 Scenic Ave
\$2,000,000	Detached	BERKELEY	9/23/2020	11/3/2020	41	Conventional	\$1,799,000	\$2,000,000	1636 7Th St
\$1,536,000	Detached	BERKELEY	1/14/2020	2/20/2020	37	Conventional	\$995,000	\$1,536,000	1636 Chestnut St
\$1,925,000	Detached	BERKELEY	10/17/2020	1/29/2021	104	Conventional	\$1,940,000	\$1,925,000	1638 Grand View Dr
\$950,000	Detached	BERKELEY	7/10/2020	9/22/2020	74	Conventional	\$799,000	\$950,000	1639 Julia St
\$1,136,000	Detached	BERKELEY	10/23/2020	12/14/2020	52	Conventional	\$950,000	\$1,136,000	1653 Ashby Ave
\$1,135,000	Detached	BERKELEY	9/14/2020	11/9/2020	56	Conventional	\$948,000	\$1,135,000	1660 Sacramento St
\$2,250,000	Detached	BERKELEY	1/22/2020	2/27/2020	34	Conventional	\$1,995,000	\$2,250,000	17 Eucalyptus Rd
\$1,950,000	Detached	BERKELEY	10/16/2020	11/23/2020	38	Conventional	\$1,695,000	\$1,950,000	170 Tamalpais Rd
\$1,000,000	Detached	BERKELEY	6/5/2020	7/17/2020	42	Conventional	\$895,000	\$1,000,000	1703 Russell St
\$1,315,000	Detached	BERKELEY	6/25/2020	11/10/2020	138	Conventional	\$1,350,000	\$1,315,000	1703 Sacramento St
\$1,065,000	Detached	BERKELEY	9/30/2020	12/4/2020	66	Conventional	\$850,000	\$1,065,000	1712 Blake St
\$1,007,350	Detached	BERKELEY	6/27/2020	7/27/2020	30	Conventional	\$819,000	\$1,007,350	1715 Sacramento St
\$1,312,500	Detached	BERKELEY	9/23/2020	10/30/2020	37	Conventional	\$975,000	\$1,312,500	1716 Stuart St
\$1,450,000	Detached	BERKELEY	1/29/2020	3/5/2020	33	Conventional	\$998,000	\$1,450,000	1718 Dwight Way
\$1,490,000	Detached	BERKELEY	12/1/2020	1/5/2021	35	Conventional	\$1,095,000	\$1,490,000	1722 San Lorenzo Ave
\$757,500	Condo	BERKELEY	5/1/2020	6/11/2020	42	Conventional	\$757,500	\$757,500	1726 Hearst Ave
\$1,600,000	Detached	BERKELEY	4/25/2020	7/3/2020	39	Conventional	\$1,495,000	\$1,600,000	1729 Milvia St
\$1,300,000	Detached	BERKELEY	10/7/2020	11/20/2020	44	Conventional	\$1,400,000	\$1,300,000	1732 Dwight Way
\$964,000	Detached	BERKELEY	7/22/2020	8/28/2020	35	Conventional	\$799,000	\$964,000	1733 Blake St
\$1,375,000	Detached	BERKELEY	3/20/2020	4/2/2020	13	Conventional	\$1,500,000	\$1,375,000	1733 Capistrano Ave
\$1,010,000	Townhouse	BERKELEY	6/20/2020	8/4/2020	40	Conventional	\$795,000	\$1,010,000	1733 Francisco St
\$1,610,000	Detached	BERKELEY	10/22/2020	11/24/2020	32	Conventional	\$1,295,000	\$1,610,000	1743 Cedar St
\$1,425,000	Detached	BERKELEY	8/6/2020	9/22/2020	47	Conventional	\$1,025,000	\$1,425,000	1744 McGee Ave

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\$607,000	Condo	BERKELEY	1/6/2021	2/17/2021	42	Conventional	\$520,000	\$607,000	1767 Euclid Ave
\$1,427,500	Detached	BERKELEY	11/7/2020	12/17/2020	30	Conventional	\$1,199,000	\$1,427,500	1801 Ward St
\$369,000	Condo	BERKELEY	7/22/2020	10/30/2020	100	Conventional	\$379,000	\$369,000	1804 8th St
\$425,000	Condo	BERKELEY	7/9/2020	10/30/2020	113	Conventional	\$419,000	\$425,000	1808 A 8Th St
\$1,725,000	Detached	BERKELEY	7/22/2020	8/27/2020	35	Conventional	\$1,375,000	\$1,725,000	1811 Berkeley Way
\$1,581,136	Detached	BERKELEY	5/8/2020	8/19/2020	93	Conventional	\$1,595,000	\$1,581,136	1817 Carleton St C
\$1,775,000	Detached	BERKELEY	12/1/2020	1/6/2021	37	Conventional	\$1,298,000	\$1,775,000	1821 San Ramon Avenue
\$2,050,000	Detached	BERKELEY	9/1/2020	10/7/2020	36	Conventional	\$1,875,000	\$2,050,000	1823 Blake St
\$580,000	Condo	BERKELEY	11/19/2020	2/5/2021	77	Conventional	\$549,000	\$580,000	1825 Vine St
\$1,500,000	Detached	BERKELEY	5/13/2020	6/4/2020	24	Conventional	\$1,399,000	\$1,500,000	1829 Bancroft Way
\$1,800,000	Detached	BERKELEY	7/10/2020	8/18/2020	39	Conventional	\$1,680,000	\$1,800,000	1829 Monterey Ave
\$2,548,900	Detached	BERKELEY	8/24/2020	10/6/2020	43	Conventional	\$2,095,000	\$2,548,900	1830 Berkeley Way
\$538,000	Condo	BERKELEY	5/22/2020	9/4/2020	105	Conventional	\$598,000	\$538,000	1835 Spruce St
\$1,625,000	Detached	BERKELEY	11/10/2020	1/28/2021	79	Conventional	\$1,599,000	\$1,625,000	1842 Channing Way
\$201,815	Condo	BERKELEY	10/9/2020	12/11/2020	63	Conventional	\$201,815	\$201,815	1849 Shattuck
\$610,000	Condo	BERKELEY	4/17/2020	7/23/2020	97	Conventional	\$595,000	\$610,000	1849 Shattuck Ave
\$1,510,000	Detached	BERKELEY	9/21/2020	12/3/2020	73	Conventional	\$1,510,000	\$1,510,000	185 Hill Road
\$1,460,000	Detached	BERKELEY	10/16/2020	11/13/2020	28	Conventional	\$1,095,000	\$1,460,000	1851 San Pedro Ave
\$1,245,000	Detached	BERKELEY	8/17/2020	9/18/2020	32	Conventional	\$1,150,000	\$1,245,000	1854 San Ramon Ave
\$1,925,000	Detached	BERKELEY	1/22/2020	3/12/2020	49	Conventional	\$1,949,000	\$1,925,000	1887 Tunnel Rd
\$1,750,000	Detached	BERKELEY	3/2/2020	4/14/2020	43	Conventional	\$1,695,000	\$1,750,000	19 Oakvale Ave
\$1,195,000	Detached	BERKELEY	11/4/2020	12/21/2020	47	Conventional	\$1,195,000	\$1,195,000	1905 Virginia St
\$2,200,000	Detached	BERKELEY	9/30/2020	11/10/2020	42	Conventional	\$1,595,000	\$2,200,000	1910 Los Angeles Ave
\$1,400,000	Detached	BERKELEY	8/20/2020	9/17/2020	28	Conventional	\$1,299,000	\$1,400,000	1911 Ninth Street #C
\$1,375,000	Detached	BERKELEY	1/24/2020	2/19/2020	26	Conventional	\$1,050,000	\$1,375,000	1912 California St
\$1,290,000	Detached	BERKELEY	6/25/2020	7/24/2020	29	Conventional	\$1,095,000	\$1,290,000	1914 Vine St
\$1,350,000	Townhouse	BERKELEY	4/29/2020	6/8/2020	40	Conventional	\$1,325,000	\$1,350,000	1919 Milvia St
\$1,300,000	Detached	BERKELEY	2/19/2020	4/21/2020	61	Conventional	\$1,050,000	\$1,300,000	1925 McGee Ave
\$1,120,000	Detached	BERKELEY	2/12/2020	3/27/2020	43	Conventional	\$899,000	\$1,120,000	1931 McGee Ave
\$1,950,000	Detached	BERKELEY	4/30/2020	7/1/2020	63	Conventional	\$1,795,000	\$1,950,000	1933 Yolo Ave
\$999,999	Detached	BERKELEY	9/23/2020	11/6/2020	44	Conventional	\$979,000	\$999,999	1934 Berryman St
\$1,710,000	Detached	BERKELEY	10/8/2020	11/30/2020	53	Conventional	\$1,599,000	\$1,710,000	1956 El Dorado
\$1,350,000	Detached	BERKELEY	9/26/2020	11/10/2020	46	Conventional	\$1,189,000	\$1,350,000	1962 Hopkins St
\$1,699,000	Detached	BERKELEY	9/4/2020	10/16/2020	42	Conventional	\$1,699,000	\$1,699,000	2011 Parker St
\$1,500,000	Detached	BERKELEY	7/10/2020	9/25/2020	77	Conventional	\$1,275,000	\$1,500,000	2012 9Th St

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\$1,500,000	Detached	BERKELEY	7/10/2020	9/25/2020	77	Conventional	\$1,275,000	\$1,500,000	2012 9th Street
\$1,450,000	Detached	BERKELEY	3/6/2020	4/15/2020	40	Conventional	\$995,000	\$1,450,000	2013 ESSEX St
\$1,285,000	Detached	BERKELEY	9/25/2020	11/19/2020	55	Conventional	\$925,000	\$1,285,000	2014 Acton St
\$380,000	Condo	BERKELEY	1/8/2020	3/4/2020	53	Conventional	\$395,000	\$380,000	2018 9Th St
\$570,000	Condo	BERKELEY	7/23/2020	9/9/2020	48	Conventional	\$545,000	\$570,000	2018 9Th St
\$1,170,000	Detached	BERKELEY	11/24/2020	2/4/2021	72	Conventional	\$998,000	\$1,170,000	2019 Prince St
\$925,000	Detached	BERKELEY	2/22/2020	2/22/2020	0	Conventional	\$925,000	\$925,000	2021 Grant St
\$206,883	Condo	BERKELEY	3/10/2020	7/7/2020	119	Conventional	\$206,883	\$206,883	2029 Channing Way
\$831,000	Condo	BERKELEY	1/22/2020	3/3/2020	40	Conventional	\$789,000	\$831,000	2029 CHANNING WAY
\$1,325,000	Detached	BERKELEY	9/30/2020	11/17/2020	49	Conventional	\$1,325,000	\$1,325,000	2030 6Th St
\$1,942,000	Detached	BERKELEY	10/2/2020	11/13/2020	42	Conventional	\$1,398,000	\$1,942,000	2040 6th Street
\$1,820,000	Detached	BERKELEY	11/18/2020	12/18/2020	30	Conventional	\$1,495,000	\$1,820,000	21 Bonnie Ln
\$1,750,000	Detached	BERKELEY	6/3/2020	7/7/2020	34	Conventional	\$1,465,000	\$1,750,000	21 Menlo Pl
\$1,306,000	Detached	BERKELEY	7/9/2020	7/24/2020	13	Conventional	\$995,000	\$1,306,000	2105 Browning Street
\$975,000	Detached	BERKELEY	10/9/2020	11/12/2020	34	Conventional	\$879,000	\$975,000	2107 Grant St
\$950,000	Condo	BERKELEY	2/3/2020	3/10/2020	33	Conventional	\$799,000	\$950,000	2125 9th Street
\$1,310,000	Detached	BERKELEY	7/23/2020	8/31/2020	39	Conventional	\$1,200,000	\$1,310,000	2125 Oregon St
\$1,640,000	Detached	BERKELEY	12/9/2020	2/8/2021	61	Conventional	\$1,395,000	\$1,640,000	2129-A Ninth St
\$1,500,000	Detached	BERKELEY	12/2/2020	1/25/2021	54	Conventional	\$1,295,000	\$1,500,000	2129-B Ninth
\$990,000	Detached	BERKELEY	12/15/2020	2/10/2021	57	Conventional	\$1,050,000	\$990,000	2131 Channing Way
\$1,300,000	Detached	BERKELEY	6/2/2020	7/2/2020	0	Conventional	\$1,350,000	\$1,300,000	2147 Blake St
\$1,600,000	Detached	BERKELEY	8/27/2020	10/8/2020	41	Conventional	\$1,499,000	\$1,600,000	2200 Marin Ave
\$1,450,000	Detached	BERKELEY	8/26/2020	11/5/2020	40	Conventional	\$1,500,000	\$1,450,000	2201 Eunice St
\$700,000	Condo	BERKELEY	9/4/2020	10/30/2020	56	Conventional	\$699,000	\$700,000	2201 Virginia Street
\$1,210,000	Detached	BERKELEY	3/6/2020	4/15/2020	40	Conventional	\$925,000	\$1,210,000	2205 McGee Ave
\$1,418,000	Detached	BERKELEY	9/4/2020	12/18/2020	105	Conventional	\$1,350,000	\$1,418,000	2209 Glen Avenue
\$1,500,000	Detached	BERKELEY	10/16/2020	1/6/2021	143	Conventional	\$1,475,000	\$1,500,000	2211 Ashby Ave
\$2,050,000	Detached	BERKELEY	10/22/2020	12/7/2020	45	Conventional	\$1,995,000	\$2,050,000	2216 9th Street
\$1,900,000	Detached	BERKELEY	6/1/2020	7/24/2020	43	Conventional	\$1,699,000	\$1,900,000	2228 Carleton St
\$1,815,000	Detached	BERKELEY	10/22/2020	11/24/2020	33	Conventional	\$1,175,000	\$1,815,000	2231 Roosevelt Ave
\$2,287,500	Detached	BERKELEY	1/22/2020	3/25/2020	62	Conventional	\$2,195,000	\$2,287,500	2240 Virginia St
\$1,110,000	Detached	BERKELEY	10/23/2020	12/8/2020	46	Conventional	\$850,000	\$1,110,000	2284 Bonar St
\$1,288,800	Detached	BERKELEY	8/27/2020	9/21/2020	25	Conventional	\$995,000	\$1,288,800	2309 Derby St
\$1,300,000	Detached	BERKELEY	2/12/2020	4/24/2020	38	Conventional	\$895,000	\$1,300,000	2310 Blake St
\$1,715,000	Detached	BERKELEY	9/9/2020	10/13/2020	40	Conventional	\$1,275,000	\$1,715,000	2310 Spaulding Ave

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\$1,039,500	Detached	BERKELEY	8/13/2020	9/10/2020	28	Conventional	\$799,000	\$1,039,500	2315 Acton Street
\$1,050,000	Detached	BERKELEY	7/6/2020	8/13/2020	38	Conventional	\$895,000	\$1,050,000	2318 Acton St
\$875,000	Detached	BERKELEY	6/10/2020	7/22/2020	42	Conventional	\$799,000	\$875,000	2322 McGee Ave
\$1,340,000	Detached	BERKELEY	6/2/2020	7/9/2020	37	Conventional	\$895,000	\$1,340,000	2324 California St
\$700,000	Condo	BERKELEY	11/12/2020	12/18/2020	36	Conventional	\$625,000	\$700,000	2325 Webster St
\$638,000	Condo	BERKELEY	2/4/2020	3/5/2020	29	Conventional	\$585,000	\$638,000	2327 10Th St
\$869,000	Condo	BERKELEY	5/27/2020	7/1/2020	35	Conventional	\$685,000	\$869,000	2333 10th Street
\$2,000,000	Detached	BERKELEY	5/29/2020	8/12/2020	75	Conventional	\$1,899,000	\$2,000,000	2334 Corona Ct
\$1,130,000	Detached	BERKELEY	8/17/2020	9/25/2020	39	Conventional	\$895,000	\$1,130,000	2337 Mckinley Ave
\$1,600,000	Detached	BERKELEY	9/17/2020	10/21/2020	34	Conventional	\$1,195,000	\$1,600,000	2341 Roosevelt Avenue
\$1,725,000	Detached	BERKELEY	9/25/2020	10/30/2020	35	Conventional	\$1,695,000	\$1,725,000	2357 Le Conte Ave
\$1,085,000	Detached	BERKELEY	4/1/2020	5/8/2020	38	Conventional	\$999,888	\$1,085,000	2360 WEST STREET
\$997,000	Detached	BERKELEY	7/6/2020	8/20/2020	45	Conventional	\$799,000	\$997,000	2410 Prince St
\$1,360,000	Detached	BERKELEY	2/5/2020	3/17/2020	38	Conventional	\$1,100,000	\$1,360,000	2412 Woolsey
\$1,350,000	Detached	BERKELEY	10/2/2020	11/20/2020	49	Conventional	\$1,195,000	\$1,350,000	2413A 5th St.
\$1,080,000	Detached	BERKELEY	2/19/2020	3/25/2020	34	Conventional	\$875,000	\$1,080,000	2424 Edwards St
\$960,000	Detached	BERKELEY	12/11/2020	1/29/2021	49	Conventional	\$949,000	\$960,000	2425 7Th St
\$1,015,000	Detached	BERKELEY	9/3/2020	10/6/2020	23	Conventional	\$925,000	\$1,015,000	2427 Browning St
\$930,000	Loft	BERKELEY	3/26/2020	5/11/2020	46	Conventional	\$930,000	\$930,000	2430 5Th St
\$1,330,000	Detached	BERKELEY	4/24/2020	5/29/2020	35	Conventional	\$998,000	\$1,330,000	2437 Roosevelt Avenue
\$1,030,000	Detached	BERKELEY	7/27/2020	8/28/2020	32	Conventional	\$795,000	\$1,030,000	2444 Acton St
\$1,400,000	Detached	BERKELEY	9/11/2020	10/9/2020	28	Conventional	\$1,095,000	\$1,400,000	2445 Edwards
\$1,200,000	Detached	BERKELEY	8/28/2020	10/8/2020	41	Conventional	\$995,000	\$1,200,000	2448 Acton St
\$1,575,000	Detached	BERKELEY	10/8/2020	11/30/2020	51	Conventional	\$1,295,000	\$1,575,000	2450 West St
\$900,000	Condo	BERKELEY	4/22/2020	5/29/2020	37	Conventional	\$895,000	\$900,000	2461 Hilgard Ave
\$1,650,000	Detached	BERKELEY	3/11/2020	4/17/2020	37	Conventional	\$1,250,000	\$1,650,000	2473 Prince St
\$762,000	Condo	BERKELEY	4/15/2020	5/14/2020	29	Conventional	\$750,000	\$762,000	2476 Martin Luther King Jr Way
\$1,675,000	Detached	BERKELEY	9/4/2020	10/15/2020	31	Conventional	\$1,425,000	\$1,675,000	2497 Valley St
\$1,250,000	Detached	BERKELEY	9/9/2020	10/26/2020	47	Conventional	\$1,099,000	\$1,250,000	25 Senior Ave
\$1,500,000	Detached	BERKELEY	3/4/2020	4/16/2020	34	Conventional	\$1,295,000	\$1,500,000	2500 Prince St
\$1,410,000	Detached	BERKELEY	8/18/2020	10/20/2020	63	Conventional	\$849,000	\$1,410,000	2508 Dana St
\$2,100,000	Detached	BERKELEY	2/12/2020	4/14/2020	30	Conventional	\$1,795,000	\$2,100,000	2509 Stuart St
\$765,000	Condo	BERKELEY	2/13/2020	4/1/2020	47	Conventional	\$750,000	\$765,000	2525 Ashby Ave.
\$675,000	Condo	BERKELEY	6/22/2020	7/17/2020	25	Conventional	\$629,000	\$675,000	2527 College Ave
\$910,000	Detached	BERKELEY	9/10/2020	10/23/2020	43	Conventional	\$789,000	\$910,000	2540 California St

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\$1,025,000	Detached	BERKELEY	1/22/2020	2/25/2020	34	Conventional	\$795,000	\$1,025,000	2543 Chilton Way
\$295,000	Condo	BERKELEY	3/16/2020	8/26/2020	163	Conventional	\$295,000	\$295,000	2550 Dana St
\$1,350,000	Detached	BERKELEY	4/1/2020	6/10/2020	70	Conventional	\$1,350,000	\$1,350,000	2582 Marin Ave
\$740,000	Condo	BERKELEY	8/7/2020	9/11/2020	35	Conventional	\$675,000	\$740,000	2587 Piedmont Ave
\$2,250,000	Detached	BERKELEY	9/25/2020	2/10/2021	138	Conventional	\$2,350,000	\$2,250,000	260 Gravatt Drive
\$3,100,000	Detached	BERKELEY	7/16/2020	10/7/2020	83	Conventional	\$3,199,000	\$3,100,000	2601 Derby St
\$1,055,000	Detached	BERKELEY	1/22/2020	2/24/2020	33	Conventional	\$879,000	\$1,055,000	2609 Mathews Street
\$1,305,000	Detached	BERKELEY	10/12/2020	11/18/2020	37	Conventional	\$849,000	\$1,305,000	2614 Acton St
\$1,243,000	Detached	BERKELEY	8/13/2020	9/18/2020	36	Conventional	\$1,195,000	\$1,243,000	2614 Benvenue Ave
\$1,305,000	Detached	BERKELEY	6/12/2020	8/31/2020	80	Conventional	\$1,195,000	\$1,305,000	2625 Grant St
\$775,000	Condo	BERKELEY	11/19/2020	1/22/2021	64	Conventional	\$789,000	\$775,000	2628 Telegraph Ave
\$1,460,000	Detached	BERKELEY	9/9/2020	10/23/2020	44	Conventional	\$1,125,000	\$1,460,000	2629 Mabel St
\$660,000	Condo	BERKELEY	5/26/2020	6/26/2020	31	Conventional	\$645,000	\$660,000	2638 Russell
\$720,000	Condo	BERKELEY	5/29/2020	7/7/2020	39	Conventional	\$655,000	\$720,000	2638 Russell St
\$550,000	Condo	BERKELEY	11/18/2020	1/15/2021	58	Conventional	\$558,000	\$550,000	2641 Webster St
\$655,000	Condo	BERKELEY	8/28/2020	10/30/2020	63	Conventional	\$589,000	\$655,000	2649 San Pablo Ave
\$1,693,000	Detached	BERKELEY	5/20/2020	7/17/2020	58	Conventional	\$1,689,000	\$1,693,000	268 Gravatt Dr
\$1,015,000	Condo	BERKELEY	10/1/2020	12/8/2020	68	Conventional	\$1,015,000	\$1,015,000	2700 8Th St
\$745,000	Condo	BERKELEY	1/7/2021	2/9/2021	33	Conventional	\$675,000	\$745,000	2700 Le Conte Ave
\$1,671,000	Detached	BERKELEY	2/19/2020	4/2/2020	40	Conventional	\$1,249,000	\$1,671,000	2711 Shasta Rd
\$800,000	Condo	BERKELEY	12/18/2020	2/2/2021	46	Conventional	\$695,000	\$800,000	2711 Virginia Street
\$1,130,000	Detached	BERKELEY	10/16/2020	12/2/2020	47	Conventional	\$895,000	\$1,130,000	2720 Acton St
\$555,000	Condo	BERKELEY	9/9/2020	1/22/2021	135	Conventional	\$575,000	\$555,000	2725 Prince St
\$455,000	Detached	BERKELEY	2/13/2020	2/27/2020	14	Conventional	\$399,000	\$455,000	2727 San Pablo Ave
\$2,020,606	Detached	BERKELEY	8/24/2020	10/6/2020	43	Conventional	\$1,499,000	\$2,020,606	2731 Hillegass Ave
\$2,050,000	Detached	BERKELEY	10/1/2020	10/26/2020	25	Conventional	\$1,895,000	\$2,050,000	2740 Prince St
\$2,860,000	Detached	BERKELEY	9/25/2020	11/3/2020	39	Conventional	\$2,595,000	\$2,860,000	2741 Webster St
\$1,165,000	Detached	BERKELEY	5/1/2020	5/27/2020	26	Conventional	\$879,000	\$1,165,000	2742 Wallace St
\$890,000	Condo	BERKELEY	5/19/2020	11/25/2020	190	Conventional	\$899,000	\$890,000	2747 San Pablo Ave
\$620,000	Condo	BERKELEY	6/2/2020	8/26/2020	85	Conventional	\$649,000	\$620,000	2747 San Pablo Ave
\$555,000	Condo	BERKELEY	3/6/2020	6/24/2020	110	Conventional	\$569,000	\$555,000	2747 San Pablo Ave
\$650,000	Condo	BERKELEY	8/1/2020	10/22/2020	82	Conventional	\$659,000	\$650,000	2747 San Pablo Ave
\$660,000	Condo	BERKELEY	3/13/2020	7/15/2020	124	Conventional	\$679,000	\$660,000	2747 San Pablo Ave
\$859,000	Condo	BERKELEY	2/16/2020	5/19/2020	92	Conventional	\$859,000	\$859,000	2747 San Pablo Ave
\$909,000	Condo	BERKELEY	7/31/2020	10/22/2020	54	Conventional	\$939,000	\$909,000	2747 San Pablo Ave

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\$679,000	Condo	BERKELEY	3/1/2020	6/2/2020	101	Conventional	\$679,000	\$679,000	2747 San Pablo Ave
\$603,400	Condo	BERKELEY	2/16/2020	5/29/2020	102	Conventional	\$599,000	\$603,400	2747 San Pablo Ave
\$970,000	Detached	BERKELEY	4/22/2020	6/9/2020	48	Conventional	\$848,000	\$970,000	2759 Wallace St
\$1,625,000	Detached	BERKELEY	6/18/2020	7/21/2020	33	Conventional	\$1,650,000	\$1,625,000	2774 Shasta Rd
\$800,000	Detached	BERKELEY	12/1/2020	1/29/2021	58	Conventional	\$799,000	\$800,000	2795 San Pablo Ave
\$1,050,000	Detached	BERKELEY	7/6/2020	8/7/2020	32	Conventional	\$1,050,000	\$1,050,000	28 Hopkins Ct
\$855,000	Condo	BERKELEY	9/16/2020	1/7/2021	113	Conventional	\$855,000	\$855,000	2804 Hillegass Ave
\$1,225,000	Detached	BERKELEY	3/15/2020	5/5/2020	46	Conventional	\$999,900	\$1,225,000	2809 California St
\$2,056,000	Detached	BERKELEY	8/3/2020	9/11/2020	39	Conventional	\$1,695,000	\$2,056,000	2810 Fulton St
\$767,000	Condo	BERKELEY	7/11/2020	9/28/2020	79	Conventional	\$699,000	\$767,000	2814 Hillegass Ave
\$1,033,500	Detached	BERKELEY	3/6/2020	4/14/2020	39	Conventional	\$899,000	\$1,033,500	2832 Milvia St
\$1,780,000	Detached	BERKELEY	12/3/2020	1/8/2021	36	Conventional	\$1,295,000	\$1,780,000	2835 Ashby Ave
\$658,000	Condo	BERKELEY	6/28/2020	7/28/2020	30	Conventional	\$650,000	\$658,000	2842 Woolsey St
\$1,530,000	Detached	BERKELEY	7/3/2020	8/10/2020	38	Conventional	\$1,249,000	\$1,530,000	2845 Buena Vista Way
\$2,015,000	Detached	BERKELEY	10/24/2020	2/12/2021	111	Conventional	\$2,185,000	\$2,015,000	2848 Derby St
\$2,545,000	Detached	BERKELEY	7/14/2020	10/28/2020	106	Conventional	\$2,545,000	\$2,545,000	285 The Uplands
\$2,925,000	Detached	BERKELEY	9/9/2020	10/5/2020	26	Conventional	\$2,699,000	\$2,925,000	2905 Garber St
\$2,300,000	Detached	BERKELEY	1/22/2020	2/27/2020	32	Conventional	\$1,895,000	\$2,300,000	2917 Avalon Ave
\$800,000	Detached	BERKELEY	6/6/2020	7/27/2020	41	Conventional	\$725,000	\$800,000	2921 Acton St
\$3,000,000	Detached	BERKELEY	10/8/2020	1/29/2021	103	Conventional	\$2,950,000	\$3,000,000	2927 Garber Street
\$2,405,000	Detached	BERKELEY	9/9/2020	10/13/2020	34	Conventional	\$1,995,000	\$2,405,000	2928 Derby St
\$2,600,000	Detached	BERKELEY	5/8/2020	8/7/2020	81	Conventional	\$2,695,000	\$2,600,000	2931 PIEDMONT AVENUE
\$830,000	Detached	BERKELEY	9/13/2020	12/4/2020	113	Conventional	\$894,000	\$830,000	2935 Acton Street
\$1,610,000	Detached	BERKELEY	6/7/2020	7/16/2020	39	Conventional	\$1,250,000	\$1,610,000	2936 Ellsworth St
\$4,100,000	Detached	BERKELEY	10/15/2020	12/3/2020	49	Conventional	\$3,830,000	\$4,100,000	2946 Avalon Ave
\$2,925,000	Detached	BERKELEY	7/28/2020	9/8/2020	11	Conventional	\$2,695,000	\$2,925,000	2946 Russell St
\$2,555,000	Detached	BERKELEY	10/30/2020	12/10/2020	41	Conventional	\$1,950,000	\$2,555,000	2950 Russell St
\$2,050,000	Detached	BERKELEY	3/11/2020	5/22/2020	72	Conventional	\$1,999,000	\$2,050,000	2951 Ashby Ave
\$2,160,000	Detached	BERKELEY	9/18/2020	11/10/2020	53	Conventional	\$1,800,000	\$2,160,000	30 Alvarado Pl
\$2,250,000	Detached	BERKELEY	7/15/2020	8/25/2020	36	Conventional	\$1,850,000	\$2,250,000	30 El Camino Real
\$1,000,000	Detached	BERKELEY	5/14/2020	6/19/2020	36	Conventional	\$949,000	\$1,000,000	3008 Dohr Street
\$1,597,000	Detached	BERKELEY	4/8/2020	8/20/2020	134	Conventional	\$1,595,000	\$1,597,000	3025 Claremont Ave
\$1,950,000	Detached	BERKELEY	8/28/2020	10/21/2020	54	Conventional	\$1,695,000	\$1,950,000	3026 Deakin St
\$2,450,000	Detached	BERKELEY	6/24/2020	7/24/2020	30	Conventional	\$1,995,000	\$2,450,000	3026 Hillegass Ave
\$1,300,000	Detached	BERKELEY	6/12/2020	7/31/2020	49	Conventional	\$1,299,000	\$1,300,000	3026 Martin Luther King Jr Way

Price	Building Type	City	List Date	Closing Date	List date to Closing Date	How Sold	List Price	Sold Price	Address
\$1,650,000	Detached	BERKELEY	1/15/2020	2/25/2020	41	Conventional	\$1,250,000	\$1,650,000	3034 Acton Street
\$1,805,000	Detached	BERKELEY	5/20/2020	7/13/2020	54	Conventional	\$1,749,000	\$1,805,000	3036 College Ave
\$926,000	Condo	BERKELEY	10/21/2020	11/23/2020	33	Conventional	\$789,000	\$926,000	3040 College Ave
\$1,200,000	Condo	BERKELEY	9/8/2020	11/10/2020	63	Conventional	\$1,200,000	\$1,200,000	3046 Telegraph Ave
\$1,125,000	Detached	BERKELEY	10/9/2020	11/13/2020	35	Conventional	\$979,000	\$1,125,000	3108 King St
\$560,000	Condo	BERKELEY	9/8/2020	12/7/2020	90	Conventional	\$575,000	\$560,000	3113 Shattuck Ave
\$702,500	Condo	BERKELEY	6/5/2020	7/16/2020	41	Conventional	\$685,000	\$702,500	3117 College Ave
\$920,000	Detached	BERKELEY	2/4/2020	6/25/2020	141	Conventional	\$999,888	\$920,000	3140 Sacramento St
\$830,000	Condo	BERKELEY	9/23/2020	11/4/2020	42	Conventional	\$775,000	\$830,000	3154 College Ave
\$1,475,000	Detached	BERKELEY	11/11/2020	1/26/2021	76	Conventional	\$1,098,000	\$1,475,000	3336 King St
\$985,000	Detached	BERKELEY	7/25/2020	8/28/2020	34	Conventional	\$949,000	\$985,000	3409 California St
\$1,225,000	Detached	BERKELEY	9/16/2020	12/17/2020	92	Conventional	\$1,250,000	\$1,225,000	350 Panoramic Way
\$1,350,000	Detached	BERKELEY	10/5/2020	12/1/2020	57	Conventional	\$969,000	\$1,350,000	3541 Dwight Way
\$2,600,000	Detached	BERKELEY	9/24/2020	11/4/2020	41	Conventional	\$2,795,000	\$2,600,000	40 Brookside Avenue
\$1,800,000	Detached	BERKELEY	10/31/2020	12/8/2020	38	Conventional	\$1,695,000	\$1,800,000	42 Somerset Place
\$1,400,000	Detached	BERKELEY	10/23/2020	12/7/2020	45	Conventional	\$1,100,000	\$1,400,000	43 Slater Ln
\$1,175,000	Detached	BERKELEY	5/29/2020	8/12/2020	75	Conventional	\$1,175,000	\$1,175,000	433 Michigan Ave
\$2,225,000	Detached	BERKELEY	8/5/2020	9/10/2020	36	Conventional	\$1,995,000	\$2,225,000	45 Alvarado Rd
\$1,400,000	Detached	BERKELEY	6/1/2020	7/1/2020	0	Conventional	\$1,300,000	\$1,400,000	480 Cragmont Ave
\$1,535,000	Detached	BERKELEY	8/5/2020	9/21/2020	47	Conventional	\$1,249,000	\$1,535,000	484 Cragmont Ave
\$1,605,000	Detached	BERKELEY	1/13/2020	3/19/2020	65	Conventional	\$1,495,000	\$1,605,000	488 Spruce St
\$1,750,000	Detached	BERKELEY	1/31/2020	3/17/2020	46	Conventional	\$1,375,000	\$1,750,000	5 Maybeck Twin Dr
\$1,225,000	Detached	BERKELEY	4/18/2020	5/22/2020	34	Conventional	\$1,450,000	\$1,225,000	50 ALTA ROAD
\$2,575,000	Detached	BERKELEY	5/29/2020	8/6/2020	68	Conventional	\$2,590,000	\$2,575,000	51 Vicente Rd
\$1,750,000	Detached	BERKELEY	7/30/2020	12/30/2020	153	Conventional	\$1,795,000	\$1,750,000	514 Grizzly Peak Blvd
\$2,500,000	Detached	BERKELEY	11/20/2020	12/18/2020	28	Conventional	\$1,875,000	\$2,500,000	515 Boynton Ave
\$1,610,000	Detached	BERKELEY	8/27/2020	10/2/2020	36	Conventional	\$1,425,000	\$1,610,000	52 The Crescent
\$2,225,000	Detached	BERKELEY	9/12/2020	10/20/2020	38	Conventional	\$2,195,000	\$2,225,000	520 Cragmont Ave
\$1,456,000	Detached	BERKELEY	10/8/2020	11/16/2020	39	Conventional	\$1,050,000	\$1,456,000	57 Evergreen Ln
\$1,700,000	Detached	BERKELEY	8/3/2020	9/9/2020	37	Conventional	\$1,695,000	\$1,700,000	57 Tunnel
\$1,250,000	Detached	BERKELEY	3/12/2020	4/10/2020	29	Conventional	\$1,125,000	\$1,250,000	587 Arlington Ave
\$2,050,000	Detached	BERKELEY	11/6/2020	12/14/2020	38	Conventional	\$1,995,000	\$2,050,000	590 Cragmont Ave
\$1,493,600	Detached	BERKELEY	9/1/2020	10/20/2020	50	Conventional	\$1,295,000	\$1,493,600	596 Grizzly Peak Blvd
\$2,595,000	Detached	BERKELEY	5/4/2020	9/25/2020	144	Conventional	\$2,595,000	\$2,595,000	6 Nogales St
\$2,340,000	Detached	BERKELEY	7/23/2020	8/25/2020	33	Conventional	\$1,900,000	\$2,340,000	6 Vallejo St

Price	Building Type	City	List Date	Closing Date	List date to Closing Date	How Sold	List Price	Sold Price	Address
\$1,526,000	Detached	BERKELEY	4/28/2020	5/29/2020	31	Conventional	\$1,175,000	\$1,526,000	614 Grizzly Peak Blvd
\$2,025,000	Detached	BERKELEY	9/3/2020	9/29/2020	26	Conventional	\$1,795,000	\$2,025,000	621 San Luis Rd
\$1,923,000	Detached	BERKELEY	10/14/2020	11/20/2020	35	Conventional	\$1,798,000	\$1,923,000	633 San Luis Road
\$3,200,000	Detached	BERKELEY	5/12/2020	7/24/2020	73	Conventional	\$3,450,000	\$3,200,000	636 Wildcat Canyon Rd
\$1,300,000	Detached	BERKELEY	7/7/2020	8/12/2020	36	Conventional	\$1,065,000	\$1,300,000	644 Vicente Ave
\$1,430,000	Detached	BERKELEY	5/8/2020	6/12/2020	35	Conventional	\$1,395,000	\$1,430,000	646 Vicente Ave
\$2,200,000	Detached	BERKELEY	7/1/2020	8/6/2020	37	Conventional	\$2,100,000	\$2,200,000	65 Arden Rd
\$950,000	Detached	BERKELEY	6/6/2020	7/30/2020	54	Conventional	\$995,000	\$950,000	656 Woodmont Ave
\$2,050,000	Detached	BERKELEY	10/14/2020	12/3/2020	50	Conventional	\$1,995,000	\$2,050,000	671 Spruce St
\$1,650,000	Detached	BERKELEY	7/22/2020	9/8/2020	48	Conventional	\$1,625,000	\$1,650,000	672 Cragmont Ave
\$1,650,000	Detached	BERKELEY	8/28/2020	10/6/2020	39	Conventional	\$1,595,000	\$1,650,000	6722 Charing Cross Road
\$1,100,000	Detached	BERKELEY	4/22/2020	6/10/2020	49	Conventional	\$850,000	\$1,100,000	6801 Sherwick Dr
\$1,500,000	Detached	BERKELEY	7/29/2020	10/5/2020	68	Conventional	\$1,395,000	\$1,500,000	6865 Bristol Dr
\$1,929,000	Detached	BERKELEY	10/1/2020	1/11/2021	102	Conventional	\$1,929,000	\$1,929,000	6874 Buckingham Blvd
\$1,500,000	Detached	BERKELEY	11/6/2019	8/28/2020	295	Conventional	\$1,549,000	\$1,500,000	6880 Buckingham Blvd
\$2,400,000	Detached	BERKELEY	7/21/2020	8/21/2020	31	Conventional	\$2,195,000	\$2,400,000	690 Euclid Ave
\$2,250,000	Detached	BERKELEY	4/3/2020	7/14/2020	102	Conventional	\$2,350,000	\$2,250,000	6907 NORFOLK ROAD
\$1,147,500	Detached	BERKELEY	3/4/2020	4/7/2020	34	Conventional	\$1,175,000	\$1,147,500	6911 Norfolk Rd
\$1,309,000	Detached	BERKELEY	9/3/2020	11/18/2020	66	Conventional	\$1,049,000	\$1,309,000	6920 Bristol Dr
\$1,451,000	Detached	BERKELEY	8/20/2020	10/1/2020	42	Conventional	\$995,000	\$1,451,000	6937 Bristol Drive
\$1,350,000	Detached	BERKELEY	2/3/2020	6/12/2020	129	Conventional	\$1,400,000	\$1,350,000	6939 Charing Cross Rd
\$1,395,000	Detached	BERKELEY	12/23/2020	1/22/2021	0	Conventional	\$1,395,000	\$1,395,000	6940 CHARING CROSS ROAD
\$1,600,000	Detached	BERKELEY	7/17/2020	8/27/2020	41	Conventional	\$1,395,000	\$1,600,000	6963 Buckingham Blvd
\$1,685,000	Detached	BERKELEY	7/28/2020	8/31/2020	34	Conventional	\$1,345,000	\$1,685,000	6967 Buckingham Blvd
\$1,395,000	Detached	BERKELEY	4/15/2020	5/22/2020	37	Conventional	\$1,350,000	\$1,395,000	697 Arlington Ave
\$1,800,000	Detached	BERKELEY	8/28/2020	9/30/2020	33	Conventional	\$1,790,000	\$1,800,000	6976 Buckingham Blvd
\$2,900,000	Detached	BERKELEY	3/13/2020	5/28/2020	76	Conventional	\$2,995,000	\$2,900,000	710 Spruce St
\$1,850,000	Detached	BERKELEY	5/5/2020	6/12/2020	38	Conventional	\$1,795,000	\$1,850,000	7133 Norfolk Road
\$2,705,000	Detached	BERKELEY	6/5/2020	7/9/2020	26	Conventional	\$2,350,000	\$2,705,000	715 The Alameda
\$1,145,000	Detached	BERKELEY	10/19/2020	12/15/2020	57	Conventional	\$1,145,000	\$1,145,000	7157 Buckingham Blvd
\$1,750,000	Detached	BERKELEY	8/7/2020	12/4/2020	119	Conventional	\$1,788,000	\$1,750,000	7287 Claremont Avenue #2628
\$1,405,000	Detached	BERKELEY	9/2/2020	10/14/2020	32	Conventional	\$1,295,000	\$1,405,000	737 Spruce St
\$2,000,000	Detached	BERKELEY	9/17/2020	9/21/2020	4	Conventional	\$1,995,000	\$2,000,000	742 Cragmont Ave
\$1,050,000	Detached	BERKELEY	1/8/2020	2/19/2020	42	Conventional	\$850,000	\$1,050,000	75 Whitaker Ave
\$1,500,000	Detached	BERKELEY	4/6/2020	5/12/2020	36	Conventional	\$1,550,000	\$1,500,000	76 Codornices Rd

Price	Building Type	City	List Date	Closing Date	List date to Closing Date	How Sold	List Price	Sold Price	Address
\$950,000	Condo	BERKELEY	5/14/2020	6/26/2020	44	Conventional	\$850,000	\$950,000	77 Panoramic Way
\$1,250,000	Detached	BERKELEY	6/3/2020	7/7/2020	34	Conventional	\$1,250,000	\$1,250,000	770 Grizzly Peak Boulevard
\$1,810,000	Detached	BERKELEY	3/9/2020	6/24/2020	107	Conventional	\$1,750,000	\$1,810,000	771 San Diego Rd
\$1,250,000	Detached	BERKELEY	4/30/2020	6/5/2020	37	Conventional	\$995,000	\$1,250,000	778 Peralta
\$1,175,000	Detached	BERKELEY	4/15/2020	6/22/2020	68	Conventional	\$1,225,000	\$1,175,000	779 Spruce St
\$1,241,237	Detached	BERKELEY	1/21/2020	2/25/2020	35	Conventional	\$995,000	\$1,241,237	780 Creston Rd
\$650,000	Condo	BERKELEY	11/18/2020	12/18/2020	30	Conventional	\$585,000	\$650,000	807 Delaware Street
\$1,410,000	Detached	BERKELEY	7/28/2020	9/11/2020	45	Conventional	\$1,249,000	\$1,410,000	809 Cragmont Ave
\$1,600,000	Detached	BERKELEY	9/14/2020	11/13/2020	60	Conventional	\$1,650,000	\$1,600,000	811 Channing Way
\$2,260,000	Detached	BERKELEY	5/20/2020	6/19/2020	30	Conventional	\$2,400,000	\$2,260,000	815 San Luis Rd
\$1,200,000	Detached	BERKELEY	5/4/2020	7/10/2020	67	Conventional	\$1,195,000	\$1,200,000	821 Indian Rock Ave.
\$1,720,000	Detached	BERKELEY	4/16/2020	5/12/2020	26	Conventional	\$1,659,000	\$1,720,000	829 Regal Road
\$960,000	Detached	BERKELEY	9/4/2020	10/16/2020	42	Conventional	\$988,000	\$960,000	833 Keeler Ave
\$1,055,000	Detached	BERKELEY	6/10/2020	7/14/2020	34	Conventional	\$825,000	\$1,055,000	842 Page St
\$1,230,000	Detached	BERKELEY	6/4/2020	7/7/2020	34	Conventional	\$995,000	\$1,230,000	844 Page St
\$620,000	Condo	BERKELEY	5/8/2020	5/8/2020	0	Conventional	\$620,000	\$620,000	845 Dwight Crescent
\$2,155,000	Detached	BERKELEY	9/30/2020	11/23/2020	54	Conventional	\$1,590,000	\$2,155,000	889 Creston Rd
\$1,700,000	Detached	BERKELEY	6/19/2020	9/2/2020	75	Conventional	\$1,750,000	\$1,700,000	89 San Mateo Rd
\$2,008,000	Detached	BERKELEY	9/17/2020	10/30/2020	43	Conventional	\$1,595,000	\$2,008,000	9 Greenwood Common
\$1,825,000	Detached	BERKELEY	10/17/2020	11/25/2020	39	Conventional	\$1,649,000	\$1,825,000	9 Maybeck Twin Drive
\$1,250,000	Detached	BERKELEY	4/7/2020	5/8/2020	31	Conventional	\$1,250,000	\$1,250,000	900 Keeler Ave
\$905,000	Detached	BERKELEY	10/20/2020	12/14/2020	56	Conventional	\$875,000	\$905,000	906 Bataan Ave
\$2,715,000	Detached	BERKELEY	6/25/2020	7/22/2020	27	Conventional	\$2,695,000	\$2,715,000	906 Indian Rock Ave
\$1,625,000	Detached	BERKELEY	7/27/2020	7/27/2020	0	Conventional	\$1,625,000	\$1,625,000	912 Cedar St.
\$1,155,000	Detached	BERKELEY	3/11/2020	4/8/2020	23	Conventional	\$1,059,000	\$1,155,000	913 Allston Way
\$1,495,000	Detached	BERKELEY	6/1/2020	7/17/2020	46	Conventional	\$1,495,000	\$1,495,000	914 Cedar St.
\$1,450,000	Detached	BERKELEY	3/20/2020	4/22/2020	33	Conventional	\$1,400,000	\$1,450,000	923 Euclid Ave
\$380,000	Condo	BERKELEY	11/1/2019	4/20/2020	180	Conventional	\$385,000	\$380,000	933 Addison St
\$1,900,000	Detached	BERKELEY	6/26/2020	8/7/2020	42	Conventional	\$1,800,000	\$1,900,000	954 Grizzly Peak Blvd
\$1,500,000	Detached	BERKELEY	3/2/2020	4/7/2020	36	Conventional	\$1,295,000	\$1,500,000	954 Keeler Ave
\$1,450,000	Detached	BERKELEY	5/21/2020	5/21/2020	0	Conventional	\$1,400,000	\$1,450,000	955 Creston Rd
\$2,100,000	Detached	BERKELEY	9/3/2020	9/30/2020	27	Conventional	\$1,795,000	\$2,100,000	956 Spruce St
\$1,286,000	Detached	BERKELEY	10/8/2020	11/18/2020	31	Conventional	\$1,395,000	\$1,286,000	962 Cragmont Ave
\$1,500,000	Detached	BERKELEY	11/5/2020	12/30/2020	55	Conventional	\$995,000	\$1,500,000	963 Shattuck Ave
\$1,040,000	Detached	BERKELEY	7/31/2020	9/15/2020	47	Conventional	\$899,000	\$1,040,000	970 Page Street

Price	Building Type	City	List Date	Closing Date	List date to Closing Date	How Sold	List Price	Sold Price	Address
\$850,000	Detached	BERKELEY	5/27/2020	7/6/2020	40	Conventional	\$749,000	\$850,000	977 Keeler Ave
\$1,350,000	Detached	BERKELEY	3/4/2020	5/8/2020	65	Conventional	\$1,395,000	\$1,350,000	99 Codornices Rd
\$711,000	Detached	BERKELEY	1/17/2020	4/9/2020	82	FHA	\$649,000	\$711,000	1034 Dwight Way
\$876,000	Detached	BERKELEY	7/26/2020	8/19/2020	0	FHA	\$799,000	\$876,000	1165 Virginia Street
\$2,100,000	Detached	BERKELEY	10/24/2020	12/15/2020	51	Other	\$1,970,000	\$2,100,000	1040 E AMITO Drive
\$760,776	Detached	BERKELEY	10/28/2020	11/13/2020	16	Other	\$599,950	\$760,776	1417 Northside Ave
\$2,800,000	Detached	BERKELEY	1/6/2020	3/27/2020	80	Other	\$2,830,000	\$2,800,000	1538 Grand View
\$4,875,000	Detached	BERKELEY	9/21/2016	10/20/2020	1489	Other	\$5,995,000	\$4,875,000	1960 San Antonio Avenue
\$1,479,000	Detached	BERKELEY	7/26/2019	3/3/2020	220	Other	\$1,495,000	\$1,479,000	1985 Tunnel Rd
\$736,000	Detached	BERKELEY	12/5/2019	5/29/2020	20	Other	\$700,000	\$736,000	2329 Acton Street
\$915,000	Detached	BERKELEY	8/31/2020	10/15/2020	46	Other	\$948,000	\$915,000	430 Arlington Ave
\$1,166,000	Detached	BERKELEY	7/22/2020	8/14/2020	23	Private	\$1,095,000	\$1,166,000	2310 Haste St
\$1,425,000	Detached	BERKELEY	9/10/2020	12/31/2020	112	VA	\$1,349,000	\$1,425,000	1098 Keith Ave
\$950,000	Detached	BERKELEY	12/16/2020	2/11/2021	57	VA	\$950,000	\$950,000	1516 Alcatraz Ave
\$379,000	Condo	BERKELEY	7/22/2020	11/4/2020	105	VA	\$379,000	\$379,000	1806 8th St
\$649,000	Condo	BERKELEY	7/22/2020	10/7/2020	77		\$649,000	\$649,000	2747 San Pablo Avenue
					52				

Building Type	Cumulative DOMLS	Days On Market	Days On MLS	How Sold	List Date	Pending Date	Closing Date	Days listed to close	List Price	Sold Price	Tot # of Units	Address	
2HOUSES-1LOT	46	46	46	Cash	10/23/2020	12/8/2020	12/31/2020	69	\$1,549,000	\$1,414,662		1823 Fairview St	44
2HOUSES-1LOT	11	11	11	Cash	12/10/2020	12/21/2020	2/9/2021	61	\$1,495,000	\$1,750,000		2730 10Th St	
2HOUSES-1LOT	14	14	14	Conventional	7/3/2020	7/21/2020	8/26/2020	54	\$1,375,000	\$1,500,000		1135 Delaware St	
2HOUSES-1LOT	62	62	62	Conventional	4/6/2020	6/7/2020	7/9/2020	94	\$1,895,000	\$1,830,000		1157 Oxford Street	
2HOUSES-1LOT	21	21	21	Conventional	11/4/2020	11/25/2020	12/21/2020	47	\$1,195,000	\$1,195,000		1905 Virginia St	
2HOUSES-1LOT	69	41	41	Conventional	9/22/2020	11/2/2020	12/3/2020	72	\$1,420,000	\$1,420,000		2133 Spaulding Ave	
2HOUSES-1LOT	44	6	44	Conventional	12/4/2020	12/16/2020	12/24/2020	20	\$1,600,000	\$1,600,000		2610 Russell St	
2HOUSES-1LOT	18	18	18	Conventional	1/17/2020	2/4/2020	2/25/2020	39	\$1,250,000	\$1,650,000		3036 Acton St	
2HOUSES-1LOT	37	37	37	Other	11/13/2019	12/20/2019	3/27/2020	75	\$599,000	\$500,000		1120 ADDISON Street	
5 plus	27	27	27	Cash	6/30/2020	7/27/2020	8/14/2020	45	\$2,050,000	\$1,950,000		7 1327 Hopkins	
5 Plus	8	8	8	Cash	10/15/2020	10/23/2020	12/4/2020	50	\$799,000	\$878,475		6 1357 Hopkins St	
5 plus	189	189	189	Cash	9/13/2019	3/20/2020	3/26/2020	194	\$1,500,000	\$1,025,000	96	5 1616 Prince St	
5 plus	27	27	27	Cash	8/12/2020	9/8/2020	9/25/2020	44	\$1,795,000	\$1,700,000		7 2021 Vine St	
5 plus	15	15	15	Cash	1/22/2020	2/6/2020	3/24/2020	61	\$2,100,000	\$2,200,000		8 2421 Webster Street	
5 plus	21	21	21	Conventional	9/13/2019	10/4/2019	2/26/2020	166	\$5,850,000	\$5,667,500		11 1444 Walnut St	
5 plus	53	53	53	Conventional	3/2/2020	4/24/2020	6/19/2020	109	\$1,950,000	\$1,750,000		6 1522 Prince St	
5 plus	81	81	81	Conventional	11/9/2019	1/29/2020	3/20/2020	141	\$4,849,000	\$4,750,000		15 2339 Hilgard	
5 plus	26	26	26	Conventional	3/5/2020	3/31/2020	7/15/2020	132	\$4,950,000	\$4,600,000		12 3110 College Avenue	
5 plus	57	57	57	Conventional	6/18/2020	8/14/2020	8/31/2020	74	\$1,650,000	\$1,640,000		6 3205 California St	
5 plus	21	20	21	Private	1/8/2021	1/28/2021	2/11/2021	34	\$1,599,000	\$2,005,000		6 2511 Virginia Street	
DUPLEX	56	56	56	Cash	4/20/2020	7/15/2020	9/4/2020	137	\$1,100,000	\$965,000		1333 Santa Fe Ave	
DUPLEX	11	11	11	Cash	8/19/2020	8/30/2020	9/9/2020	21	\$1,385,000	\$1,600,000		1633 62nd Street	
DUPLEX	28	17	28	Cash	9/18/2020	10/5/2020	11/5/2020	48	\$950,000	\$1,030,000		1725 Berkeley Way	
DUPLEX	10	10	10	Cash	8/10/2020	8/20/2020	9/4/2020	25	\$1,295,000	\$1,312,500		2332 Virginia St	
DUPLEX	13	13	13	Cash	2/5/2020	2/18/2020	3/2/2020	25	\$1,315,000	\$1,776,000		2433 Browning St	
DUPLEX	19	19	19	Cash	6/4/2020	6/23/2020	7/10/2020	36	\$1,499,000	\$1,513,637		2610 College Ave	
DUPLEX	10	9	10	Cash	7/30/2020	8/8/2020	8/14/2020	15	\$800,000	\$1,350,000		2809 Fulton	
DUPLEX	31	30	31	Cash	12/12/2020	1/11/2021	2/8/2021	58	\$1,800,000	\$1,650,000		2027 Delaware St	
DUPLEX	13	13	13	Conventional	2/12/2020	2/25/2020	3/17/2020	43	\$850,000	\$1,100,000		1110 Chaucer St	
DUPLEX	60	60	60	Conventional	9/6/2019	6/20/2020	7/17/2020	314	\$2,000,000	\$2,000,000		1150 Arch St	
DUPLEX	13	13	13	Conventional	6/2/2020	6/15/2020	7/24/2020	52	\$1,025,000	\$1,270,000		1303 McGee Ave	
DUPLEX	8	0	8	Conventional	11/13/2020	11/13/2020	12/10/2020	37	\$1,249,000	\$1,249,000		1310 Delaware St	
DUPLEX	12	12	12	Conventional	4/23/2020	5/5/2020	5/18/2020	25	\$999,000	\$1,100,000		1362 Hopkins St	
DUPLEX	15	15	15	Conventional	1/22/2020	2/6/2020	3/5/2020	42	\$1,190,000	\$1,650,000		1468 Stannage Avenue	
DUPLEX	13	13	13	Conventional	6/19/2020	7/8/2020	7/31/2020	42	\$925,000	\$925,000		1505 Berkeley Way	
DUPLEX	21	21	21	Conventional	11/21/2020	12/12/2020	1/12/2021	53	\$1,499,000	\$1,500,000		1536 62nd St	
DUPLEX	8	8	8	Conventional	9/6/2020	9/14/2020	10/7/2020	31	\$998,000	\$1,130,000		1538 Harmon Street	
DUPLEX	12	12	12	Conventional	11/18/2020	11/30/2020	12/30/2020	42	\$1,398,000	\$1,415,000		1607 5Th St	
DUPLEX	6	6	6	Conventional	5/12/2020	5/18/2020	6/17/2020	36	\$1,895,000	\$1,925,000		1609 Visalia	
DUPLEX	3	2	3	Conventional	3/20/2020	3/22/2020	5/6/2020	45	\$1,549,000	\$1,780,000		1631 Fairview St	
DUPLEX	15	15	15	Conventional	1/14/2020	1/29/2020	2/20/2020	37	\$995,000	\$1,536,000		1636 Chestnut St	
DUPLEX	76	42	42	Conventional	7/10/2020	9/2/2020	9/22/2020	74	\$799,000	\$950,000		1639 Julia St	
DUPLEX	14	14	14	Conventional	2/12/2020	2/26/2020	3/20/2020	36	\$895,000	\$1,161,000		1652 Chestnut St	
DUPLEX	108	108	108	Conventional	6/25/2020	10/11/2020	11/10/2020	138	\$1,350,000	\$1,315,000		1701 Sacramento St	64
DUPLEX	93	6	6	Conventional	11/26/2020	12/2/2020	1/6/2021	41	\$1,275,000	\$1,300,000		1702 Fairview St	
DUPLEX	11	11	11	Conventional	6/17/2020	6/28/2020	7/23/2020	36	\$1,075,000	\$1,332,900		1710 Woolsey Street	
DUPLEX	11	8	11	Conventional	10/22/2020	10/30/2020	11/24/2020	32	\$1,295,000	\$1,610,000		1743 Cedar St	
DUPLEX	12	12	12	Conventional	3/11/2020	3/23/2020	5/14/2020	64	\$1,900,000	\$1,900,000		1805 6Th St	
DUPLEX	58	57	58	Conventional	11/9/2019	1/11/2020	3/10/2020	121	\$995,000	\$1,110,000		1901 9Th St	
DUPLEX	187	186	187	Conventional	7/29/2019	1/31/2020	9/16/2020	414	\$1,340,000	\$1,310,000		1930 Stuart Street	
DUPLEX	31	8	31	Conventional	11/28/2020	12/6/2020	1/5/2021	38	\$1,395,000	\$1,588,888		2003 Prince St	
DUPLEX	12	12	12	Conventional	6/25/2020	7/7/2020	8/6/2020	42	\$1,095,000	\$1,400,000		2110 6Th St	
DUPLEX	15	15	15	Conventional	11/18/2020	12/3/2020	1/12/2021	55	\$1,549,500	\$1,750,000		2378 Virginia St	
DUPLEX	0	0	0	Conventional	7/13/2020	7/14/2020	8/13/2020	41	\$1,150,000	\$1,150,000		2406 Curtis St	
DUPLEX	8	8	8	Conventional	10/30/2020	11/7/2020	12/4/2020	35	\$995,000	\$1,225,000		2415 Dowling Place	
DUPLEX	12	12	12	Conventional	10/8/2020	10/20/2020	11/30/2020	53	\$1,050,000	\$1,100,000		2415 Ninth St	

DUPLEX	21	21	21 Conventional	9/24/2020	10/15/2020	11/13/2020	50	\$949,000	\$1,000,000	2520 10Th St
DUPLEX	18	8	18 Conventional	12/14/2020	12/22/2020	1/15/2021	32	\$1,165,000	\$1,380,000	2711 Dana Street
DUPLEX	6	6	6 Conventional	6/7/2020	6/16/2020	7/16/2020	39	\$1,250,000	\$1,610,000	2934-6 Ellsworth St
DUPLEX	19	19	19 Conventional	6/12/2020	7/1/2020	7/30/2020	48	\$1,199,750	\$1,161,508	3006 Martin Luther King Jr Way
DUPLEX	8	8	8 Conventional	6/11/2020	6/19/2020	7/24/2020	43	\$995,000	\$1,100,000	3046 Stanton St
DUPLEX	28	28	28 Conventional	6/3/2020	7/3/2020	8/7/2020	65	\$3,000,000	\$3,100,000	3151 Lewiston Ave
DUPLEX	22	22	22 Conventional	6/9/2020	7/1/2020	7/30/2020	51	\$995,000	\$950,000	656 Woodmont Ave
DUPLEX	16	16	16 Conventional	3/30/2020	4/15/2020	5/13/2020	44	\$1,200,000	\$1,225,000	835 Bancroft Way
DUPLEX	15	15	15 FHA	3/7/2020	3/22/2020	4/24/2020	48	\$799,000	\$810,000	1419 8Th St
DUPLEX	114	114	114 Other	9/26/2019	1/29/2020	3/18/2020	173	\$1,625,000	\$1,400,000	1915 Berryman St
DUPLEX	48	48	48 VA	10/16/2020	12/3/2020	1/5/2021	81	\$1,475,000	\$1,500,000	2211 Ashby Ave
DUPLEX	43	15	43	11/5/2020	11/20/2020	12/23/2020	48	\$849,000	\$1,025,000	1731 Ward Street
FOURPLEX	12	12	12 Cash	7/25/2020	8/6/2020	9/1/2020	38	\$1,095,000	\$1,193,000	1027 Bancroft Way
FOURPLEX	64	63	64 Cash	11/3/2020	1/5/2021	2/5/2021	31	\$1,075,000	\$908,000	2429 San Pablo Avenue
FOURPLEX	72	71	72 Cash	11/3/2020	1/13/2021	2/5/2021	31	\$1,075,000	\$957,000	2433 San Pablo Avenue
FOURPLEX	41	41	41 Cash	6/9/2020	7/20/2020	8/14/2020	66	\$2,295,000	\$2,200,000	2720 College Ave
FOURPLEX	15	15	15 Conventional	3/27/2020	4/11/2020	5/22/2020	56	\$1,095,000	\$1,275,000	1138 Addison St
FOURPLEX	24	21	24 Conventional	8/26/2020	9/16/2020	11/18/2020	84	\$1,499,000	\$1,500,000	1192 Kains Ave
FOURPLEX	19	19	19 Conventional	7/17/2020	8/5/2020	8/31/2020	45	\$1,700,000	\$1,690,000	1245 Berkeley Way
FOURPLEX	7	7	7 Conventional	6/18/2020	6/25/2020	8/31/2020	74	\$1,150,000	\$1,075,000	1422 Milvia St
FOURPLEX	15	15	15 Conventional	7/31/2020	8/19/2020	9/18/2020	49	\$1,995,000	\$1,936,500	1426 Spruce St
FOURPLEX	9	7	9 Conventional	10/15/2020	10/22/2020	11/20/2020	36	\$1,448,000	\$1,800,000	1432 Grant St
FOURPLEX	6	6	6 Conventional	12/7/2020	12/13/2020	2/4/2021	59	\$1,450,000	\$1,600,000	1659 Julia St
FOURPLEX	14	14	14 Conventional	9/1/2020	9/15/2020	10/7/2020	37	\$1,875,000	\$2,050,000	1823-5 Blake St
FOURPLEX	12	12	12 Conventional	12/10/2020	12/22/2020	1/15/2021	36	\$1,650,000	\$1,960,000	2366 Virginia St
FOURPLEX	22	22	22 Conventional	6/26/2020	7/18/2020	9/9/2020	40	\$1,300,000	\$1,200,000	2529 Ellsworth St
FOURPLEX	18	18	18 Conventional	7/17/2020	8/4/2020	8/16/2020	30	\$1,350,000	\$1,350,000	3216 Baker St
TRIPLEX	7	6	7 Cash	11/5/2020	11/11/2020	11/30/2020	25	\$1,350,000	\$1,715,000	1238 Hearst Ave
TRIPLEX	17	17	17 Cash	2/18/2020	3/6/2020	4/3/2020	44	\$499,000	\$975,000	1519 Fairview St
TRIPLEX	20	20	20 Cash	6/11/2020	7/1/2020	9/3/2020	84	\$1,800,000	\$2,500,000	1885 Alcatraz
TRIPLEX	35	35	35 Cash	2/13/2020	3/19/2020	2/8/2021	360	\$1,200,000	\$1,075,000	1920 10th St
TRIPLEX	38	38	38 Cash	9/13/2019	10/21/2019	3/6/2020	164	\$749,000	\$700,000	2238 Russell St
TRIPLEX	20	20	20 Cash	9/18/2020	10/8/2020	10/28/2020	40	\$1,908,108	\$1,908,108	906 Hearst Ave
TRIPLEX	13	12	13 Conventional	1/8/2021	1/20/2021	2/10/2021	33	\$1,099,000	\$1,245,000	1514 Julia Street
TRIPLEX	5	0	5 Conventional	9/23/2020	9/23/2020	11/3/2020	41	\$1,799,000	\$2,000,000	1636 7Th St
TRIPLEX	9	9	9 Conventional	8/10/2020	8/19/2020	9/18/2020	39	\$1,100,000	\$1,452,888	1717 Arch St
TRIPLEX	49	49	49 Conventional	7/9/2020	8/27/2020	10/8/2020	81	\$1,099,000	\$1,375,000	1817 6Th St
TRIPLEX	21	21	21 Conventional	7/22/2020	8/12/2020	10/20/2020	90	\$1,395,000	\$1,360,000	2111 Byron St
TRIPLEX	19	19	19 Conventional	7/3/2020	7/22/2020	9/10/2020	69	\$1,250,000	\$1,212,500	2331 Sacramento St
TRIPLEX	46	46	46 VA	10/15/2020	11/30/2020	1/27/2021	104	\$950,000	\$950,000	1238 Hopkins St

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ATTACHMENT #2

Average Closing Times and Financing

	Average Days Listing to Close						Purchase Mechanism				
	SFR	2 homes/1 lot	Duplex	Triplex	FourPlex	5+ units	Cash	Conventional Mortgage	VA Loan	FHA Loan	Other
Multi-Unit		44	64	79	51	96	26%	67%	2.1%	1.0%	2.1%
Single Family	52						17%	81%	0.5%	0.3%	1.5%

Attachment #3
Berkeley Properties and TOPA Applicability

BERKELEY PROPERTIES AND TOPA APPLICABILITY						
BERKELEY PROPERTY TYPE & NUMBER		# OF PROPERTY TYPE W/ TOPA RIGHTS				
Housing Type	Total Number	% of Total	Previous Investor Applicability Standard: Owner w/3+ rental units	% of Total	Proposed Applicability Standard: All rental properties; exempt owner-occupied SF homes, including those with ADUs	% of Total
SF/Townhouse	17,131	69.25%	323	9.36%	3,906	37.30%
Condo	2,286	9.24%	362	10.49%	1,246	11.90%
Duplex/2 units	1,869	7.56%	247	7.16%	1,869	17.85%
Triplex/Duplex w SF/3 units	725	2.93%	429	12.43%	725	6.92%
Fourplex/Triplex w SF/4 units	683	2.76%	679	19.67%	683	6.52%
2-4 SF homes	681	2.75%	82	2.38%	681	6.50%
2-4 units w/rooming house	44	0.18%	12	0.35%	44	0.42%
5+ homes/SF converted to 5+ units	144	0.58%	144	4.17%	144	1.38%
Multi 5+ units	1,174	4.75%	1,174	34.01%	1,174	11.21%
TOTAL	24,737		3,452		10,472	



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ATTACHMENT 4

DC Apartment buildings and TOPA

As of March 2018, at least 40% of DC's residential units (6.5% of its residential buildings) fell under TOPA; this included 7,510 apartment buildings with 120,619 units. The total number of residential housing units in the city at that time was 297,531 units, 103,250 of which were owner occupied and an unknown number of single-family homes, condominiums and cooperatives that were rented.¹

From 2002-2018, at least 3,500 units were preserved through TOPA.² The city of DC does not have comprehensive TOPA data from before 2002. As of 2019, 4,400 Limited Equity Cooperative (LEC) units existed across 99 buildings; many of these LECs were created through TOPA.³

DC multifamily sales data from 2014-2015 is helpful in understanding the number of TOPA sales that happen every two years.⁴ During that time period, 131 sales of multi-family buildings took place. 32% of these sales (42 buildings) went through the TOPA process. Another 14 sales transacted outside of TOPA but were offered directly to the tenants. Therefore, every two years it is likely that at least 0.6-0.7% of the existing DC rental stock is going through the TOPA process or being purchased by tenants.

More recent data from the DC Department of Housing and Community Development (DHCD) highlights that larger multifamily buildings are the TOPA transactions most often supported with subsidy from DC's Housing Production Trust Fund. DHCD closed funding for 13 TOPA projects of 832 units in FY17 and 9 TOPA projects of 449 units in FY18.⁵ In FY19, DHCD funded acquisitions for 15 TOPA projects, 2 of which were sold to tenants creating an LEC.⁶

¹ *Stock of the District's Housing Stock*. Taylor, Yes Sayin. D.C. Policy Center. March 2018. https://www.dcpolicycenter.org/wp-content/uploads/2018/03/DC-Policy-Center-Housing-Report.final_March25.pdf

² *DC's First Right Purchase Program Helps to Preserve Affordable Housing*. Reed, Jenny. DC Fiscal Policy Institute. September 2013. https://www.dcfpi.org/wp-content/uploads/2013/09/9-24-13-First_Right_Purchase_Paper-Final.pdf

DC Multifamily Market Statistics - Multifamily Sales 2014-2015. Greysteel. 2016. <https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Greysteel-%20D.C.%20Multifamily%20Market%20Statistics.pdf>

Building a Local Housing Preservation Ecosystem. DC Department of Housing and Community Development. November 2018. <http://oakclt.org/wp-content/uploads/2018/12/Oakland-TOPA-Final.pdf>

³ *Final Report*. DC Limited Equity Cooperative Task Force. October 2019.

https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/page_content/attachments/Final%20LEC%20Recommendations_10.21.19.pdf

⁴ *DC Multifamily Market Statistics - Multifamily Sales 2014-2015*. Greysteel. 2016.

<https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Greysteel-%20D.C.%20Multifamily%20Market%20Statistics.pdf>. This data doesn't include single-family or condo sales that went through the TOPA process.

⁵ DC DHCD Performance Oversight Hearing responses to DC Council. February 2019. <https://dccouncil.us/wp-content/uploads/2019/02/dhcd19.pdf>

Criticisms of DC TOPA

Criticism 1: DC TOPA promotes tenant capitalism instead of combating displacement and preserving affordable housing.

Response:

Berkeley's TOPA ordinance is distinguishable from DC TOPA in these three ways:

- 1) Tenants cannot sell their rights.
- 2) Tenants can only assign their rights to Qualified Organizations (QOs) that the city vets. These QOs are affordable housing developers and must meet a list of criteria outlined in the ordinance, such as strict commitments to maintaining the property as affordable, tenant engagement, and other relevant experience.
- 3) All housing purchased through TOPA, whether by tenants or QOs, will have some form of permanent affordability restrictions to ensure affordability for future owners/renters.

Also, despite tenants in DC being able to sell their TOPA rights and receive buyouts from third parties, DC TOPA has still helped preserve thousands of units of housing. Since 2002, at least 3,500 units have been purchased through TOPA, most with public subsidy. The total number of units purchased/preserved through TOPA since its passage in 1980 is obviously much larger, but accurate data was not recorded until 2002. In 2002, DC established its Housing Production Trust Fund, which now has an annual allocation of \$116 million.

Criticism 2: DC TOPA attracts bad actors that hold up owners for money and add time to the sales process. This is why DC got rid of TOPA for Single Family Accommodations (SFAs).

Response:

DC TOPA covered SFAs for 39 years. In 2019, the TOPA law was amended to exempt all SFAs. Unfortunately, a couple of bad actors had convinced several tenants living in owner-occupied Single Family Homes to sell their TOPA rights and then these bad actors held up owners for additional money.

Berkeley's ordinance considered all of this. This is why Berkeley's ordinance does not allow tenants to sell their rights, and therefore prevents bad actors from being able to enter the TOPA process. In addition, Berkeley's TOPA ordinance requires tenants to work with a supportive partner after they have expressed interest in purchasing. Supportive partners will help tenants understand their TOPA rights, how to make corporate decisions, as well as the possible financial costs and support for the transaction.

Finally, Berkeley's housing stock is comprised primarily of small sites and many SFAs, which are not appropriate for most large-scale affordable housing subsidies. TOPA presents a great opportunity to bring these rental properties under permanent affordability and provide much-needed protections to tenants in SFAs who currently have little to no protections. Berkeley's TOPA ordinance also has an exemption for owner-occupied SFAs and owner-occupied SFAs with a secondary dwelling unit if either unit is owner-occupied.

⁶ DC DCHD Performance Oversight Hearing responses to DC Council. February 2020. <https://dccouncil.us/wp-content/uploads/2020/02/dhcd.pdf>

ATTACHMENT #5

Community Outreach on TOPA and Responsive Policy Changes

Community Outreach

The TOPA working group has done extensive community outreach regarding TOPA, to community organizations focused on both tenant and property owner needs. This includes meeting with stakeholder groups across the community (Alameda County Democratic Party (ACDCC), Berkeley Black Ecumenical Ministerial Alliance (BBEMA), Berkeley Citizens' Action (BCA), Berkeley Neighborhoods Council (BNC), District 3 property owners (community meeting), East Bay Housing Organizations, Friends of Adeline, Healthy Black Families, International Warehouse and Longshore Union (ILWU), McGee Spaulding Neighbors in Action, Service Employees International Union (SEIU) 1021, Sierra Club, and Wellstone Democratic Renewal Club). This outreach has resulted in a growing [TOPA endorser list](#). The working group is also having ongoing conversations with Berkeley Property Owners Association (BPOA), and with individual realtors, about the policy.

In addition to these efforts, the TOPA working group has accepted input for several years now and over the past year in particular through the Mayor's Office and public comments. The community outreach undertaken has influenced specific elements of the policy revisions, described below. The Mayor's Office and the TOPA working group also hosted a Community Forum on January 27, 2021, which was attended by over 100 participants ([link to recording](#)).

The following resources were created and promoted to further educate the community around the policy:

- [Frequently Asked Questions \(FAQs\) for tenants](#)
- [FAQs for landlords](#)
- [Overall FAQs](#), which include information on TOPA in Washington, DC
- [TOPA Timeline Overview](#) and [TOPA Timeline FAQs](#)
- [TOPA Racial Equity FAQs](#)
- [TOPA Resources Page](#)

Proposed Revisions from Community Input

The following section describes the significant revisions to the proposed policy since the March 5, 2020 Land Use and Policy Committee meeting.

Removing appraisal provision

The appraisal provision has been removed from the proposed policy. This clause was removed in response to property owner feedback about the complexity and additional time of an appraisal provision.

Added requirement that tenants cannot sell a waiver of their rights

A provision was added to the policy clarifying that tenants cannot sell a waiver of their rights. One key distinction of the proposed Berkeley policy from the Washington D.C. policy has been that tenants are not permitted to sell their TOPA rights under the policy; this latest provision clarifies that tenants cannot sell a *waiver* of their rights either.

Permanent affordability

The previous proposed policy requires permanent affordability (via recorded deed resale restrictions) on all TOPA purchases. The revised proposal removes this permanent affordability (PA) requirement for tenant purchases financed without public subsidies. While TOPA's PA requirements remain unchanged for Qualified Organization purchasers, for tenant-purchased properties PA requirements will now be dictated by the terms of applicable subsidies or limited equity ownership models. This revision responds to feedback from community groups that unfunded PA mandates constrain wealth-building. Public subsidies used to acquire and rehab any purchase typically carry their own enforceable affordability requirements. Enforcement of PA deed restrictions would also be more difficult to enforce on tenant projects without public subsidy. This revision promotes wealth building for tenants able to leverage their own resources and reduces administrative redundancies and burden.

Clarifying process and exemptions

Certain exemptions were clarified in the policy. For example:

- Owner-occupied single family homes, including those with an ADU, where an owner lives in either the single family home or the ADU as their primary residence, are exempted in the policy. The policy was clarified to delineate that the "primary residence" determination will remain mostly consistent with existing Rent Stabilization Ordinance definition. The policy was also clarified to note that this exemption applies to a parcel with one single-family home with one ADU.
- The medical emergency exemption was clarified; this exemption applies when the transferor demonstrates that the sale of the property is necessary to pay for the immediate health care needs of the transferor or their family member. This exemption is limited to small property owners.



Jesse Arreguín, Mayor

MEMORANDUM

Date: 9/30/2021
To: Mayor Jesse Arreguín
From: Marissa Garibay
Regarding: NYC HDFC Co-op Overview

OVERVIEW:

Housing Development Fund Corporation Cooperatives (HDFCs) in New York City are essentially limited equity cooperatives (LECs) organized under the legal structure of HDFCs. The NYC Department of Housing Preservation and Development (HPD) is the regulatory body overseeing the development and authorization of cooperatives while offering financial, technical, and educational assistance through various programs to potential shareholders' in the process of achieving cooperative status. Admission of potential shareholders relies upon specific income requirements and HDFCs are most utilized by POC communities and led by women of color. Successful cooperatives rely heavily on HPD funded programs to assist the building transition to cooperative status, which in turn, relies heavily on city budget allocations upwards of hundreds of thousands of dollars.

BACKGROUND:

1. As a result of redlining, city disinvestment, and landlord abandonment of buildings in the 1970s and 80s, tenant activism and the pursuit of homesteading led to the development of HDFCs.¹
2. HPD, a New York City public entity, regulates limited equity cooperatives (LECs) organized as HDFCs.²
3. HDFCs are affordable housing co-ops legally designated to provide housing to low-income qualifying people in New York City³.
 - a. Each cooperative thus becomes an individual business corporation, in which residents become shareholders of their designated units.⁴

¹ <https://www.uhab.org/about-us/history/>

² <https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

³ Ibid.

⁴ <https://uhab.org/our-work/coop-support/whats-an-hdfc/>

- b. The co-op corporation owns the real estate and no shareholder-member owns real property, only shares of stock (stock = apartment unit), with a proprietary lease that specifies the apartment in which they reside.⁵
 - c. HDFCs are collectively owned and operated by their shareholders and all shareholders own an equal number of shares, this is regardless of apartment size⁶.
4. Corporate governance is by the Board of Directors. Shareholders democratically elect a board every year, and the board selects Co-op officers, with the board working to serve the shareholders needs and make collective decisions about their expenses, energy needs, and roles in the building.⁷
5. All common-area costs, corporate mortgage debt service, and all co-op expenses such as insurance, taxes, professional property management, capital repairs, co-op reserves, heat, and common area electricity are shared.⁸
6. Instead of rent, HDFC shareholders pay a monthly maintenance fee. These fees—collected in the cooperative’s bank account and controlled by a democratically elected board—fund the daily operations of the building.⁹
7. HPD administers several programs that result in the creation of new HDFCs. These programs include the Tenant Interim Lease Program (TIL)¹⁰ and the Affordable Neighborhood Cooperative Program (ANCP)¹¹.
 - a. TIL Program:
 - i. Beginning in 1978, HPD took over the titles of neglected and landlord abandoned buildings, which became City-owned buildings, that are candidates for becoming LECs under the TIL Program.¹²
 - ii. The TIL Program allows for existing tenants of the City-owned buildings an opportunity to become a shareholder of their unit as a cooperative, with rents being restructured to support the conversion of cooperative status and ongoing operating expenses.¹³
 - iii. The TIL Program has an extended timeline and more requirements to fulfill as a tenant is pursuing shareholder status. This includes building management education programs to learn how to successfully manage and operate a cooperative building.¹⁴

⁵ <https://uhab.org/our-work/coop-support/whats-an-hdfc/>

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Robin, Sean. Assistant Commissioner HPD, CRTS. Email to Marissa Garibay. 24 September 2021.

¹¹ Ibid.

¹² <https://furmancenter.org/coredata/directory/entry/tenant-interim-lease-program>

¹³ Ibid.

¹⁴ Robin, Sean. Assistant Commissioner HPD, CRTS. Email to Marissa Garibay. 24 September 2021.

- iv. There is no estimated timeline for achieving cooperative status through TIL program, it can take upwards of years¹⁵ and depends on cooperation of tenants in TIL program and their ability to:
1. Agree to Purchase Cooperative Shares: At least 80 percent of residents must agree to become shareholders and purchase their shares.
 2. Attend Training Classes: If residents choose homeownership, HPD requires at least 80 percent of the tenants must participate in mandatory cooperative management training during the construction period to help prepare them for the responsibilities of homeownership.
 3. Remain Current on Rent Payments: Cooperative sustainability relies heavily on its financial strength. Regular rent payments will lay a solid foundation for the tenant association upon conversion to a cooperative. At least 80 percent of residents must stay current on rent in order to purchase their shares.¹⁶
- v. HPD guides tenants through this process and provides technical and managerial support to the tenant associations.
- vi. HPD's Office of Asset & Property Management currently oversees buildings in the TIL Program and has assigned a TIL building coordinator to each Tenant Association. The building coordinator acts as a property management liaison and is responsible for overseeing Tenant Association activities.¹⁷
- vii. A building becomes an official cooperative depending upon the tenant association's ability to successfully create monthly financial reports, rent collections, and hold annual elections of offices for the tenant association¹⁸
1. The biggest struggles for tenants include executing rent collections, developing skills to manage building maintenance issues, and raising capital to renovate buildings.
- viii. Currently, 89 buildings in the TIL Program are awaiting cooperative status, representing 1,489 units.¹⁹ There are over 10,000 units that have become shares within established cooperatives through this process.²⁰

¹⁵ Sean Robin (HPD), Simone Ross (TIL Program), Ruthie Vishlitzky (HPD). Interview by Marissa Garibay. 20 September 2021.

¹⁶ <https://www1.nyc.gov/site/hpd/services-and-information/tenant-associations.page>

¹⁷ <https://furmancenter.org/coredata/directory/entry/tenant-interim-lease-program>

¹⁸ Robin, Sean. Assistant Commissioner, CRTS HPD. Email to Marissa Garibay. 24 September 2021.

¹⁹ Ibid.

²⁰ <https://furmancenter.org/coredata/directory/entry/tenant-interim-lease-program>

- ix. Articles of Association and By-Laws for TIL Program:
<https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/til-articles-of-association-and-bylaws.pdf>
- b. ANCP:
 - i. Beginning in 2015, ANCP selects qualified developers to rehabilitate distressed city-owned, occupied multi-family properties, managed by the Tenant Interim Lease Program, to create affordable cooperatives for low- and moderate-income households.²¹
 - ii. ANCP provides low-interest loans in the form of a City Capital subsidy of up to \$200,000 per unit, in addition to construction and permanent financing sources provided by, but not limited to, private institutional lenders and New York State Affordable Housing Corporation (AHC) programs.²²
 - iii. All ANCP properties are owned by the City of New York until they are transferred to Restoring Communities HDfC upon the closing of the construction loan and convey title to a newly formed HDfC property upon cooperative conversion.
 - iv. Projects are eligible for Article XI real estate tax²³ exemption for up to 40 years.²⁴
 - v. ANCP Term Sheet:
<https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/ancp-term-sheet.pdf>
- 8. HPD also administers financing programs to aid and facilitate the physical and financial sustainability and affordability for owner-occupied HDfCs that provide low-interest financing for capital improvements or refinancing of existing loans.²⁵
 - a. [Green Housing Preservation Program \(GHPP\)](#) - provides low- or no-interest loans to finance energy efficiency and water conservation improvements, lead remediation, and moderate rehabilitation work.²⁶
 - b. [HUD Multifamily Housing Rehabilitation Loan Program](#)- leverages public resources and private sector financing to rehabilitate, recapitalize and preserve privately-owned HUD-assisted rental housing throughout New York City. The Program's mission is to ensure low-income households remain in affordable

²¹ <https://furmancenter.org/coredata/directory/entry/affordable-neighborhood-cooperative-program>

²² Ibid.

²³ <https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-article-xi.page>

²⁴ <https://furmancenter.org/coredata/directory/entry/affordable-neighborhood-cooperative-program>

²⁵ <https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

²⁶

<https://www1.nyc.gov/site/hpd/services-and-information/green-housing-preservation-program-ghpp.page>

apartments over the long term, to promote financial and physical stability, and to promote revitalized neighborhoods.²⁷

- c. [Participation Loan Program \(PLP\)](#)- provides low-interest loans and/or tax exemptions to multifamily building owners to facilitate the moderate or substantial rehabilitation and affordability of housing for low-to-moderate-income households.²⁸
- d. [HomeFirst Down Payment Assistance Program](#)- provides qualified homebuyers with up to \$100,000 toward the down payment or closing costs on a 1-4 family home, a condominium, or a cooperative in one of the five boroughs of New York City.²⁹

INCOME REQUIREMENTS

1. Article XI requires HDFC coops to provide housing for persons and families of low income.³⁰
2. Some HDFCs refer to Section 576 of the NYS Private Housing Finance Law (NYS PHFL) while others use percentages of area median income (AMI) in determining income qualification.
 - a. 2021 Area Median Income Guidelines:
 - i. Under the NYS Private Housing Finance Law, low income means persons and families whose household income does not exceed 165% of (AMI).
 - ii. 2021 AMI for New York City Region. ³¹ **(See Appendix A)**
 - b. Section 576 of NYS PHFL Income Formula:
 - i. This formula requires that units be made affordable to new shareholders that earn no more than 6 (for a 1-2 person household) or 7 (for a 3+ person household) times the annual maintenance fee plus utility costs, plus six percent (6%) of the current shareholder's (i.e. seller's) original investment.³²
 - ii. Example of Maximum Income Calculations **(See Appendix B & Appendix C)**

²⁷ <https://www1.nyc.gov/site/hpd/services-and-information/hud-multifamily-program.page>

²⁸ <https://www1.nyc.gov/site/hpd/services-and-information/participation-loan-program-plp.page>

²⁹ [https://www1.nyc.gov/site/hpd/services-and-information/homefirst-down-payment-assistance-program.p
age](https://www1.nyc.gov/site/hpd/services-and-information/homefirst-down-payment-assistance-program.page)

³⁰ <https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

³¹ Ibid.

³² Ibid.

LEGISLATION

1. HDFC coops are incorporated under
 - a. New York State Business Corporation Law:
<https://www.nysenate.gov/legislation/laws/BSC/-CH4>
 - b. Article XI of the New York State Private Housing Finance Law (Article XI):
<https://www.nysenate.gov/legislation/laws/PVH/573>

RESALE RESTRICTIONS

1. HDFC coops are different from market rate coops in that a shareholder's ability to gain a profit from selling a unit is limited to ensure the continued affordability of the unit to future low-income purchasers.³³
2. The primary economic benefit of limited-equity co-op ownership comes while residents live in the co-op, not when they leave.³⁴
3. Sales prices should be affordable for a family that fits the income restrictions of a particular building. Prices should be low enough so that purchasing households are not generally spending more than one-third (33%) of their income on housing costs, which include mortgage payments, maintenance payments, and utilities. Coops with Regulatory Agreements may have limits on sales prices.³⁵
4. Almost all HDFC coops limit subletting. In general, short-term subletting with the Board of Directors' permission is acceptable where the shareholder intends to return to the apartment, but long-term sublets are not permissible. All subtenants must meet the income eligibility requirements of the HDFC coop.³⁶
5. Subtenant restrictions are subject to change per HDFC proprietary lease, where family members seeking to live in the unit can either be excluded from or required to participate in official subletting.
6. Sample Proprietary Lease:
 - i. Section 5.03 Restrictions on Shareholder's Use:
 1. The Shareholder shall not occupy or use the Apartment or permit it or any part of it to be occupied or used for any purpose other than as a private residence for the Shareholder, Shareholder's spouse, children, parents, brothers, sisters, grandparents, grandchildren and domestic employees. Occupancy of the Apartment by any other person shall require prior written approval in writing by the HDFC on such conditions as the HDFC may prescribe and in compliance

³³ <https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

with any restrictions against subletting, as set forth within the Regulatory Agreement, if any.³⁷

7. Flip Tax:

- a. The sales of apartments in many HDFC coops are subject to a flip tax. This means that when a shareholder sells their apartment, the sale profits are divided between the selling shareholder and the HDFC. A flip tax is very important for the ongoing successful operation of an HDFC coop.³⁸
- b. The HDFC coop re-invests the flip taxes it collects into capital repairs and other building needs. Using flip taxes to pay for capital repairs and reserves also means that maintenance might not need to be increased as much or as rapidly to pay for such repairs and reserves.³⁹
- c. A shareholder should check the HDFC's governing documents (including Bylaws and Certificate of Incorporation), any agreements binding the HDFC, the proprietary lease from the coop, and the share certificate to determine the amount of the applicable flip tax.⁴⁰
- d. Example of Flip Tax Calculations (**See Appendix D**)

SOCIAL IMPACT

1. HDFCs house a majority of people of color, and are most often run by women of color.⁴¹
2. HDFCs are located primarily in formerly redlined communities of color, showing their roots in the [self-help housing movement](#).⁴² (**See Appendix E**)
3. Redlined neighborhoods like the South Bronx, Central Brooklyn, and Harlem were the main targets of disinvestment, landlord abandonment, and white flight leading up to NYC's fiscal crisis in the 1970s.⁴³ (**See Appendix F**)
4. These neighborhoods are precisely where residents and community leaders supported one another through homesteading or fixing up and eventually securing legal ownership of their buildings. Tenants organized and used sweat equity—the contribution of labor in place of money—to carve opportunity out of crisis.⁴⁴

FISCAL IMPACT

³⁷ <https://www.uhab.org/resource/sample-proprietary-lease/>

³⁸ <https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ <https://www.uhab.org/our-work/coop-support/whats-an-hdfc/>

⁴² Ibid.

⁴³ Ibid.

⁴⁴ Ibid.

1. Because projects developed with HDFC loans must provide housing for low-income residents, the permanent financing is generally State, Federal or Municipal government-aided.⁴⁵
2. HPD Fiscal 2022 Preliminary Capital Commitment Plan (See Appendix G)
 - a. Comprises 594 projects across 120 budget lines totaling \$6 billion in Fiscal 2021-2025, including \$5.8 billion in City funds and \$160 million in federal HOME funds.⁴⁶
 - b. In addition to these funds, HPD leverages City capital resources to generate substantial private equity that does not flow through the City's capital budget as part of the Department's commitment to create and preserve 300,000 units of affordable housing under Housing New York by 2026.⁴⁷
 - c. Under the 2021-2025 Preliminary Capital Commitment Plan, the City will invest in more than 125,000 affordable housing units, including the construction of 50,000 units and the preservation of 75,000 units as part of Housing New York.⁴⁸
 - d. To date, the City has financed 177,971 affordable housing units through various financing programs that facilitate preservation, new construction, supportive housing, and the disposition of in rem⁴⁹ housing stock.⁵⁰
 - i. Major Preservation Programs in Preliminary Capital Commitment Plan⁵¹
 1. Bolded Programs fund HDFCs
 - a. \$772.3 million for the **Participation Loan Program (PLP)**
 - b. \$413 million for the Low Income Housing Tax Credit (LIHTC) Projects- LIHTC Year 15 Preservation Program
 - c. \$286.7 million for the **Affordable Neighborhood Cooperative Program (ANCP)**
 - d. \$120 million for the **HUD Multi-Family program**
 - e. \$189.4 million for the Third Party Transfer Program (TPT)
3. Homeownership Assistance
 - a. As a component of Humanities New York (HNY), HPD also promotes and preserves affordable homeownership through various programs, including down payment assistance for first-time homebuyers, low-interest home repair loans, and financing for the construction of **co-ops** and condos.⁵²

⁴⁵ <https://hcr.ny.gov/housing-development-fund-corporation-hdfc>

⁴⁶ <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/806-HPD.pdf>

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ *In Rem* refers to a lawsuit or other legal action directed towards a property, rather than toward a particular person. <https://bnblegal.com/in-rem/>

⁵⁰ <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/806-HPD.pdf>

⁵¹ Ibid.

⁵² Ibid.

- i. Over the life of the plan, about 43,989 homes have been financed to support and sustain affordable homeownership citywide at a total cost of \$554.2 million in City subsidies.⁵³
- 4. Management and Administration
 - a. As of October 2020, there were 1,012 co-op projects in HPD's portfolio.⁵⁴
 - b. In Fiscal 2020, 27 percent of co-op projects were categorized as exhibiting signs of high-risk physical distress, financial distress, or noncompliance with federal requirements.⁵⁵
 - i. The Department uses these risk metrics to prioritize outreach and intervention efforts in the Asset Management portfolio.⁵⁶ **(See Appendix H)**
 - c. During the first four months of Fiscal 2021, the number of rental buildings in HPD's asset management portfolio increased by 236 buildings compared to the previous year.⁵⁷
 - d. During the first four months of Fiscal 2021, the number of co-op projects in HPD's portfolio remained flat and the percentage of medium/high-risk co-op projects also remained flat at about 7 percent.⁵⁸

PITFALLS

- 1. According to HPD testimony:
 - a. Concerns heard from residents:
 - i. Length of time in TIL/slow pace of ANCP
 - ii. Building Conditions in TIL
 - iii. TIL/ANCP eligibility criteria are too demanding
 - iv. Need improved communication with tenants.⁵⁹
 - b. Concerns from TIL program administration:
 - i. The biggest struggles for tenants:
 - 1. executing rent collections
 - 2. developing skills to manage building maintenance issues
 - 3. raising capital to renovate buildings⁶⁰

⁵³ <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/806-HPD.pdf>

⁵⁴ Ibid.

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Hendrickson, Anne-Marie, Deputy Commissioner for Asset & Program Management New York City Department of Housing Preservation and Development. Oversight Hearing Before the New York City Council on the Tenant Interim Lease Program Committee on Housing & Buildings. April 27, 2017.

⁶⁰ Robin, Sean. Assistant Commissioner, CRTS HPD. Email to Marissa Garibay. 24 September 2021.

2. Reliance on multiple partner programs and private funding to assist potential shareholders in achieving cooperative status and goals.
3. Fiscal Commitment.

APPENDIX**Appendix A**

Family Size	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	90% AMI	100% AMI	110% AMI	120% AMI	130% AMI	165% AMI
1	\$25,080	\$33,440	\$41,800	\$50,160	\$58,520	\$66,880	\$75,240	\$83,600	\$91,960	\$100,320	\$108,680	\$137,940
2	\$28,650	\$38,200	\$47,750	\$57,300	\$66,850	\$76,400	\$85,950	\$95,500	\$105,050	\$114,600	\$124,150	\$157,575
3	\$32,220	\$42,960	\$53,700	\$64,440	\$75,180	\$85,920	\$96,600	\$107,400	\$118,140	\$128,880	\$139,620	\$177,210
4	\$35,790	\$47,720	\$59,650	\$71,580	\$83,510	\$95,440	\$107,370	\$119,300	\$131,230	\$143,160	\$155,090	\$196,845
5	\$38,670	\$51,560	\$64,450	\$77,340	\$90,230	\$103,120	\$116,010	\$128,900	\$141,790	\$154,680	\$167,570	\$212,685
6	\$41,520	\$55,360	\$69,200	\$83,040	\$96,880	\$110,720	\$124,560	\$138,400	\$152,240	\$166,080	\$179,920	\$228,360
7	\$44,400	\$59,200	\$74,000	\$88,800	\$103,600	\$118,400	\$133,200	\$148,000	\$162,800	\$177,600	\$192,400	\$244,200
8	\$47,250	\$63,000	\$78,750	\$94,500	\$110,250	\$126,000	\$141,750	\$157,500	\$173,250	\$189,000	\$204,750	\$259,875

2021 AMI for New York City Region:

<https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

Appendix B

Example #1: 1-bedroom apartment being sold to a 2-person household

Here is an example using the Section 576 formula for determining a new purchaser's maximum income based on the following details:

- **Unit Size:** 1-bedroom apartment
- **Monthly Maintenance:** \$700
- **Annual Maintenance:** \$8,400 (\$700 x 12 months)
- **Annual Utilities:** \$1,164 (\$97 per month x 12)
- **Seller's Purchase Price ("Original Investment"):** \$260,000
- **6% of the Original Investment: \$15,600** (6% of \$260,000)
- **Purchaser's Household Size:** 2
- **Multiplier based on Household Size (required by the Statute):** 6x

Step 1: Add Annual Maintenance and Annual Utilities and multiply by 6							
Annual maintenance fees (\$700 per month)		Annual utilities (\$97 per month)		Total annual housing costs		Multiplier based on household size	Total annual costs multiplied by 6
\$8,400	+	\$1,164	=	\$9,564	x	6	= \$57,384

Step 2: Determine 6% of the Original Investment paid by the Seller			
Original investment (seller's purchase price)		6%	6% of original investment
\$260,000	x	.06	= \$15,600

Step 3: Add the totals from Step 1 and Step 2 to determine the income limit for a new buyer			
Step 1: Total annual housing costs multiplied by 6		Step 2: 6% of original investment	Total Maximum income limit for buyer
\$57,384	+	\$15,600	= \$72,984

For comparison, the 2020 Area Median Income level for a 2-person household earning \$72,984 is 80% AMI.

Example of Maximum Income Calculations

<https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/section-576-examples.pdf>

Appendix C

Example #2: 3-bedroom apartment being sold to a 4-person household

Here is an example using the Section 576 formula for determining a new purchaser's maximum income based on the following details:

- **Unit Size:** 3-bedroom apartment
- **Monthly Maintenance:** \$900
- **Annual Maintenance:** \$10,800 (\$900 x 12 months)
- **Annual Utilities:** \$1,752 (\$146 per month x 12)
- **Seller's Purchase ("Original Investment"):** \$240,000
- **6% of the Original Investment:** \$14,400 (6% x \$240,000)
- **Purchaser's Household) Size:** 4
- **Multiplier based on Household Size (required by the Statute):** 7x

Step 1: Add Annual Maintenance and Annual Utilities and multiply by 7								
Annual maintenance fees (\$900 per month)		Annual utilities (\$146 per month)		Total annual housing costs		Multiplier based on household size		Total annual costs multiplied by 7
\$10,800	+	\$1,752	=	\$12,552	x	7	=	\$87,864

Step 2: Determine 6% of the Original Investment paid by the Seller				
Original Investment (seller's purchase price)		6%		6% of the original investment
\$240,000	x	.06	=	\$14,400

Step 3: Add the totals from Step 1 and Step 2 to determine the income limit for a new buyer				
Step 1: Total annual housing costs multiplied by 7		Step 2: 6% of original investment		Total maximum income limit for buyer
\$87,864	+	\$14,400	=	\$102,264

For comparison, the 2020 Area Median Income level for a 4-person household earning \$102,264 is 90% AMI.

Example of Maximum Income Calculations

<https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/section-576-examples.pdf>

Appendix D

Below are two examples of how to calculate flip taxes:

Example 1 - HDFC with a 70/30 flip tax: where 70% goes to the selling shareholder and 30% to the HDFC

In this example, the flip tax is the same for all sales in the HDFC. The number of years that the shareholder owned unit does not impact the flip tax breakdown.

Shareholder originally purchased the unit for \$60,000

Shareholder is now selling unit to an income-eligible buyer for \$100,000

Total profit from the sale is: $\$100,000 - \$60,000 = \$40,000$

Shareholder's portion of profit is 70% of $\$40,000 = \$28,000$

HDFC's portion of profit is 30% of $\$40,000 = \$12,000$

Example 2: HDFC with a 90/10 flip tax: where 90% goes to the selling shareholder and 10% to the HDFC

In this example, the flip tax is the same for all sales in the HDFC. The number of years that the shareholder owned unit does not impact the flip tax breakdown.

Shareholder originally purchased unit for \$180,000

Shareholder is now selling unit to an income-eligible buyer for \$200,000

Total profit from the sale is: $\$200,000 - \$180,000 = \$20,000$

Shareholder's portion of profit is 90% of $\$20,000 = \$18,000$

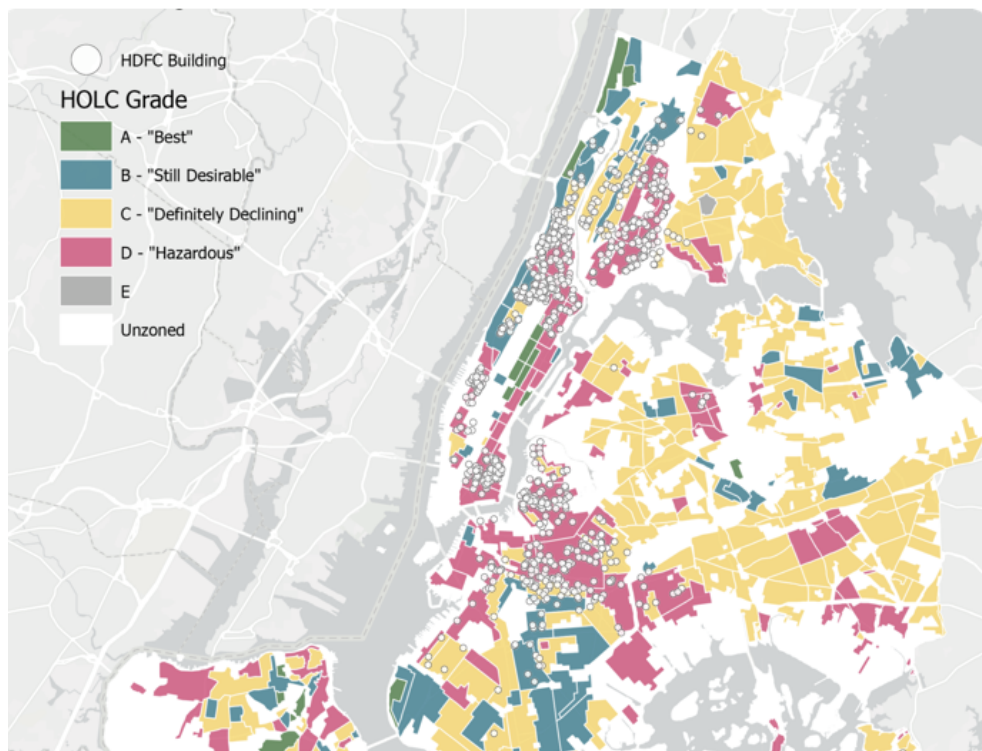
HDFC's portion of profit is 10% of $\$20,000 = \$2,000$

Example of Flip Tax Calculations

The HDFC's governing documents (including Bylaws and Certificate of Incorporation), agreements binding the HDFC, the proprietary lease from the coop, and the share certificate determine the amount of the applicable flip tax

<https://www1.nyc.gov/site/hpd/services-and-information/hdfc.page>

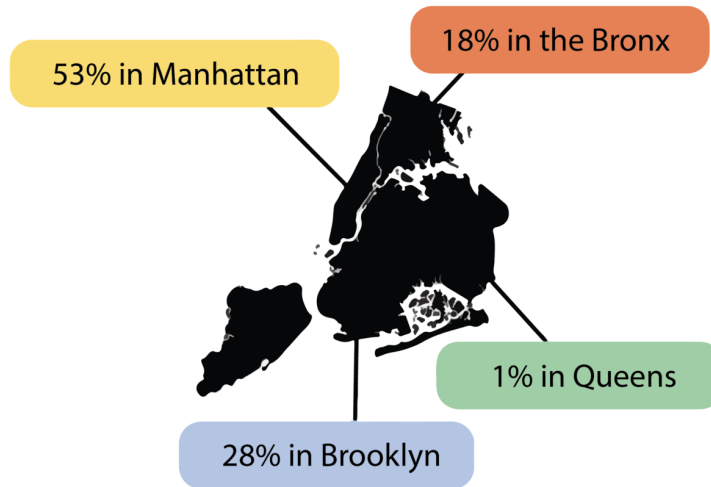
Appendix E



HDFCs are located primarily in formerly redlined communities of color.

<https://www.uhab.org/about-us/impact/>

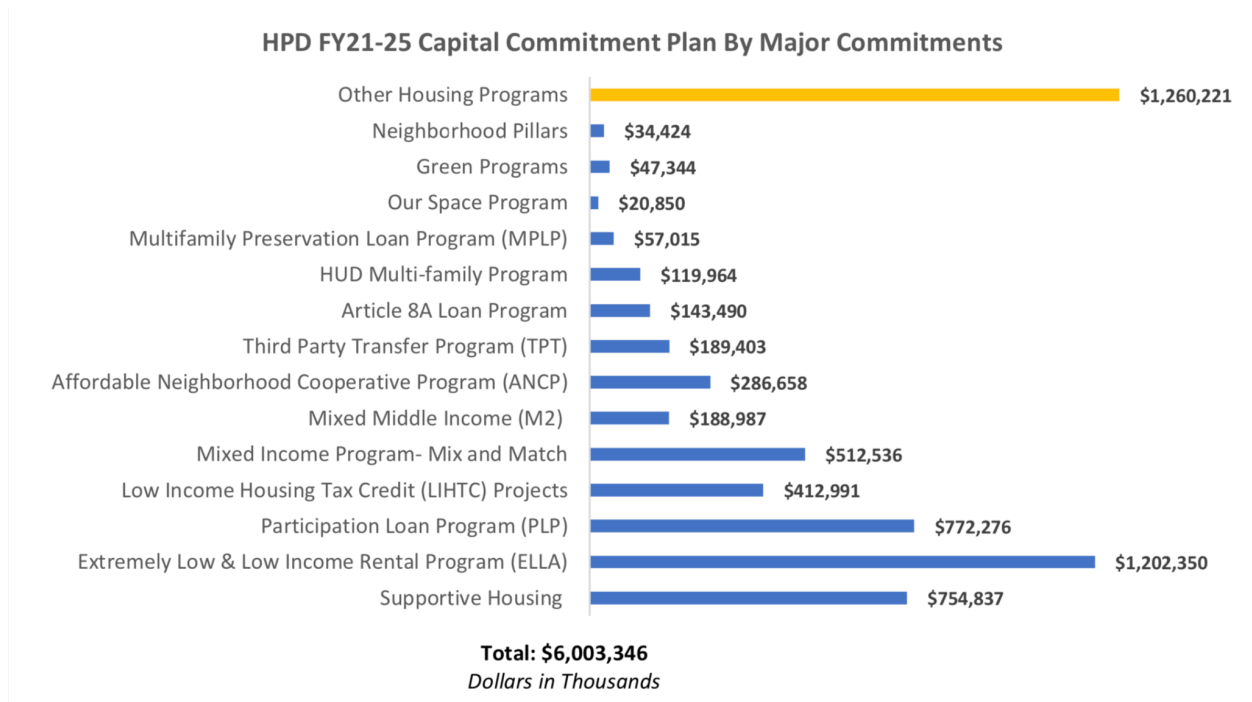
Appendix F



Redlined neighborhoods like the South Bronx, Central Brooklyn, and Harlem were the main targets of disinvestment, landlord abandonment, and white flight leading up to NYC's fiscal crisis in the 1970s. The percentages reflect the current amount of HDFCs within those boroughs.

<https://www.uhab.org/our-work/coop-support/whats-an-hdfc/>

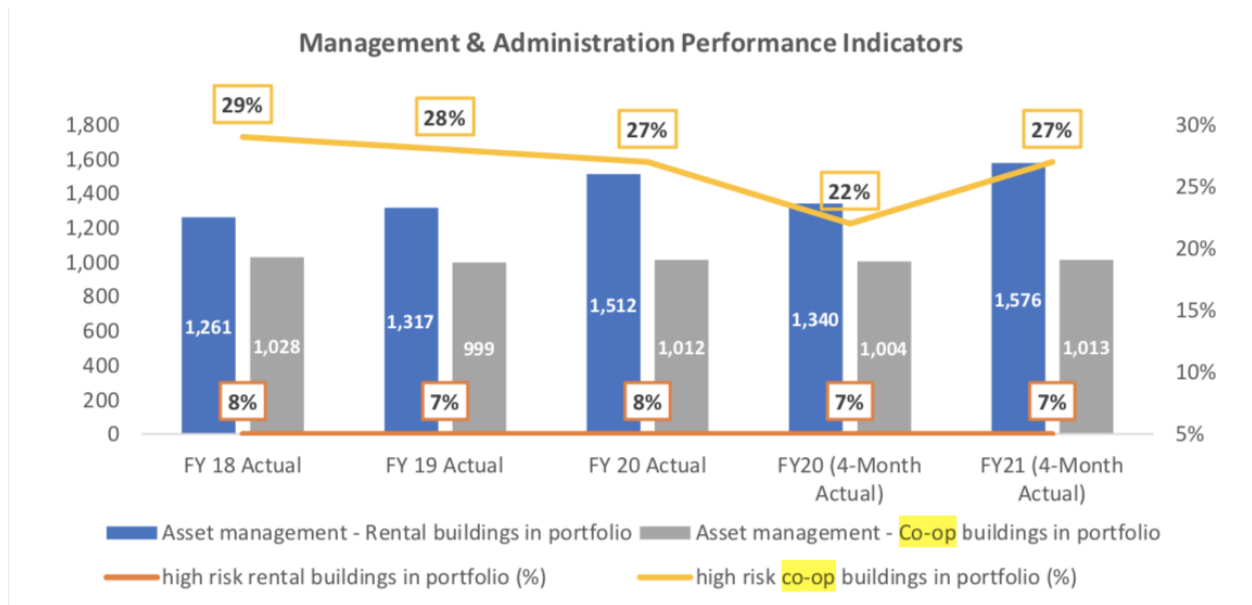
Appendix G



HPD Fiscal 2022 Preliminary Capital Commitment Plan

<https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/806-HPD.pdf>

Appendix H



In Fiscal 2020, 27 percent of co-op projects were categorized as exhibiting signs of high-risk physical distress, financial distress, or noncompliance with federal requirements.

<https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/section-576-examples.pdf>

TOPA - HHCS Staffing Projections
January 2022

Ordinance Staffing – 1.55 FTE/year

Community Development Project Coordinator		
Task	% FTE	Ordinance Reference
Acts as City liaison to professional and civic groups, community organizations and individuals; conveys opinions and suggestions from these groups to management staff	5%	
Administer and coordinate w/ CAO on exemption petitions	2%	13.89.050
Advise Tenants/QO's on applying for City funding	5%	
Advise Tenants/QO's on applying for City funding and coordinate with Small Sites Program staff	5%	13.89.140
Certifying/renewing and contracting with Supportive Partners; City liaison for project coordination	3%	13.89.070
Certifying/renewing Qualified Organizations and maintaining active public list; City liaison for project coordination	3%	13.89.060
Collect and evaluate program metrics to assess program success including racial equity analysis to be reported to City Manager and City Council	5%	
Contract with and coordinate translation services for notices and educational materials	2%	
Coordinate reported violations response with City Attorney	3%	13.89.170
Coordinate transfer tax exemption with Finance if landlord accepts First Offer (partial tax transfer refund)	2%	13.89.110
Develop targeted materials and provide ongoing education for Landlords	5%	13.89.110
Develop targeted materials and provide ongoing education for Tenants	10%	13.89.070
File/post seller notices to tenants and tenant/QO statements of interest	5%	13.89.080
Manage database of TOPA units and coordinate services contract with IT or vendor	10%	Council Report recommendation
Monitor and evaluate Supportive Partner (SP) and Qualified Org (QO) contracts/work product	10%	13.89.070 (SP), 13.89.060 (QO)
Organize education programs, trainings, and meetings	10%	13.89.070
Prepare reports regarding assigned programs/projects; makes presentations to the community, City Council, City Manager and other agencies about the department's plan/programs; coordinates project activities with other City departments	5%	
Process and maintain database of Tenant Organization registrations	2%	13.89.080D
Produce an Annual Report outlining TOPA filings and transactions, including tenant demographic information where possible, as well as information on conversion (eg condo, limited equity housing cooperative, etc.)	5%	13.89.160C
Verify that purchaser recorded any required affordability covenants by close of escrow/File recorded docs in City records	3%	13.89.150
	100%	

TOPA - HHCS Staffing Projections
January 2022

Senior Community Development Project Coordinator	
Task	% FTE
Assists management and personnel in other departments in the planning, conduct and evaluation of programs	3%
Coordinate with CAO on legal issues, violations and/or challenges related to program	3%
Coordinate with Small Site Program staff to assess capacity and pipeline projects	2%
Plan, schedule and coordinate the activities of assigned professional and technical staff on an ongoing basis including contracts, data collection, reports, and education	10%
Prepare and monitor project and program budgets and expenditures; develop timetables and work programs	2%
	20%

Deputy City Attorney II*		
Task	% FTE	Ordinance Reference
Adjudicate policy exemptions, such as definition of principal residence, family in family transfer, and medical hardship waivers	5%	13.89.050
Adjudicate non-compliance with ROFR (verifies bona fide offers when dispute reported)	5%	13.89.100
Landlord/tenant mediation	5%	13.89.170
Legal Analysis of potential violations	5%	13.89.170
Remedies/Civil Action for violations	10%	13.89.170
Support advising of tenants and QOs	5%	
	35%	

*This is strictly related to ordinance implementation and does not reflect any staffing required for legal challenges to the ordinance

Database

The Planning Department estimated a database similar to it's short term rental system would be \$100,000/year.

Small Sites Program - .2 FTE/project

Community Development Project Coordinator Per Project	
Task	% FTE
Application review	2%
Acquisition loan underwriting and contracting	5%
Development/Rehab loan underwriting contracting	5%
Draft and record deed restrictions/covenants	3%
Monitor rent adjustments/limitations	2%
Predevelopment loan underwriting and contracting	3%

TOPA - HHCS Staffing Projections
January 2022

	20%
--	-----

Annual TOPA Cost Projections

Ordinance Staffing					
Pay Periods	Benefits		Indirect Costs		
	26	70%		17%	
Classification	Salary (Step 3)	Annual	Benefits	Indirect Costs	
COM DEVELOPMENT PROJ COOR	\$53.89	\$112,091	\$78,464	\$19,056	
SENIOR COM DEV PRJ CORD	\$62.33	\$129,646	\$90,752	\$22,040	
DEP CITY ATTORNEY II	\$74.84	\$155,667	\$108,967	\$26,463	
Office Space Rental - TBD					

Database
 Consultant Contract for
 Management/Maintenace

SSP Staffing					
Projected SSP Funding	Average Project	FTE Per	QO Capacity	Projected SSP	
		Average Project t	Support/Projec	Funded	Projects
\$ 2,000,000	\$ 1,000,000	0.2	\$ 25,000	2	

Classification	Salary (Step 3)	Annual	Benefits	Indirect Costs	
COM DEVELOPMENT PROJ COOR	\$53.89	\$112,091	\$78,464	\$19,056	
Qualified Org Capacity Support (\$25k/project)					



Total FTE Cost	% FTE	Total
\$209,611	1	\$209,611
\$242,439	0.2	\$48,488
\$291,098	0.35	\$101,884
		<hr/> <hr/>
		\$359,982



\$100,000



Total

Total FTE Cost	Projected Staff Per Total Program	Funding
\$209,611	0.40	\$83,844
		\$50,000
		<hr/> <hr/>
		\$133,844



Office of the Mayor

ACTION CALENDAR

March 10, 2020

To: Honorable Members of the City Council
From: Mayor Jesse Arreguín
Subject: Tenant Opportunity to Purchase Act, Adding BMC Chapter 13.89

RECOMMENDATION

1. Adopt a first reading of an ordinance adding Berkeley Municipal Code Chapter 13.89, the Tenant Opportunity to Purchase Act (TOPA), that will take effect on final adoption with an implementation start upon completion of Administrative Regulations and funding of related program costs; and
2. Direct the City Manager to take all necessary steps to implement this chapter including, but not limited to:
 1. Developing Administrative Regulations;
 2. Preparing an implementation strategy;
 3. Identifying resources to align databases from Finance, Planning, and the Rent Board to accurately reflect the properties that would be subject to TOPA;
 4. Determining necessary staffing for program administration and hearing officers for adjudication;
 5. Timelines for project “roll-out”;
 6. Determining appropriate amount of funding needed to support the acquisition of TOPA properties and recommending possible funding sources;
 7. Quantifying an annual program budget and referring such program costs to the June 2020 Budget process.

SUMMARY

TOPA is a policy that empowers tenants to determine the future of their housing when an Owner is ready to sell, by giving tenants the opportunity to collectively purchase the property they live in. It does this by creating legal rights for tenants to purchase or assign rights to an affordable housing developer, and providing technical assistance, education, and financing to help make these purchases possible. TOPA provides a way to stabilize existing housing for tenants and preserve affordable housing in Berkeley. It

also creates pathways for tenants to become first-time homeowners and facilitates democratic residential ownership. TOPA will apply to all rental properties in Berkeley, subject to a number of exemptions, including owner-occupied Single Family/Owner Occupied properties, including those with an Accessory Dwelling Unit (ADU) or other secondary dwelling unit, that do not have a homeowner exemption registered with the County Tax Assessor.

The first right to purchase is conferred to tenants, and includes a right of first offer, right of first refusal, and a right for tenants to assign rights to a qualified affordable housing organization. If tenants waive their rights, the list of qualified affordable housing organizations have a second opportunity to purchase the property within shorter timelines. Qualified affordable housing organizations must be committed to permanent affordability and democratic residential control. Assigning rights in this manner also benefits the affordable housing developers, especially community land trusts, as the tenant buy-in is often critical to the successful management of the property.

The policy is designed to maintain properties purchased under TOPA as permanently affordable for future generations. Any TOPA property that receives City investment would be deed restricted to ensure that the property remains permanently affordable. TOPA properties that are purchased without City investment would also have a deed restricted upper limit for property appreciation. This would result in the accessibility of those properties to serve tenants around 80% AMI.

Multi-tenant buildings that include a mix of TOPA buyers and tenants who wish to continue renting will be required to ensure tenant protections and the enforcement of tenant's rights. This will prevent any internal displacement caused by the exercising of TOPA rights.

TOPA sales have longer escrow periods in order to provide tenants time to organize, engage technical assistance, form an organization that would qualify for financing, and obtain the necessary financing to close a transaction. In order to incentivize owners to participate in a TOPA sale, since it may potentially take more time, upon close of escrow the City would refund to the seller the City's portion of the Real Property Transfer Tax (.75%) not including the proportional amount attributed to Measure P. Recent transactions, including asking vs. sales price and days on the market were gathered from *Zillow* and provided in Attachment 2.

Moving forward a TOPA policy will require detailed Administrative Regulations and a well-funded infrastructure to administer and enforce the policy. There is also a vital need to provide adequate education, legal and technical assistance to tenants as part of the implementation. Finally, a more robust and vibrant acquisition fund will be required that can work efficiently with the TOPA ordinance. This funding could be accommodated through the Small Sites Program with potential funding coming from

Measure U1 tax receipts, the Housing Trust Fund, and Measure O or through another funding mechanism including grants.

BACKGROUND

Since 2015, Mayor Arreguin and community-based organizations such as the East Bay Community Law Center (EBCLC) and Northern California Land Trust (NCLT) have been researching TOPA's effectiveness as an anti-displacement strategy in Berkeley, to be paired with a robust Small Sites acquisition program.

On February 14, 2017, Mayor Arreguin introduced a Council item entitled "*Small Sites Acquisition Program and Tenant Opportunity to Purchase Act*"¹ which among other provisions, referred to the City Manager to:

Review and develop an ordinance modeled after Washington D.C.'s Tenant Opportunity to Purchase Act that offers existing tenants the first right of refusal when property owners place rental property on the sale market, which can be transferred to a qualifying affordable housing provider.

On May 30 and November 28, 2017, the Berkeley City Council adopted the "*Affordable Housing Action Plan*"² which included a referral to staff to develop a Tenant Opportunity to Purchase Ordinance (TOPA) modeled after a Washington DC law that was enacted in 1980. On June 11, 2019, City staff returned to Council with an Information item³ that outlined its research and discussed the administration and implementation requirements. This item was referred to the Agenda & Rules Committee for scheduling at a future Council meeting. On September 24, 2019, the information item was included on the Consent Calendar with an action of "received and filed".

Since the last date of Council action, the Mayor's Office has been working to develop a TOPA ordinance, which has been drafted by the East Bay Community Law Center (EBCLC), with a diverse group of stakeholders including EBCLC, the Northern California Community Land Trust (NCLT), Bay Area Community Land Trust (BACL), tenant advocates, legal professionals that specialize in tenant rights, experts familiar with the Washington DC policy and its implementation history, and City of Berkeley staff from the City Attorney's Office, Planning Department, HHCS, Finance and the Rent Board.

Additionally, in September 2019, City Planning staff and the East Bay Community Law Center applied for a grant from the San Francisco Foundation as part of the Partnership

¹ https://www.cityofberkeley.info/.../2017-02-14_Item_18b_Small_Sites_Acquisition.aspx

² https://www.cityofberkeley.info/.../2017-11-14_Item_26_Implementation_Plan_for_Affordable_Housing.aspx

³ https://www.cityofberkeley.info/.../2019-06-11_Item_50_Referral_Response_Tenant_Opportunity_to_Purchase.aspx

for the Bay's Future initiative. The Grant purpose was to be used for technical assistance to jurisdictions for projects focused on protection and preservation of affordable housing that result in measurable benefits for tenants. Staff applied for the grant in response to the Berkeley City Council directive, in part, to develop a TOPA policy as part of the City's Housing Action Plan (HAP), adopted in 2017.

On February 4, 2020 the San Francisco Foundation officially announced the awards, one being the City of Berkeley and the East Bay Community Law Center, for the purposes of developing a Tenant Opportunity to Purchase ordinance and a Local Housing Preference Policy.⁴

CURRENT SITUATION AND ITS EFFECTS

Housing Affordability and Regional Impacts

At the end of 1998, just before State-mandated vacancy decontrol took effect, the average rent in Berkeley's 20,000 apartments built before 1980 was \$720 a month. Twenty years later the average rent for these same units is \$1,956. If rents had risen only by the rate of inflation, they would average \$1,150 a month. In the last five years alone, rents have increased by 50 percent. Similarly, in 2000 the median home price in Berkeley was \$380,000, rising to \$704,000 in 2013 and by 2019 it had reached \$1,300,000.⁵

Rents in Berkeley and the greater Bay Area continue to rise, with low vacancy rates.⁶ Future trends are indicating additional loss of naturally occurring affordable housing, according to the County of Alameda Regional Analysis of Impediments to Fair Housing Choice (IFHC). As an example: for decades, a 13-unit complex on Solano Ave. housed a mix of residents — including, teachers, business owners and a 96-year-old woman. The property is rent-controlled and subject to Berkeley's eviction protections, but the owners invoked the Ellis Act that permits full-building evictions if the property is removed from the rental market altogether (the owners intend to convert the building to a "tenancy-in-common" and sell the units at market rates).⁷

Anecdotal research, received from local real estate brokers over the past two months, indicate a desire to increase returns on investment as well as concerns about buyers moving away from the multi-unit property market.⁸ Due to rent control, tenant protections and eviction laws some owners are looking to sell multi-unit properties, however existing tenant rents impact the sales price. Some of the methods being utilized to raise rents, and therefore increase the property value for sale, include paying

⁴ <https://sff.org/partnership-for-the-bays-future-marks-one-year-anniversary/>

⁵ [Housing for a Diverse, Equitable and Creative Berkeley, July 16, 2019](#)

⁶ <https://www.huduser.gov/portal/publications/pdf/OaklandCA-comp-17.pdf>

⁷ <https://www.berkeleyside.com/2019/12/10/theyve-been-evicted-from-a-north-berkeley-building-now-they-want-to-buy-it-with-help-from-a-land-trust>

⁸ <https://www.fool.com/millionaires/real-estate-market/articles/8-real-estate-market-predictions-2020/>

tenants to move out of the building, evictions for cause (when a case can be made), owner-move-in evictions, and Condo/Tenants-in-Common conversions.

Economic Factors

As the Bay Area region experiences increased economic growth and a high demand for housing, this growth is causing housing prices to rise that then displaces low-income residents. As seen throughout the IFHC report, low-income residents tend to also be minority residents. Therefore, continued growth of the region could lead to more displacement of minority residents and increased segregation unless certain actions are taken to encourage economic and racial/ethnic integration and access to stable affordable units in a range of sizes. Contributing factors affecting disproportionate housing needs include:

- Lack of private investments in specific neighborhoods
- The availability of affordable units in a range of sizes
- Displacement of residents due to economic pressures
- Limited supply of affordable housing within neighborhoods
- Lack of economic support for low income home ownership

The National Low-Income Housing Coalition (NLIHC) *2018 Out of Reach Study* listed the Bay Area region as one of the least affordable areas in the United States. To be able to afford a two-bedroom market rate unit in Alameda County, a household would need to earn \$44.79 per hour or \$93,163 annually (“housing wage”). Comparatively, the average housing wage for California is \$32.68 per hour or \$67,974 annually.

Regional Policy 6, as recommended by the IFHC, is to:

Increase homeownership among low- and moderate-income households by allocating funds for homeownership programs that support low- and moderate-income households. This would include down payment assistance, first time home buyer programs, Mortgage Credit Certificate, below market rate (BMR) homeownership programs and financial literacy and homebuyer education classes. There is also a requirement to promote the programs and any other existing programs through marketing efforts.⁹

National Research on Ownership

While today’s economy is strong and job growth high, there is a growing gap between rates of economic growth and the levels of income. Wages can be growing but not at the same rate as the economy. Many low to middle income people do not have enough money to cover the basic needs due to rising costs – especially in housing. These lower

⁹ <http://www.acgov.org/cda/hcd/documents/Draft-AI-Combined2019-10-24.pdf>

earnings lead to fewer assets and less wealth. For most Americans the greatest source of their wealth is their home, but home ownership is considerably lower than in past decades. Among African Americans, home ownership has decreased to a 60-year low.¹⁰

Providing ownership options for tenants is a mechanism to sustain affordability. According to the *Urban Institute's Opportunity and Ownership Project*, creating ownership within existing rental units provides opportunities for low income renters that will keep their housing costs stable over many years. They suggest that, rather than providing housing subsidies at the Federal and State level for new construction, investing in existing housing would provide many more units at an affordable level (new construction – especially in a good economy – is increasingly expensive).¹¹

Further academic analysis from the *Joint Center for Housing Studies, Harvard University* states: “Public policies attempt to subsidize these barriers to home buying for low-income people through tax policies, grants and other strategies. Current policies are, at best, inefficient and inequitable, and, at worst, ineffective. A more systematic approach would adhere to a set of operating principles including achieving scale, focusing on moving renters to ownership, targeting subsidies to underserved populations, creating incentives for repayment, and maximizing efficiency”.¹²

City of Berkeley Housing Policies and TOPA Opportunity

Housing development has accelerated in Berkeley and while new permits issued from January 1, 2017 through December 31, 2018 exceed Regional Housing Needs Allocation (RHNA) requirements for above moderate incomes by 141%, affordable housing development is well below regional goals. The following table shows Berkeley's progress toward its RHNA goals through December 2018.¹³

¹⁰ <http://wbur.org/hereandnow/2020/02/10/job-economy-middle-class>

¹¹ <https://www.urban.org/sites/default/files/publication/46626/411523-Promoting-Homeownership-among-Low-Income-Households.PDF>

¹² <https://www.jchs.harvard.edu/sites/default/files/hbti-08.pdf>

¹³ [Item 13 Annual Housing Pipeline Report](#)

Progress towards 2014-2022 RHNA: Approved Building Permits							
January 1, 2014 – December 31, 2018							
Building Permit Action Year	Ext Low <30% AMI	VLI 31%-50% AMI	LI 51%-80% AMI	MOD 81-120% AMI	BMR Total	Above MOD	Total
January 1, 2014 – December 31, 2018	0	174	66	0	240	1,975	2,215
RHNA	266	266	442	584	1,558	1,401	2,959
Remaining RHNA Capacity Requirement	266	92	376	584		-574	
Percent of Goal Achieved	0%	65%	15%	0%		141%	
The current RHNA is for an 8.8-year period, from January 1, 2014 through October 31, 2022.							

Housing affordability is the first objective of the *Housing Element of the City of Berkeley General Plan*. Policy H-1 - Extremely Low, Very Low, Low, and Moderate-Income Housing sets the goal of increasing housing affordable to residents with lower incomes and outlines a number of actions to achieve this goal, including encouraging incentives for affordable housing development.¹⁴

The Berkeley City Council, in the referenced *Housing Action Plan* (HAP), stated support for Non-profit housing developers and Community Land Trust acquisition of property to stabilize rents through a Small Sites Program. Two such recent transactions, at 2321-2323 Tenth Street and 1640 Stuart Street, have resulted in maintaining 16 units at below-market rates. This policy also stated consideration for the creation of limited and non-equity cooperatives affiliated with a democratic community land trust. This program was initially funded through Measure U1 tax receipts with an option of also utilizing Housing Trust Fund resources.

Until 1996, Berkeley condominium conversions provided the tenants a first right to purchase their unit, as did policies in Santa Monica whose policy was more far reaching.

TOPA working group members estimate that approximately 42% of all Berkeley residential properties would fall under TOPA. This estimate was based on an analysis of the property type, homeowner exemption and number of units from the 2018/2019 Alameda Property Tax roll. It is not reflective of the total **number** of units that would benefit from a TOPA Ordinance. (See Attachment 3).

Washington D.C. TOPA

Washington D.C. passed the Tenant Opportunity to Purchase Act (TOPA) in 1980. This policy regulates the conversion of use, sale and transfer of rental housing. Tenants have the first right of refusal to purchase their buildings and also can assign their rights to third parties, such as affordable housing developers. The impact of this policy has been immense with approximately 30% of annual multi-unit sales going through the

¹⁴ https://www.cityofberkeley.info/Planning_and_Development/Home/General_Plan_-_Housing_Element.aspx

TOPA process. Since 2002, this policy has helped preserve over 3,500 units of affordable housing, 2,000 of which have been preserved since 2013.¹⁵ The growing impact of TOPA is due to massive and sustained increases in DC's Housing Production Trust Fund, collaborative efforts to identify and harness other funding/financing, as well as sustained support for the community based organizations that help tenants understand and exercise their TOPA rights.

In order to fund the program, Washington DC dedicates \$10M per year in Housing Trust Fund (HTF) allocations directly to TOPA and the Housing Production Trust Fund which has \$40M for affordable housing preservation.

TOPA has also helped to create many limited equity cooperatives (LECs) in DC, which currently number 4,400 units across 99 buildings.¹⁶ The DC Limited Equity Cooperative Task Force, formed in 2018, came out with recommendations in October 2019 to increase the number of LEC units in DC by 45% by 2025 (additional 2000 units). TOPA will be a major vehicle to create these additional units. The task force has also identified how to improve/expand existing policy, financing and technical assistance to support the health of existing and future LECs.

Finally, TOPA has led to the creation of hundreds of tenant associations across Washington, DC. Many of these tenant associations were the main leaders and organizers in creating the DC Tenants Union in 2019.¹⁷ The Tenants Union is focused on supporting rent control and other tenant protection policies and plans to build power and solidarity across tenant associations from different parts of the city. (See Attachment 4)

San Francisco COPA¹⁸

In April 2019, the San Francisco Board of Supervisors passed, by a unanimous vote, the Community Opportunity to Purchase Act (COPA). COPA is designed to stabilize communities by preventing displacement and preserving affordable housing and applies to the sale of any non-condo residential building of 3 or more units. It gives qualified non-profit organizations a right of first offer prior to the property going on the market and a right of first refusal when the owner has a bona fide offer from a potential buyer.

Nonprofit buyers have a limited time (25 days) to work with tenants, exercise their rights under COPA and enter into a Purchase-Sale agreement. Recent articles are indicating challenges to the prescribed timeframes.¹⁹ While a seller is not required to accept the

¹⁵ https://www.dcfpi.org/wp-content/uploads/2013/09/9-24-13-First_Right_Purchase_Paper-Final.pdf

¹⁶ <https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Greysteel-%20D.C.%20Multifamily%20Market%20Statistics.pdf>

¹⁷ <https://www.streetsemmedia.org/article/dc-residents-launch-a-city-wide-tenant-union-in-hopes-to-foster-solidarity-across-the-district/#.XjSX3i2ZOt8>

¹⁸ <https://sfmohcd.org/community-opportunity-purchase-act-copa>

¹⁹ <https://www.sfchronicle.com/bayarea/article/City-officials-want-landlord-to-delay-sale-of-76-15002958.php>

offer, the qualified nonprofit also has a right of first refusal to match a competing offer. At closing, deed restrictions are placed on the building restricting the building to affordable housing for the life of the building with a mean value of rents not to exceed 80% AMI.

The building could eventually be transferred to tenant ownership under a Limited Equity Cooperative or other model, as long as permanent affordability deed restrictions are maintained. The ordinance includes incentives, including partial exemption from the City's transfer tax and the potential for qualified nonprofits to facilitate sellers' efforts to obtain federal tax benefits.

San Francisco will set aside \$40M – 90M in a specific MOHCD fund to support first time home buyers and its Small Sites Program that could also support the COPA ordinance. This fund provides resources for deposits, down payments and bridge loans until permanent financing is in place.

Oakland TOPA

Inspired by the Moms-for-Housing advocates, on January 30, 2020 at the Oakland City Council's Rules and Legislation Committee meeting, a TOPA ordinance was introduced and is scheduled for a vote in the Community and Economic Development Committee in March 2020. From there it could go to a full City Council vote.²⁰ Oakland Mayor Libby Schaaf has already expressed support for the ordinance.

The Oakland ordinance has been developed since 2018 by a group of community land trusts, tenant advocacy organizations, and the East Bay Community Law Center, whose draft ordinance for Berkeley provided a foundation for Oakland's ordinance. The Oakland ordinance largely mirrors this proposal but will also reportedly include a COPA option for non-profits to buy vacant properties.

The political will for TOPA in Oakland was prompted by Moms 4 Housing — a group of homeless women who took over an empty, investor-owned house in West Oakland for two months before they were evicted and arrested. Their actions garnered national attention and symbolize the Bay Area's housing and homelessness crisis.

Since the eviction of the Moms 4 Housing, the property owner has agreed to negotiate to sell the house to the nonprofit Oakland Community Land Trust. They have also agreed to give the land trust or other nonprofits a chance to buy dozens of other single-family homes it owns in Oakland.

New York State TOPA

At the end of January 2020, New York State Sen. Zellnor Myrie, who represents Central Brooklyn, announced that he is in the process of drafting new legislation that would give

²⁰ <https://www.mercurynews.com/2020/01/30/oakland-councilwoman-to-introduce-moms-4-housing-inspired-ordinance/>

tenants the first right to buy their landlord's property should it come up for sale. Myrie stated that "Landlords who claim they will be unable to keep their buildings in good repair or cover the cost of capital improvements" would have an opportunity, in the New York rent-regulated market, to "keep tenants in their homes, create a path to ownership and maintain buildings,"

This Tenant Opportunity to Purchase Act is said to be modeled after right-of-first-refusal statutes in Washington D.C.²¹

Financing for TOPA projects

Financing for TOPA projects is expected to be provided from a combination of city subsidies, the private capital of tenants, and loans from community-oriented banks and lending institutions like credit unions, CDFIs, local banks, future public banks and others. In this sense, TOPA effectively leverages both private and public financing in advancing permanent affordability.²²

Subsidies

In order to make TOPA effective and responsive to the full scale of anticipated community needs²³, the City will need to enlarge the current Small Sites Program (SSP), or create a new fund, to a minimum of \$10-15 million dollars per year and reconfigure SSP guidelines to align with TOPA. While TOPA projects can benefit from existing streams of affordable housing funding, the scale of community need far outweighs the existing funding sources. As demonstrated by the case of the D.C. TOPA, it was only with substantial financing added to its Housing Production Trust Fund that the ordinance became an effective way to prevent and fight displacement - DC has an annual \$116M for their Housing Production Trust Fund (HPTF), with a minimum of \$10M set aside for TOPA projects. However, D.C. typically spends more out of its HPTF on TOPA - in FY2018, DC spent close to \$22.5M on TOPA acquisition projects with additional funds for rehab in some instances (449 units over 9 projects). Without similar enhancement of SSP, or another funding source, TOPA will not be able to produce the necessary impactful levels of affordability needed to meet the crisis, particularly for those

²¹ <https://therealdeal.com/2020/01/31/bill-make-landlords-give-tenants-first-shot-to-buy-buildings/>

²² While financing percentages of each project may vary substantially according to building costs, tenant resources, and subsidy availability a combination of these financing streams is expected to be a part of most if not all TOPA projects.

²³ 2019 real estate transaction data for Berkeley show that approximately 250 multi-unit buildings (duplexes and up) sold. Assuming similar sales volume and that a similar percentage (32%) of tenant groups exercise their right to purchase as under the D.C. ordinance we anticipate potentially 80 projects annually, with a greater number of smaller unit buildings participating than occur in DC.

of very-low, low and moderate income who may not be able to leverage their own private capital to get a loan.

Private Capital of Tenants

Single family home households and tenants of multi-unit buildings with mixed income units would be able to purchase buildings on their own or with smaller amounts of subsidy involved because these tenants will most likely be able to pay a higher debt service coverage ratio in order to obtain a mortgage from an institutional lender to acquire a property. This could allow higher income tenants with private capital to assist lower income tenants with less capital by securing a blanket mortgage to purchase the building for mutual benefit. This would also benefit “missing middle” income tenants who may not be able to purchase homes on their own, in the current market, but might have enough private capital saved to contribute to the purchase of their building.

Loans from Institutional Lenders

Many banks are willing to work with re-sale restricted properties such as those created by TOPA, the majority of which are local commercial lenders, credit unions, cooperative banks, and Community Development Finance Institutions (CDFIs).²⁴ However, even mainstream primary lenders have told community partners (NCLT & BACL) that there is no inherent obstacle to lending to resale restricted properties such as a community land trust (CLT)²⁵ or limited equity housing cooperative (and LEHC) since they are valid forms of California non-profit corporation. In fact, many mainstream primary lenders have provided CLT loans for single family homes.²⁶ Additionally, there is nothing to prevent newly formed tenant organizations from acquiring property collectively as it is not uncommon for lenders to process and begin underwriting loan applications from newly formed corporate entities during the acquisition phase. While the most common form of ownership is an LLC, there have also been many instances of newly created 501(c)3 non-profit corporations like the non-profit public²⁷ or mutual benefit²⁸ corporation, the legal entity that is the basis of the limited equity housing cooperative, which have been successful in acquiring loans.²⁹

²⁴ For example Clearinghouse CDFI, Community Bank of the Bay, National Housing Trust, Capital Impact Partners, Heritage Bank (formerly Presidio Bank), and the Local Initiatives Support Corporation (LISC).

²⁵ https://www.lisc.org/media/filer_public/f0/e0/f0e07be0-1ca5-4720-b78c-3a0d7a0181dd/022519_white_paper_community_land_trusts.pdf

²⁶ http://www.freddiemac.com/singlefamily/land_trust_mortgages_faq.html, <https://groundedsolutions.org/tools-for-success/resource-library/mortgage-financing-options>

²⁷ http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CORP§ionNum=5151.

²⁸ https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=CORP&division=2.&title=1.&part=3.&chapter=&article=

²⁹ For example: Derby Walker House in Berkeley, California and Columbus United in San Francisco CA.

An important factor to note is that the loans that would be provided to TOPA tenants are commercial loans, not consumer loans, because the borrower is not a natural person, but rather a corporate entity (even though the owners of the entity will be owner-occupants of the property), which means they are for a shorter term of 10-15 years. The loan approval process for such commercial loans, from lenders willing to loan on such re-sale restricted properties, tends to range from 90 to 120 days depending on the lender & lender type (e.g. CDFIs tend to take longer). The most limiting factor in this estimate is the ability of the borrowing entity (the tenant group) to timely respond to lender's underwriting requests. This variable can be dramatically improved and streamlined with a robust technical assistance program through the City and Supportive Partners.

The most important considerations for an institutional lender in underwriting a loan for a tenant organized entity (including LEHCs³⁰) will be:

Repayment of the Loan: First and foremost, the lender will look at the fair market value of the underlying property (that there is adequate loan to value ratio); and secondly, they look at net operating income of the property, and that there is adequate debt service coverage ratio. In other words, the primary underwriting is of the property itself, similar to how a lender would look at a residential rental property.

Viability & Validity of the Borrowing Entity: As stated above, the lender can start the loan review and underwriting process while the entity is still being formed. However, they will require that the Articles of Incorporation have been filed to start the process. A condition of loan closing will be that the entity is duly formed (i.e. that the Secretary of State has approved the Articles, typically a 30-day process; and that all other governing docs, such as by-laws, have been finalized). This condition being met will also be necessary for the entity to properly take title.

Stability of Property/Asset Management: This is determined by the capacity of the tenants to manage and maintain the property, fill vacancies, properly budget income & expenses for the property. In self-managed properties, banks will look to the experience of the individuals, their internal property management plan, and any partnerships/alliances with outside property management firms or organizations. A second option is for the tenant organization to hire a professional property management firm, which can be an expedient way to get loan approval

³⁰ <https://groundedsolutions.org/sites/default/files/2018-11/Limited%20Equity%20Co-ops%20by%20Community%20Land%20Trusts.pdf>

and through the acquisition process, while a tenant group develops the skills and leadership necessary to self-manage in the future.

Credit enhancements, supporting partners and other backstop mechanisms: Many existing resident initiated purchases that were structured in models such as LEHC's and limited equity condominiums overcame underwriting challenges through backstop mechanisms such as a Community Land Trust, other organizational partner and/or municipality providing a credit enhancement such as a loan guarantee or co-signature on the primary mortgage.

ALTERNATIVE ACTIONS CONSIDERED

No Action

Taking no action could, over time, further reduce naturally occurring affordable housing. It would also take away an opportunity for lower income tenants to participate in the ownership of their residence and increase their personal wealth – the historic driver of lower to middle class wealth creation.³¹

No Action would direct Housing Trust Fund, Measure U1 and other assets primarily to the construction of new affordable housing projects. It would also require no investment of other City General Fund/Other Resources in administrative implementation and oversight.

Support the Repeal of Costa Hawkins

For over twenty years, the Costa-Hawkins Rental Housing Act (*California Civil Code Sections 1954.50-1954.535*) has impacted California renters and the affordability of housing. A statewide law backed by the real estate industry that passed in 1995, Costa-Hawkins ties the hands of cities when it comes to protecting tenants and stabilizing rents:

- Cities can't pass vacancy control; if a tenant leaves or is forced out of a rent-controlled unit, a landlord can raise the rent to whatever the market will bear upon new tenancy;
- Cities can't extend rent control to any rented condominiums, single-family homes, and any new housing built after 1995.

Since Costa-Hawkins passed, tenants have paid ever increasing rents and been forced from their communities or into homelessness due to high housing costs. Additionally,

³¹ <https://www.cato.org/publications/policy-analysis/exploring-wealth-inequality#poverty-matters-not-inequality>

since the Great Recession, roughly tens of thousands of single-family home rentals have been purchased by investors all across the state and nationwide.

On October 27, 2015, the Berkeley City Council unanimously adopted a resolution calling on the Governor and State Legislature to repeal the Costa-Hawkins Rental Housing Act.³²

Costa-Hawkins was also a key part of a 2009 court decision, *Palmer v. the City of Los Angeles*, that found that the imposition of local inclusionary housing requirements for rental housing was in conflict with Costa-Hawkins. In 2017, former Governor Jerry Brown signed AB 1505 to restore the ability for California cities to require developers include affordable units in new rental projects. Additionally, in 2019 the State passed historic legislation, AB 1482, which implemented a cap on rents for non-controlled units of 5% plus CPI, and just cause for eviction statewide. These protections will apply to most housing units not currently deed restricted or controlled, including those exempt from rent control under Costa-Hawkins.

There has been movement among tenant rights advocates to repeal Costa Hawkins to give cities the option to expand and strengthen rent control policies. The latest effort is a statewide ballot measure similar to Proposition 10, which California voters rejected in 2018. Should this new measure succeed, cities would still need to go through the process of passing new legislation before the repeal would have any effect.³³

While new statewide rent control legislation might provide some relief to tenants, it is still unknown as to what properties would be included in the legislation, what level of rent increases would be allowed. It would not give tenants an option to participate in the ownership of their properties nor would there be deeded restrictions to provide rent stabilization for years into the future.

Rely on Regional Policy

The current need for deed restricted affordable units in Alameda County is 52,591 according to California Housing Partnership.³⁴ Much work is being done on the regional level to address this crisis. In January 2019, the Metropolitan Transportation Commission (MTC) released the *CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area*.³⁵ This report was the product of over two years of stakeholder meetings with elected officials, builders, affordable housing developers and other housing professionals to study the root causes and develop solutions to the region's housing crisis. The CASA Compact

³² https://ci.berkeley.ca.us/.../2015-10-27_Item_16_Urging_the_State_Legislature.aspx

³³ <https://la.curbed.com/2018/1/12/16883276/rent-control-california-costa-hawkins-explained>

³⁴ <https://1p08d91kd0c03rlxhmhtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2019/05/Alameda-HNR-2019-Final.pdf>

³⁵ https://mtc.ca.gov/sites/default/files/CASA_Compact.pdf

provides a roadmap for regional action on housing affordability. It recommends a series of policies and programs to Produce, Preserve and Protect housing and renters in the Bay Area. Preservation of existing naturally occurring affordable housing as a key strategy and the plan recommended a variety of regional funding sources to help acquire and rehabilitate existing housing to preserve affordability. This year, the Association of Bay Area Governments (ABAG) and MTC are considering the placement of a regional housing finance measure on the November 2020 ballot.

In addition, ABAG and MTC are currently developing *Plan Bay Area 2050*, the region's Transportation Plan and Sustainable Communities Strategy, which will identify where growth should be concentrated and how to ensure that the Bay Area is affordable, equitable, sustainable and resilient for the future. The Plan will be aligned with the Regional Housing Needs Allocation (RHNA) which will take into account the number of affordable housing units for which each community is responsible for and the number of units required for each income level. Preservation of existing housing is a policy strategy already proposed in the draft Blueprint.

Alameda County Measure A1, the county affordable housing bond approved by voters in 2016, has provided new resources to create new affordable units. Approximately 1,000 new units are in some stage of development. The bond could yield approximately 3,500 affordable units countywide.

While this work is promising, it has a long horizon and the need to maintaining existing affordable housing units is immediate.

Investor Only TOPA Application

An "investor only" approach would craft a TOPA ordinance that would apply to owners with a 50% or greater ownership position in 3 or more rental units within the City of Berkeley.

There is great difficulty in identifying what properties would fall under this approach. Many investors create Limited Liability Companies (LLCs) for legal protection. Without review of the underlying documents, the City would not know the make-up of ownership and whether one or more owners own greater than 50% in each individual property in an LLC or LLCs. There are also many properties that are owned in Trust. The beneficiaries of these trusts could own different percentages of each property and in this situation trust documents would need to be obtained and analyzed for each property owned. While it might be possible to create a database that would identify all rented properties in Berkeley and the ownership entities, the ownership participation and owner names associated with properties could be impossible and could change from property to property.

This approach would require significant resources for enforcement, for a City agency to determine who has a 50% or more ownership interest in every rental property, and to count up the number of rental units owned by each owner to determine which properties TOPA applies to. This could cause confusion by tenants and owners as to the basic question of whether TOPA applies to a given property and could undermine TOPA's effectiveness and usefulness overall.

When analyzing the number of properties that would fall under an Investor Only TOPA, recent property tax rolls were reviewed and sorted by ownership name/entity. The applicability standard with this approach would yield approximately 1/3 the potential properties that would fall under a TOPA ordinance. (See Attachment 2)

San Francisco COPA Model

The San Francisco COPA model would provide a first right to purchase to nonprofit qualified organizations. Tenants do not have a say in the nonprofit provider that will own their building and there are no pathways for tenant ownership or democratic control by the tenants once the property changed hands. SF COPA does not provide the facilitated resident ownership models as does the Berkeley TOPA Ordinance.

Timeframes to respond to exercise the COPA are short and have resulted in lost opportunities.³⁶ Incentives that are available to sellers that participate in the SF COPA have been used as a model for the TOPA Ordinance in Berkeley.

SF COPA does have some valuable elements which have been incorporated into the TOPA ordinance in Berkeley, such as a right of first offer and accompanying incentives to sellers who accept the initial offer, as well as a vetting process for qualified affordable housing organizations who can purchase.

The SF COPA makes more sense given the rental housing stock in San Francisco is generally larger buildings. Utilizing a SF COPA Model for Berkeley would result in 50% fewer TOPA opportunities than the Investor Only TOPA application.

At a time when investor ownership is the greatest percentage of the multi-unit property ownership TOPA, when exercised by tenant organizations, is in keeping with the value Berkeley incorporates into its equity policies.

³⁶ [SF Chronicle, City Officials Want Landlord to Delay Sale](#)

CONSULTATION/OUTREACH OVERVIEW AND RESULTS

City Staff Research

As part of the 2017 referral to the City Manager to create a TOPA policy, City staff in the Health, Housing and Community Services Department (HHCS) conducted research and interviews with a variety of stakeholders about TOPA policy and implementation including:

- Apartment and Office Building Association of Metropolitan Washington
- City of Los Angeles, Office of the Chief Legislative Analyst
- City of San Francisco, Office of Supervisor Sandra Lee Fewer
- DC Association of Realtors
- East Bay Community Law Center
- Housing Counseling Services (City-funded technical assistance provider)
- Latino Economic Development Corporation (City-funded technical assistance provider)
- Washington, DC Department of Housing and Community Development, Rental and Sales Division

The research staff presented the Council informed the development of this ordinance.

Tenant Outreach and Focus Groups

In addition to a number of TOPA workshops conducted for Berkeley community members over the years, EBCLC designed and conducted tenant-centered focus groups for the purpose of eliciting feedback on key provisions of the TOPA Ordinance to inform policy proposals. EBCLC identified key questions, had a purposeful recruitment strategy during which they reached out to a number of tenant organizations to gauge interest in participating, and prepared participants via orientations beforehand to provide background on TOPA and answer any questions. Two focus groups were held with a total of nine participants, and there was a post-focus group survey with additional questions.

With the exception of one homeowner participant, all focus group participants were Berkeley tenants and included three Section 8 voucher holders and almost all were low-income, with varying levels including 80% of AMI, 50% of AMI, and 30% of AMI and below. Participants lived in property types ranging from multi-family to single family, an ADU and senior housing. Out of the four people of color, two identified as Latino/Hispanic, one as Black/African American, and one as Asian/Pacific Islander. An even spread of ages from 25 to 60+ years of age were represented with five participants identifying as female, three as male, and one as non-binary. All participants had some form of high school education, six having at least a bachelor's degree.

Tenants were engaged through presentations, simulations, and written feedback on two core provisions of TOPA: timelines and permanent affordability restrictions. The decision points for the timelines included eliciting feedback on the amount of time it would take to submit a statement of interest and submit an offer. To perform these milestones, tenants were advised that they would need to organize a tenant meeting, gather financial information, and decide on ownership type. The results showed that tenants needed more time across all property types. Considerations for timelines that were raised during focus groups included the time necessary for tenants to build consensus, gather financial information, receive guidance on options of assigning rights vs. purchasing, and learning about first-time homeownership, including a cost-benefit analysis.

Participants identified the following supportive service needs: City-sponsored workshops, financial assistance in the form of subsidy and financial advising, centralized forms and documents regarding a clear articulation of TOPA rights and process, legal assistance, and mediation services especially for multi-family homes. Overall, tenants were excited about the prospect of being able to purchase or assign their rights to an affordable housing organization. However, tenants would like to ensure that non-profits are held to a high standard of care.

Permanent affordability requirements for all TOPA projects were presented, as well as the major trade-offs of equity building and future affordability. Participants were asked for their impressions on the fairness of permanent affordability in exchange for the bundle of rights that TOPA provides to tenants. Overall, there was a strong sense from participants that they would want to use the TOPA rights to buy the property they live in primarily for the purpose of staying there, and that keeping the property affordability for future generations was more important than individual profit gain or reaping a high appreciation on the property. All of the participants agreed that permanent affordability needs to be a part of any TOPA transaction.

General feedback from the focus groups demonstrated that there is support for a TOPA policy, although it is contingent on resources such as financial and technical assistance. There is a strong sense among low-income tenants that technical and financial assistance are necessary for them to exercise their TOPA rights.

The focus groups, despite the small sample size, provided useful feedback to inform the policy. Nonetheless, EBCLC, NCLT, and BACLT intend to continue reaching out to more residents and groups, especially those representing low-income people of color and particularly groups most impacted by the displacement crisis, to do outreach and solicit feedback as necessary.

Lender/financing overview

The TOPA working group has contacted the following banks and lending institutions in recent months: Clearinghouse CDFI, Community Bank of the Bay, National Housing Trust, Capital Impact Partners, Heritage Bank (formerly Presidio Bank), and the Local Initiatives Support Corporation (LISC). Early conversations with these lenders, as reflected previously, indicate that there is interest in funding TOPA projects so long as they meet the necessary requirements. Again, in the case of most lenders, they do not offer 30-year consumer loans for these types of projects, but instead offer the more typical 10-15 year term commercial acquisition loans. However, TOPA working group members have been in conversation with several of these lenders who have interest in creating a new/hybrid type of consumer/commercial loan geared towards the owner-occupants of LEHC properties. This would ideally be a fully amortized 30 year loan, backed by the types of investments which offer the more favorable interest rates typical of consumer (owner-occupied) mortgages. With a solid potential demand for more of these types of loans through TOPA, there could be the momentum needed to persuade lenders to advance this concept.

Research of rental sales professionals

Real estate professionals from four different organizations were interviewed and asked about asking vs. sales price and also length of time the properties were on the market, including escrow time. Additionally, several online resources and articles were reviewed to greater understand buyers of multi-tenant properties and market speculation expectations for 2020. Comments gathered directly from real estate professionals included:

- Berkeley/Oakland property is seen as a safe investment because selling prices don't usually go below asking prices
- Due to rent control, tenant protections and eviction laws investors are looking to move out of property ownership in Berkeley/Oakland
- It is difficult to make improvements on properties due to inability to raise rents and recoup improvement investment costs
- Property desirability depends on tenant occupation, property condition, cash flow, location and zoning (depending on buyers intended use)
- Selling time is longer and price is lower for multi-unit properties with rent-controlled units because it is difficult to make profitable returns on investment
- Larger companies that buy multi-unit properties are often looking to redevelop

Property sale and time on the market, gathered from *Zillow*, is included in Attachment 2.

In order to ensure that TOPA ordinance development would align with the work of the San Francisco Foundation grant, additional outreach will continue during the City

Council Committee process. Feedback from proposed meetings with Berkeley Property Owners Association and BRIDGE Association of Realtors will be included as Attachment 5.

RATIONALE FOR RECOMMENDATION

Taking no action or waiting for significant changes in state rental laws or for more affordable housing production will continue to exacerbate the housing affordability crisis. The need to provide more options for low income tenants is immediate.

Increasing affordable housing is a policy priority for Berkeley. The most cost-effective way to do so is creating sustained affordability within existing housing stock. The recommendation to apply TOPA to all properties with the exception of Single Family/Owner Occupied Residences including those with ADUs, will at least **triple** the number of units that could be made available to tenants under TOPA (compared to other options that were considered). This policy would provide ownership opportunity for low income tenants or stabilize rents, keeping their housing cost affordable for generations. Furthermore, maximizing the number of units that could invoke the TOPA policy would justify the City's investment of resources for purchase, administration and enforcement.

Legislation of a Tenant Opportunity to Purchase Act (TOPA) has inherent and significant benefits for tenants, including:

- Effective anti-displacement tool by giving tenants options to stay in their home
- Creates pathways to homeownership for tenants, thereby helping low-income families of color to have permanency in Berkeley and build equity
- Stabilizes rents and keeps rental properties from converting to market-rate
- Levels the playing field for tenants and affordable housing developers by providing an opportunity for them to purchase properties, and incentivizing owners to sell to them when the owner is ready
- Provides Tenants empowerment and control of their housing
- Preserves existing, naturally occurring affordable units
- Creates more affordable housing by converting rental properties to deed-restricted permanently affordable properties
- Provides an opportunity for tenants to stay in their homes without fear of eviction

Future regional housing policy will require greater accountability for housing production and more requirements to provide affordable units. Converting existing housing stock to affordable units could help Berkeley meet these required housing goals.

IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT

Optimally, the goal for the TOPA policy to be in full force and effect would be following funding in the June 2020 Budget process. In order to meet that goal, additional work must be completed:

- Develop Administrative Regulations. The fellow awarded to the Planning Department by the San Francisco Foundation for the Bay's Challenge Grant will be working with the East Bay Community Law Center in developing the Administrative Regulations and Implementation Plan for the TOPA Ordinance.
- Database development. A consultant should be hired to create an accurate database of all rental properties that will support many other existing programs, such as the Rental Housing Safety Program, Measure U1, Below Market Rate units and measuring RHNA goals. This could be accomplished in much the same manner as the database for short term rentals.
- Program administration, oversight and enforcement. Adequate funding to support the administration, oversight and enforcement must be identified. The Rent Board is willing to assume the role as the administering body and will also adjudicate any claims of noncompliance through their hearing officer processes.
- Funding for Program Costs. Quantifying adequate project costs, that would be included in a budget referral, are a component of the required actions contained herein. The City must be prepared to fully fund the program however, future State housing incentives and regional philanthropy could help offset City investment and such opportunities should be followed and pursued by the City Manager and the administering body.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES AND LAWS

TOPA aligns with the Berkeley plans, programs, policies and laws in the following way:

City of Berkeley 2019-2020 Strategic Plan

- Create affordable housing and housing support services for our most vulnerable community members
- Champion and demonstrate social and racial equity
- Foster a dynamic, sustainable and locally based economy

Housing Element of the General Plan*Objectives*

- Housing Affordability. Berkeley residents should have access to quality housing at a range of prices and rents. Housing is least affordable for people at the lowest income levels, and City resources should focus on this area of need.
- Maintenance of Existing Housing. Existing housing should be maintained and improved.
- Fair and Accessible Housing. The City should continue to enforce fair housing laws and encourage housing that is universally accessible.
- Public Participation. Berkeley should continue to improve the role of the neighborhood residents and community organizations in housing and community development decision making.

Policies and Actions

- Policy H-1 Affordable Housing. Increase the number of housing units affordable to Berkeley residents with lower income levels.
- Policy H-2 Funding Sources. Aggressively search out, advocate for, and develop additional sources of funds for permanently affordable housing, including housing for people with extremely low incomes and special needs.
- Policy H-3 Permanent Affordability. Ensure that below market rate rental housing remains affordable for the longest period that is economically and legally feasible.
- Policy H-4 Economic Diversity. Encourage inclusion of households with a range of incomes in housing developments through both regulatory requirements and incentives.
- Policy H-5 Rent Stabilization. Protect tenants from large rent increases, arbitrary evictions, hardship from relocation and the loss of their homes.
- Policy H-6 Rental Housing Conservation and Condominium Conversion. Preserve existing rental housing by limiting conversion of rental properties to condominiums.
- Policy H-7 Low-Income Homebuyers. Support efforts that provide opportunities for successful home ownership for residents and workers in the City of Berkeley.
- Policy H-8 Maintain Housing. Maintain and preserve the existing supply of housing in the City.

Affordable Housing Action Plan adopted November 28, 2017:

High Priority #2: Develop an ordinance modeled after Washington D.C.'s Tenant Opportunity to Purchase Act (TOPA) that offers existing tenants the first right of

refusal when property owners place rental property on the sale market, which can be transferred to a qualifying affordable housing provider.

Rent Stabilization and Eviction for Good Cause Ordinance

In June 1980, Berkeley residents passed the City's comprehensive rent stabilization law known as the Rent Stabilization and Eviction for Good Cause Ordinance (BMC Chapter 13.76). The Ordinance regulated most residential rents in Berkeley and provided tenants with increased protection against unwarranted evictions and is intended to maintain affordable housing and preserve community diversity. However, in 1995, the California Legislature enacted Costa-Hawkins Rental Housing Act. Since that time owners may now set a market rent for most tenancies once a new tenant occupies a unit. While there are some tenants that remain in previous units under the Berkeley Rent Stabilization Ordinance, their rents increase by a set percentage annually. Landlords of rent stabilized units are motivated to get their long tenants to move out, therefore putting these tenants at risk of eviction. TOPA aligns with the spirit of the 1980 law in that it would stabilize the rents in TOPA acquired properties.

Housing for a Diverse, Equitable and Creative Berkeley: Proposing a Framework for Berkeley's Affordable Housing

Referred to the Housing Advisory Commission, Measure O Committee, and Homeless Services Panel of Experts in July 2019, the proposed Framework presents a vision for affordable housing policy and proposes aligning funding streams with existing and new programs. It is intended to guide the work of City Commissions and the Council in implementing Measure U1, Measure O and Measure P and City housing policies. The Framework also sets an ambitious goal of 30% of all housing being dedicated as subsidized affordable housing. Among the many policies and programs recommended, it specifically calls out the acquisition and preservation of existing housing and democratic ownership and control. These strategies are identified as key to preventing displacement, preserving affordability and building wealth. TOPA is also called out as a policy strategy. The Framework is under review by Commissions and has not been adopted by the City Council.

Regional Policies

ABAG and MTC are developing a regional transportation and land use plan to address the region's housing crisis through 2050. Along with determining the allocation by city, it is also looking at revenue generation and financing methods to support the need for low income housing. TOPA could help Berkeley meet its low-income regional allocation and there is also a possibility that funds generated through ABAG policy could help fund some TOPA projects in the future.

FINANCIAL IMPLICATIONS

Revenue impact of Incentive to Sellers

Based on transactions from November 1, 2018 to November 30, 2019, 245 multi-unit residential (including mixed use) properties transferred hands for a total of \$9.65M in base transfer tax revenue. Half of the base transfer tax from these properties is approximately \$4.825M; this would be the amount the City would forgo with the TOPA program.

Total Base Transfer Tax from November 2018 to November 2019 from multi-unit residential properties	\$ 9.65M
Eligible amount for TOPA rebate (1/2 of transfer tax)	\$ 4.83M

% participation in TOPA	Revenue Loss in Millions
100%	\$ 4.83
50%	\$ 2.41
25%	\$ 1.21
10%	\$ 0.48

The City currently has a Seismic Retrofit Refund Program which provides refunds for voluntary seismic upgrades to residential properties. Up to one-third of the base 1.5% transfer tax may be refunded on a dollar-for-dollar basis. This program applies to structures that are used exclusively for residential purposes, or any mixed-use structure that contains two or more dwelling units.

If half of the base transfer tax is given to sellers via the TOPA program, this will have a negative impact on the Seismic Retrofit Refund Program. It should be noted that the Planning Department is making an effort to enhance the seismic program to include other qualifying measures (regarding energy efficiency) that require a permit. The amount available for rebate would significantly be reduced due to the lower base amount once TOPA is implemented.

Cost for Administration, Education, Outreach and Purchase Support

Council can consider additional policies to support TOPA acquisitions that would supplement current funding sources such as: Small Sites Program, Measure U1 tax

receipts, Housing Trust Fund and other government resources that might come in the future. One consideration would be the establishment of a Housing Accelerator Fund similar to that established in San Francisco. Acquisition support could include, but not be limited to, purchase deposits, appraisals, down payment assistance, capital improvements and capital reserves.

Additional resources for implementation, administration, enforcement and adjudication are being referred to the City Manager to determine the appropriate level of funding to support the program:

- Cost of administration (including notices, database management, rental cost history and adjustments for non-ownership units)
- Cost of tenant education/outreach/purchase support/adjudication

The estimates below draw on D.C.'s workload experience and tenant participation rate to generate expected staffing needs. Berkeley and D.C. could have a comparable number of sales each year covered under TOPA, but D.C.'s housing stock features much larger buildings that require more organizing and technical assistance support.

Budget estimates are broken down into 2 priorities:

1. Ongoing staffing support for Supportive Partners
2. Pre-development and project management needs for Qualified Organizations

Staff for "Supportive Partners" (i.e. technical assistance, on-going)

Berkeley's TOPA requires tenants to work with a Supportive Partner in order to exercise their rights to purchase under the policy. Supportive partners function in a supportive role to assist tenants in exercising their rights. This may include education, outreach, organizing, supporting tenants through the purchase, connecting tenants to resources, and counseling tenants on first-time homeownership and collective ownership structures.

Washington D.C. funds the equivalent of 8 FTE staff to provide direct outreach and resident organizing support under TOPA, which is broadly comparable to the scope of work envisioned for the Supportive Partners. This level of staffing support provides assistance for 30 transactions per year. Given the slightly reduced organizing workload with smaller buildings, we anticipate a need going forward for 6 FTE staff in order to adequately and professionally support the anticipated number of tenant groups exploring their TOPA rights and either purchasing or assigning their rights. Expected costs for 6 FTE staff positions for Supportive Partners. Salary costs vary but an anticipated average cost of \$125,000/year per FTE assuming a salary of

between \$60,000 to \$75,000 plus taxes, benefits and insurance was assumed for estimating.

Total: 6 FTE at \$125,000 each = \$750,000

Costs for pre-development work and project management needs of Qualified Organizations (on-going)

An essential part of the program is sufficient project management capacity at the Qualified Organizations to support the development of TOPA projects. Again, referring to the D.C. model, the City helps support the project management capacity via developer fees. Since this capacity was built up over 40 years of TOPA implementation, it is anticipated that Berkeley will need to support start-up capacity and allow for ongoing support through pre-development funds related to specific TOPA projects.

For the first year of TOPA, Qualified Organizations will need to be able to request pre-development funds of ~\$25,000 per project from the City. The City's existing pre-development loan process provides an excellent model for covering the out of pocket costs of projects, but typically does not cover the staffing and project management costs at that phase.

Due to the unique nature of TOPA project staffing, close work with residents is expected to be a substantial portion of the development workload. If there is a large volume of TOPA projects at once, the Qualified Organizations will likely need a mechanism to advance a portion of developer's fees to cover early-stage project management. This could mean that Qualified Organizations serving Berkeley may each need a project manager staff to support the volume of projects.

ENVIRONMENTAL SUSTAINABILITY

Creating and preserving affordable housing in Berkeley will allow lower income individuals and families to live closer to transit and to their workplaces, reducing greenhouse gas emissions. Preserving and refurbishing existing housing stock is an important environmental strategy, as reuse/repair/refurbishment of materials avoids spending resources on a new building construction, and the disposal of construction debris. Finally, increasing affordable housing in Berkeley will make the City more economically and racially equitable, which is a goal in Berkeley's *Resilience Strategy*.

CONTACT PERSON

Mayor Jesse Arreguín 510-981-7100

Attachments:

1. Ordinance
2. Zillow Multi Unit Property Sale Information
3. Berkeley Properties and TOPA Applicability
4. DC Apartment Buildings and TOPA
5. [Future feedback from BRIDGE and BPOA]

ORDINANCE NO. -N.S.

TENANT OPPORTUNITY TO PURCHASE ACT

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. Title

This Ordinance shall be known as the “Tenant Opportunity to Purchase Act”.

Section 2. That Berkeley Municipal Code Chapter 13.89 is created to read as follows:

Chapter 13.89

TENANT OPPORTUNITY TO PURCHASE ACT

Sections

- 13.89.010 Findings**
- 13.89.020 Definitions**
- 13.89.030 “Sale” Defined**
- 13.89.040 Authority**
- 13.89.050 Applicability**
- 13.89.060 Exemptions**
- 13.89.070 First Right to Purchase**
- 13.89.080 Tenant Decision-Making; Tenant Organizations**
- 13.89.090 Qualified Organizations**
- 13.89.100 Supportive Partners**
- 13.89.110 Assignment of Rights**
- 13.89.120 Waiver of Rights**
- 13.89.130 Notice Requirements**

- 13.89.140 Right of First Offer**
- 13.89.150 Right of First Refusal**
- 13.89.160 Third Party Rights**
- 13.89.170 Right to Appraisal**
 - 13.89.180 Contract Negotiations**
 - 13.89.190 No Selling of Rights**
 - 13.89.200 Tenant Protections**
 - 13.89.210 Price Stabilization**
 - 13.89.220 Incentives**
 - 13.89.230 Enforcement**
 - 13.89.240 Statutory Construction**
 - 13.89.250 Administration and Reports**
 - 13.89.260 Severability**

13.89.010 Findings.

- A. As the Bay Area region experiences increased economic growth and a high demand for housing, housing prices continue to rise which leads to displacement of low-income residents.
- B. In April 2019, the average rent for an apartment was \$3,191. To be able to afford a two-bedroom fair market rate unit, a household would need to earn \$44.79/hour or \$93,163 annually. Comparatively, the average for California is \$32.68/hour or \$67,974 annually.
- C. The Department of Housing and Urban Development (“HUD”) sets the income standards for housing vouchers based on the Area Median Income (“AMI”). In 2019, for a Berkeley family of four to qualify as extremely low income at 30% AMI, their income could not exceed \$37,150, very low income at 50% AMI could not exceed \$61,950 and low income at 80% AMI could not exceed \$98,550.
- D. Housing production in Berkeley has accelerated but there remains a significant unmet need for affordable housing for low-income people. Between January 1, 2014 and December 31, 2018, Berkeley permitted 141% above moderate income units (+120% AMI), 0% moderate income units (81-120% AMI), 15% low income units (51 - 80% AMI),

65% very low income units (31 - 50% AMI) and 0% extremely low income units (less than 30% AMI) toward meeting the Association of Bay Area Governments' ("ABAG") RHNA goals.

- E. The current need for affordable housing units in Alameda County is 52,591 units. Approximately 20% of residents in Berkeley are living in poverty.
- F. The lack of affordable housing for Berkeley's low-income communities is resulting in Berkeley residents having no option but to leave the City entirely or risk becoming homeless. Currently, there are an estimated 2,000 people who experience homelessness in Berkeley each year, and in December 2019 the Council extended its declaration of a homeless shelter crisis to January 2022.
- G. Affordable housing preservation and anti-displacement strategies will help keep low income tenants in their homes and is codified in the Berkeley General Plan Housing Element. Furthermore, production and maintaining affordable housing, at all income levels, is a stated priority of the City Council in its Housing Action Plan.
- H. This program finds that in the interest of preventing the displacement of lower-income tenants and preserving affordable housing, it is necessary and appropriate to require that the owners of rental properties in the City offer tenants the first opportunity to purchase and, in some cases defined herein, Qualified Organizations the second opportunity to purchase the property before it may be sold on the market to a third-party purchaser.
- I. The purpose of this chapter is to promote the health, safety, and general welfare of the residents of the City of Berkeley and the economic stability and viability of neighborhoods and ensure protection of the socioeconomic diversity and social fabric of the City.

13.89.020 Definitions.

For the purposes of this Chapter, the following words and phrases shall have the meanings set forth below. **Unless the context clearly indicates otherwise, the singular term includes the plural and the plural term includes the singular.**

- A. "Accessory Dwelling Unit" (ADU) has the same meaning as in Chapter 23C.24 and includes a Junior ADU.
- B. "Administrative Regulation" means such rules and regulations the City shall issue to further the purposes of this Chapter.
- C. "AMI" means Area Median Income established by the U.S. Department of Housing and Urban Development (HUD), pursuant to 42 U.S.C. Chapter 1427 et seq., to establish local income classification levels.

- D. "Appraised value" means the value of the Rental Housing Accommodation as of the date of the appraisal, based on an objective, independent property valuation, performed according to professional appraisal industry standards.
- E. "Bona fide offer of sale" means an offer of sale for a Rental Housing Accommodation:
1. For a price and other material terms at least as favorable to a Tenant, Tenant Organization, and Qualified Organization as those that the Owner has offered, accepted, or is considering offering or accepting, from a Purchaser in an arm's length third-party contract; or
 2. In the absence of an arm's length third-party contract, an offer of sale containing a sales price less than or equal to a price and other material terms comparable to that at which a willing seller and a willing buyer would sell and purchase the Rental Housing Accommodation, or an appraised value.
- F. "The City" means the City of Berkeley, including any departments within the City that are assigned any responsibilities under this Chapter.
- G. "City Manager" is defined as the City Manager or his or her delegate
- H. "CPI" means the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics for the San Francisco-Oakland-Hayward metropolitan area. If publication of the Consumer Price Index ceases, or if it is otherwise unavailable or is altered in a way as to be unusable, the City shall determine the use of an appropriate substitute index published by the United States Department of Labor, Bureau of Labor Statistics or any successor agency.
- I. "Days" means calendar days unless otherwise stated.
- J. "Governing Document" means a constitution, articles, bylaws, operating agreement, or other writings that governs the purpose and operation of a Tenant Organization and the rights and obligations of its members, which shall include provisions on the Tenant Organization's decision-making processes and appointing officers and other authorized agents to act on its behalf.
- K. "Governing Principles" means the governance and management principles stated in a Tenant Organization's Governing Documents.
- L. "Highest and best use" means the reasonably probable legal use of a property that is physically possible, appropriately supported, and financially feasible and that results in the highest value of the property.
- M. "Limited Equity Housing Cooperative" means the form of ownership defined in Section 11003.4(a) of the Business and Professions Code, which limits the increase of share values to below 10 percent annually, as well as prohibits more than 10 percent of the

total development cost of the cooperative housing units to be provided by share purchasers pursuant to Sections 11003.4 and Section 11003.2 of the Business and Professions Code, and that also meets the criteria of Sections 817 and 817.1 of the Civil Code.

- N. "Majority" means an affirmative vote of more than fifty percent (50%) required for decision-making under this Chapter.
- O. "Matter-of-right" means a land use, development density, or structural dimension to which a property owner is entitled by current zoning regulations or law.
- P. "Owner" means one or more persons, corporation, partnership, limited liability company, trustee, or any other entity, who is the owner of record of the Rental Housing Accommodation at the time of giving notice of intention to sell, and each person, corporation, partnership, limited liability company, trustee, or any other entity, who, directly or indirectly, owns 50 percent or more of the equity interests in the Rental Housing Accommodation at the time of giving notice of intention to sell. For purposes of complying with the notice requirements described in this Chapter, "Owner" may refer to any person acting as an authorized agent of the Owner.
- Q. "Qualified Organization" is defined in Section [Qualified Organizations].
- R. "Rent" has the same meaning as in the Rent Stabilization and Eviction for Good Cause Ordinance (section 13.76.040.E). It means the consideration, including any deposit, bonus, benefit or gratuity demanded or received for or in connection with the use or occupancy of rental units and housing services. Such consideration shall include, but not be limited to, monies and fair market value of goods or services rendered to or for the benefit of an Owner under the Rental Agreement.
- S. "Rental Agreement" has the same meaning as in the Rent Stabilization and Eviction for Good Cause Ordinance (section 13.76.040.F). It means an agreement, oral, written or implied, between an Owner and a Tenant for use or occupancy of a unit and for housing services.
- T. "Rental Housing Accommodation" means any real property, including the land appurtenant thereto, containing one or more Rental Units and located in the City of Berkeley.
- U. "Rental Unit" or "unit" has the same meaning as in the Rent Stabilization and Good Cause Ordinance (Chapter 13.76) and accompanying regulation 403. It means any unit in any real property, including the land appurtenant thereto, that is available for rent for residential use or occupancy (including units covered by the Berkeley Live/Work Ordinance No. 5217-NS), located in the City of Berkeley, together with all housing services connected with the use or occupancy of such property such as common areas and recreational facilities held out for use by the Tenant.

- V. "Rent Board" or "Board" has the same meaning as in the Rent Stabilization and Good Cause Ordinance (section 13.76.040.A).
- W. "Rent Stabilization and Eviction for Good Cause Ordinance" means Chapter 13.76 of the Berkeley Municipal Code.
- X. "Sale" or "sell" is defined in Section ["Sale" Defined].
- Y. "Single Family Home" means any Rental Housing Accommodation comprised of no more than one Rental Unit, whether or not the Rental Unit has one or more Tenant Households. A Single Family Home includes a condominium dwelling.
- Z. "Supportive Partner" is defined in Section [Supportive Partner].
- AA. "Tenant" means one or more renter, tenant, subtenant, lessee, sublessee, or other person entitled to the possession, occupancy, or benefits of a Rental Unit within a Rental Housing Accommodation. "Tenant" does not include transient guests who use or occupy a unit for less than fourteen consecutive days.
- BB. "Tenant Household" means one or more Tenants, whether or not related by blood, marriage or adoption, sharing a dwelling unit in a living arrangement usually characterized by sharing living expenses, such as rent or mortgage payments, food costs and utilities, as well as maintaining a single lease or Rental Agreement for all members of the household and other similar characteristics indicative of a single household.
- CC. "Tenant-occupied unit" means any Rental Unit currently occupied by one or more Tenants.
- DD. "Tenant Organization" means Tenants who have organized themselves as a legal entity that:
1. Can acquire an interest in real property;
 2. Represents at least a majority of the Tenant-occupied Rental Units in a Rental Housing Accommodation as of the date of the Owner's notice of intent to sell pursuant to Section [Right of First Offer];
 3. Has adopted a Governing Document and Governing Principles; and
 4. Has appointed officers and any other authorized agents specifically designated to execute contracts act on its behalf.
- EE. "Third-party Purchaser" means any person or entity other than a Tenant, Tenant Organization, or Qualified Organization, engaged or seeking to engage, in purchasing a Rental Housing Accommodation from an Owner under this Chapter.

FF. "TOPA Buyer" means a Tenant, Tenant Organization, or Qualified Organization who is purchasing or has purchased a Rental Housing Accommodation from an Owner under this Chapter.

GG. "Under threat of eminent domain" refers to the commencement of the process of eminent domain, including but not limited to, any formal or informal contact with the owner by the government or government agents regarding the potential or ongoing assertion of eminent domain, and any hearings or court proceedings regarding the same.

13.89.030 "Sale" Defined.

A. "Sale" or "sell" includes, but is not limited to:

The transfer, in exchange for money or any other thing of economic value, of a present interest in the Rental Housing Accommodation, including beneficial use, where the value of the present interest is the fee interest in the Rental Housing Accommodation, or substantially equal to the value of that fee interest.

For purposes of this Section ["Sale" Defined], a transfer may include those completed in one transaction or a series of transactions over a period of time.

13.89.040 Authority.

The City Manager and their designees are authorized to enforce the provisions of this Chapter, and for such purposes, shall have the powers of a law enforcement officer. The City Manager is authorized to establish standards, policies, and procedures for the implementation of the provisions of this chapter to further the purpose set forth herein.

13.89.050 Applicability.

TOPA shall apply to all Rental Housing Accommodations unless exempted herein.

13.89.060 Exemptions.

A. Residential Property Types Exempted. The following properties are not Covered Properties for purposes of this Chapter:

1. Properties owned by the local, state, or federal government.
2. Properties owned by and operated as a hospital, convent, monastery, extended care facility, convalescent home, or dormitories owned by educational institutions.
3. A Single Family Home that an Owner occupies as their principal residence as defined in Administrative Regulations.

4. A Single Family Home with an ADU or other secondary dwelling unit, where an Owner occupies either the Single Family Home or the secondary unit as their principal residence as defined in Administrative Regulations.
5. Properties owned by cooperative corporations, owned, occupied, and controlled by a majority of residents.
6. Properties defined as “assisted housing developments” pursuant to California Government Code Section 65863.10(a)(3) so long as the provisions of California Government Code Section 65863.10, 65863.11, and 65863.13 apply.
7. Properties properly licensed as a hotel or motel.

B. Transfers Exempted

1. An inter-vivos transfer, even though for consideration, between spouses, domestic partners, parent and child, siblings, grandparent and grandchild.
2. A transfer for consideration, by a decedent’s estate to members of the decedent’s family if the consideration arising from the transfer will pass from the decedent’s estate to, or solely for the benefit of, charity.
 - a. For the purposes of (this subsection X), the term “members of the decedent’s family” includes:
 - i. A spouse, domestic partner, parent, child, grandparent, grandchild
 - ii. A trust for the primary benefit of a spouse, domestic partner, parent, child, grandparent, or grandchild
3. A transfer of bare legal title into a revocable trust, without actual consideration for the transfer, where the transferor is the current beneficiary of the trust.
4. A transfer to a named beneficiary of a revocable trust by reason of the death of the grantor of the revocable trust.
5. A transfer pursuant to court order or court-approved settlement.
6. A transfer by eminent domain or under threat of eminent domain.

C. Exemption Procedures and Burden of Proof.

1. Burden of Proof. The burden of proof to establish that a property type or planned transaction is exempt under this Chapter is on the Owner of the Rental Housing Accommodation.

2. The Owner of a Rental Housing Accommodation who believes that they should be granted an exemption under this Section [Exemptions] shall comply with procedures that the City shall create for claiming an exemption.

D. Voluntary Election to Participate. An Owner whose property or planned transaction is exempt from this Chapter pursuant to Sections [Applicability and Exemptions] may elect to subject their property to this Chapter by complying with procedures that the City shall create through Administrative Regulations, provided that the Owner who voluntarily subjects their property to this Chapter shall comply with this Chapter in its entirety. Each Tenant living in such property shall be granted all of the rights described in this Chapter, including the opportunity to decide whether to exercise their First Right of Purchase. No Owner shall be eligible for incentives described in Section [Incentives] without complying with this Chapter in its entirety.

13.89.70 First Right to Purchase.

This Chapter shall be construed to confer upon each Tenant a First Right to Purchase a Rental Housing Accommodation, subject to the exemptions in Section [Exemptions], in a manner consistent with this Chapter. The First Right to Purchase shall consist of both a Right of First Offer, as set forth in Section [Right of First Offer], and a Right of First Refusal, as set forth in Section [Right of First Refusal]. The First Right to Purchase is conferred to each Tenant but shall be exercised collectively pursuant to Section [Tenant Decision-Making]. The First Right to Purchase shall include the right to assign these rights to a Qualified Organization as set forth in Section [Assignment]. The First Right to Purchase shall be conferred where the Owner intends to sell the Rental Housing Accommodation. This Chapter shall not be construed to limit the right of first offer provided under Chapter 21.28.

13.89.080 Tenant Decision-Making; Tenant Organizations.

- A. **Tenant Decision-Making.** Except in the case of a duly formed Tenant Organization with its own adopted Governing Document, any action required of Tenants under this Chapter shall be approved by one of the following decision-making standards:
1. At least a Majority of Tenant-occupied units, in the case of a Rental Housing Accommodation with more than one Tenant-occupied unit.
 2. At least a Majority of Tenant Households, in the case of a Rental Housing Accommodation with only one Tenant-occupied unit but multiple Tenant Households.
 3. The Tenant Household, in the case of a Rental Housing Accommodation with only one Tenant Household.

B. Tenant Organizations.

1. In order to submit an offer of purchase pursuant to Section [Right of First Offer to Purchase] and respond to the Owner's Offer of Sale pursuant to Section [Right of First Refusal], Tenants shall:
 - a. Form a Tenant Organization, approved by the requirements described in subsection [Tenant Decision-Making], unless such a Tenant Organization already exists in a form desired by the Tenants.
 - i. Exception to Form Tenant Organization. If there is only one Tenant Household in a Rental Housing Accommodation, the Tenant Household may exercise the Right of First Offer and Right of First Refusal without forming a Tenant Organization pursuant to subsection [Formation Requirement]; however, the Tenant Household shall still comply with subsections [Supportive Partner] and [TO Registration].
 - b. Select a Supportive Partner, as defined in Section [Supportive Partner].
 - c. Deliver an application for registration of the Tenant Organization, or the Tenant Household, if applicable, to the City, and a copy to the Owner, by hand or by certified mail by the deadline of submitting an offer of purchase pursuant to Section [Right of First Offer]. The application shall include: the name, address, and phone number of Tenant officers and the Supportive Partner; a copy of the Formation Document, as filed; a copy of the Governing Document; documented approval that the Tenant Organization represents subsection [Tenant Decision-Making, A1 or A2) as of the time of registration; and such other information as the City may reasonably require. Tenants may form and register the Tenant Organization with the City pursuant to this subsection [Tenant Organizations], at any time; provided that this Section [Tenant Decision-Making; TO] shall not be construed to alter the time periods within which a Tenant Organization may exercise the rights afforded by this Chapter.
2. Upon registration with the City, the Tenant Organization shall constitute the sole representative of the Tenants.

13.89.090 Qualified Organizations

A. The City Manager shall establish an administrative process for certifying organizations that meet the following minimum criteria:

1. The organization is a bona fide nonprofit, as evidenced by the fact that it is exempt from federal income tax under 26 U.S.C. § 501(c)(3), or a California cooperative corporation, as evidenced by its articles of incorporation;
2. The organization has demonstrated a commitment to democratic residential control, as evidenced by its ownership and governance structure and relationship with residents;
3. The organization has agreed to transfer ownership of the Rental Housing Accommodation to the Tenants when feasible if Tenants so wish;
4. The organization has demonstrated a commitment to the provision of affordable housing for low, very low, and extremely low income City residents, and to prevent the displacement of such residents;
5. The organization has agreed to obligate itself and any successors in interest to maintain the permanent affordability of the Rental Housing Accommodation, in accordance with Section [Price Stabilization];
6. The organization has demonstrated a commitment to community engagement, as evidenced by relationships with neighborhood-based organizations or tenant counseling organizations;
7. The organization has demonstrated the capacity (including, but not limited to, the legal and financial capacity) to effectively acquire and manage residential real property at multiple locations within the Bay Area's nine counties;
8. The organization has acquired or partnered with another housing development organization to acquire at least one residential building using any public or community funding, or has acquired or partnered with another nonprofit organization to acquire any residential buildings; and
9. The organization has agreed to attend mandatory training to be determined, from time to time, by the City.

Notwithstanding any other requirement of this section, the Berkeley Housing Authority shall be deemed a Qualified Organization for purposes of this Chapter.

B. Certification, Term, and Renewal. Organizations that the City Manager certifies as having met the criteria in subsection [QO Criteria] shall be known as "Qualified Organizations." An organization's certification as a Qualified Organization shall be valid for four years. The City Manager shall solicit new applications for Qualified Organization status at least once each calendar year, at which time existing Qualified Organizations shall be eligible to apply for renewed certification as Qualified Organizations.

C. Existence and Publication of Qualified Organizations List. The City Manager shall publish on its website, and make available upon request, a list of Qualified Organizations. In addition to such other information as the City Manager may include, this list shall include contact information for each Qualified Organization. This contact information shall include, but need not be limited to, a mailing address, an e-mail address that the Qualified Organization monitors regularly, and a telephone number.

D. Disqualification of Qualified Organization and Conflicts of Interest. The City Manager shall promptly investigate any complaint alleging that a Qualified Organization has failed to comply with this Chapter. Subject to Administrative Regulations, if, after providing the Qualified Organization with notice and opportunity to be heard, the City Manager determines that an organization listed as a Qualified Organization has failed to comply with this Chapter, the City Manager may suspend or revoke that organization's certification as a Qualified Organization. The City Manager shall establish a process for addressing potential and actual conflicts of interests that may arise among Supportive Partners, Qualified Organizations, and Tenants through Administrative Regulations.

13.89.100 Supportive Partners

A. The City Manager shall establish an administrative process for certifying individuals or organizations that meet the following minimum criteria:

1. The individual or organization has demonstrated ability and capacity to guide and support Tenants in forming a Tenant Organization;
2. The individual or organization has demonstrated ability and capacity to assist Tenants in understanding and exercising their rights under this Chapter;
3. The individual or organization has demonstrated expertise, or existing partnerships with other organizations with demonstrated expertise, to counsel Tenants on first-time homeownership and collective ownership structures;
4. The individual or organization has a demonstrated commitment to creating democratic resident-controlled housing; and
5. The individual or organization has agreed to attend mandatory trainings, to be determined, from time to time, by the City.

B. Certification, Term, and Renewal. Individuals and organizations that the City Manager certifies as having met the criteria in subsection [SP Criteria] shall be known as "Supportive Partners." An individual or organization's certification as a Supportive Partner shall be valid for four years. The City Manager shall solicit new applications for Supportive Partner status at least once each calendar year, at which time existing

Supportive Partners shall be eligible to apply for renewed certification as Supportive Partners.

C. Purpose of Supportive Partner. A Supportive Partner functions in a supportive role to assist Tenants in exercising their rights under this Chapter. This Chapter does not confer any rights to a Supportive Partner. A Supportive Partner is distinct from a Qualified Organization who is conferred subordinated rights under this Chapter as described in Section 13.89.070. The City Manager may determine that a Qualified Organization described in Section 13.89.090 who meets the criteria in subsection 13.89.100A is also eligible to serve as a Supportive Partner. The City may also serve as a Supportive Partner.

D. Existence and Publication of Supportive Partners List. The City Manager shall publish on its website, and make available upon request, a list of Supportive Partners. In addition to such other information as the City Manager may include, this list shall include contact information for each Supportive Partner. This contact information shall include, but need not be limited to, a mailing address, an e-mail address that the Supportive Partner monitors regularly, and a telephone number.

E. Disqualification of Supportive Partner and Conflicts of Interest. The City Manager shall promptly investigate any complaint alleging that a Supportive Partner has failed to comply with this Chapter. Subject to Administrative Regulations, if, after providing the Supportive Partner with notice and opportunity to be heard, the City Manager determines that an individual or organization listed as a Supportive Partner has failed to comply with this Chapter, the City Manager may suspend or revoke that individual or organization's certification as a Supportive Partner. The City Manager shall establish a process for addressing potential and actual conflicts of interests that may arise among Supportive Partners, Qualified Organizations, and Tenants through Administrative Regulations.

13.89.110 Assignment of Rights

- A. A Tenant or Tenant Organization may assign rights under this Chapter in compliance with subsection [Tenant Decision-Making] to a Qualified Organization of their choice.
- B. Subject to Administrative Regulations, the assignment of rights described in this Section shall occur prior to the Tenant or Tenant Organization waiving their rights pursuant to Section [Waiver of Rights]], and only during the process provided in Section [Statement of Interest] and Section [Right of First Offer]. Except as provided in section 13.89.120, the waiver and assignment of rights shall made in a written agreement executed by the Tenant or Tenant Organization and the Qualified Organization.
- C. Qualified Organizations shall not accept any payment, consideration, or reward in exchange for the assignment of rights under this Section.

13.89.120 Waiver of Rights

- A. Tenants may affirmatively waive their rights before the time periods specified in Sections [Right of First Offer] and [Right of First Refusal] elapse by notifying the Owner in writing, signed by the Tenants and in compliance with Section [Tenant Decision-Making; Tenant Organizations].
- B. Tenants' failure to complete actions required under Sections [Right of First Offer] and [Right of First Refusal] within the allotted time periods and any extensions thereof shall be deemed a waiver of Tenants' rights.

13.89.130 Notice Requirements

Any notices required or permitted by this Chapter shall also comply with Administrative Regulations.

13.89.140 Right of First Offer

- A. **General Construction.** Before an Owner of a Rental Housing Accommodation may offer it for sale to, solicit any offer to purchase from, or accept any unsolicited offer to purchase from, any Third Party Purchaser, the Owner shall give the Tenant of the Rental Housing Accommodation the first opportunity to make an offer as set forth in this Section.
- B. **Joint Notification.** In accordance with Section [Notice Requirements]], the Owner shall:
 - a) Notify each Tenant of the Owner's intent to Sell the Rental Housing Accommodation by certified mail and by posting a copy of the notice in a conspicuous place in common areas of the Rental Housing Accommodation.
 - i) The notice shall include, at a minimum:
 - (1) A statement that the Owner intends to sell the Rental Housing Accommodation.
 - (2) A statement of the rights of Tenants and Qualified Organizations and the accompanying timelines described in this Chapter.
 - (3) A statement of the rights of Tenants and Qualified Organizations and the accompanying timelines described in this Chapter.
 - (4) A statement that the Owner shall make the related disclosures described in this Chapter available to the Tenant.
 - (5) A statement in English, Chinese, and Spanish stating that if the Tenant requires the notice in a language other than English, they can contact the City and request the notice in their language and/or the assistance of an interpreter.
 - b) Notify each Qualified Organization, at the same time as notifying Tenants, of the Owner's intent to Sell the Rental Housing Accommodation, by sending an e-mail to each of the e-mail addresses included on the City's list

of Qualified Organizations described in Section [Qualified Organizations, subsection B “Existence and Publication of Qualified Organizations List”].

- c) File a copy of the notices with proof that they have been sent to the Tenants and Qualified Organizations with the City or its designated agency, at the same time notice is sent to Tenants and Qualified Organizations.

C. **Related Disclosures.** When the Owner, pursuant to [this Section], notifies each Tenant and Qualified Organization of its intent to sell a Rental Housing Accommodation, the Owner shall also provide each Tenant and Qualified Organization with the following information, at minimum:

1. A floor plan of the property;
2. An itemized list of monthly operating expenses, utility consumption rates, and capital expenditures for each of the two preceding calendar years;
3. A list of any known defects and hazards, and any related costs for repair;
4. The most recent rent roll: a list of occupied units and list of vacant units, including the rate of rent for each unit and any escalations and lease expirations.
5. Covenants, Conditions, & Restrictions and reserves, in the case of a condominium dwelling;
6. Any other disclosures required by California state law.

D. **Time to Submit a Statement of Interest.**

1. Upon receipt of the notice and disclosures described in subsections [Joint Notification and Related Disclosures], Tenants shall deliver one statement of interest to the Owner on behalf of the Rental Housing Accommodation.
2. Tenants shall have 20 days in a Rental Housing Accommodation comprised of 1 or 2 units, and 30 days in a Rental Housing Accommodation with 3 or more units, to deliver the statement of interest. Tenants in a Rental Housing Accommodation with 30 or more units shall be granted one extension of up to 15 days upon request, for a total of 45 days. If the Tenants waive their rights in accordance with Section [Waiver of Rights], Qualified Organizations shall have the remaining time or a minimum of 5 days, whichever is greater, to deliver a statement of interest to the Owner.
 - a) The statement of interest shall be a clear expression from the Tenants that they intend to further consider making an offer to purchase the Rental Housing Accommodation or further consider assigning their rights to a Qualified Organization.
 - b) The statement of interest shall also include documentation demonstrating that the Tenants’ decision was supported by the standard described in Section [Tenant Decision-Making].
 - c) If the Tenants waive their rights in accordance with Section [Waiver of Rights], the Owner shall notify all Qualified Organizations, via e-mail, on the same day that Tenants waive their rights, of the right of each Qualified Organization to submit a statement of interest to the Owner.

- d) Upon receipt of this notice, a Qualified Organization that intends to further consider making an offer to purchase the Rental Housing Accommodation shall deliver a statement of interest to the Owner and every other Qualified Organization via e-mail within the time periods in subsection [description of remaining time for QOs in this subsection above].
- e) The statement of interest shall be a clear expression that the Qualified Organization intends to further consider making an offer to purchase the Rental Housing Accommodation.
- f) If a Qualified Organization has delivered a statement of interest consistent with subsection [above], the Owner shall, subject to seeking Tenant approval for disclosure of any confidential or personal information, disclose to each such Qualified Organization, via e-mail, the names of Tenants in each occupied unit of the Rental Housing Accommodation, as well as any available contact information for each Tenant.
- g) If Tenants and Qualified Organizations do not deliver a statement of interest within the time periods specified in [this subsection], the Owner may immediately proceed to offer the Rental Housing Accommodation for sale to, and solicit offers of purchase from, prospective Third Party Purchasers, subject to the Right of First Refusal in Section [Right of First Refusal].

E. Time to Submit Offer.

1. **Rental Housing Accommodation with only one Tenant Household.** The following procedures apply to offers to purchase a Rental Housing Accommodation with only one Tenant Household.
 - a. Upon receipt of a statement of interest from Tenants consistent with Section [Time to Submit a Statement of Interest], an Owner shall afford the Tenants an additional 21 days to select a Supportive Partner and submit an offer to purchase the Rental Housing Accommodation. If the Tenants waive their rights in accordance with Section [Waiver of Rights], Qualified Organizations shall have the remaining time or a minimum of 5 days, whichever is greater, to submit an offer to the Owner.
 - b. If the Tenants waive their rights in accordance with Section [Waiver of Rights], the Owner shall notify all Qualified Organizations, via email, of their rights to submit an offer. Upon receipt of this notice, each Qualified Organization that intends to purchase the Rental Housing Accommodation shall submit an offer to the Owner within the time period specified in subsection [description of remaining time for QOs in this subsection above].
2. **2-unit property and Single Family Home with multiple Tenant Households.** The following procedures apply to offers to purchase a Rental Housing Accommodation with 2 units or a Single Family Home with multiple Tenant Households, unless subject to subsection [Rental Housing Accommodations with one Tenant Household].

- a. Upon receipt of a statement of interest from Tenants consistent with Section [Time to Submit Statement of Interest], an Owner shall afford the Tenants an additional 45 days to form a Tenant Organization, select a Supportive Partner, and deliver an offer to purchase the Rental Housing Accommodation. If the Tenants waive their rights in accordance with Section [Waiver of Rights], Qualified Organizations shall have the remaining time or a minimum of 5 days, whichever is greater, to deliver an offer to the Owner.
 - b. If the Tenants waive their rights in accordance with Section [Waiver of Rights], the Owner shall notify all Qualified Organizations, via e-mail, of their rights to submit an offer. Upon receipt of this notice, each Qualified Organization that intends to purchase the Rental Housing Accommodation shall deliver an offer within the time period specified in subsection [description of remaining time for QOs in this subsection above].
3. **3 or more unit properties.** The following procedures apply to offers to purchase a Rental Housing Accommodation with 3 or more units, unless subject to subsection [Rental Housing Accommodation with one Tenant Household].
 - a. Upon receipt of a Statement of Interest from Tenants consistent with Section [Time to Submit Statement of Interest], an Owner shall afford Tenants an additional 60 days to form a Tenant Organization, select a Supportive Partner, and deliver an offer to purchase the Rental Housing Accommodation. Tenants in a Rental Housing Accommodation with 10-29 units shall be granted one extension of up to 30 days upon request, for a total of 90 days to submit an offer to the Owner. Tenants in a Rental Housing Accommodation with 30 or more units shall be granted two extensions of up to 30 days each, for a total of 120 days to deliver an offer to the Owner. If the Tenants waive their rights in accordance with Section [Waiver of Rights] Qualified Organizations shall have the remaining time within these time periods and any extensions thereof, or a minimum of 5 days, whichever is greater, to deliver an offer to the Owner.
 - b. If the Tenants waive their rights in accordance with Section [Waiver of Rights], the Owner shall notify all Qualified Organizations, via email, of their rights to submit an offer. Upon receipt of this notice, each Qualified Organization that intends to purchase the Rental Housing Accommodation shall deliver an offer within the time period specified in subsection [description of remaining time for QOs in this subsection above].
4. **Price Stabilization Agreement.** Within these timeframes for submitting an offer, the Tenant, Tenant Organization, or Qualified Organization that submits an offer to the Owner shall also submit an agreement to the City pursuant to Section [Price Stabilization subsection B] agreeing to be bound by requirements of Section [Price Stabilization].

F. **Owner Free to Accept or Reject Offer.** The Owner is free to accept or reject any offer of purchase from a Tenant, Tenant Organization or Qualified Organization. Any such acceptance or rejection shall be communicated in writing.

1. **Incentives to Accept Offer.** If the Owner accepts any such offer of purchase from a Tenant, Tenant Organization or a Qualified Organization, the Owner may be eligible to receive incentives pursuant to Section [Incentives].
2. **Rejection of Offer.** If the Owner rejects all such offers of purchase, the Owner may immediately offer the Rental Housing Accommodation for sale to, and solicit offers of purchase from, prospective Third Party Purchasers, subject to the Right of First Refusal described in Section [Right of First Refusal].
3. **Lapse of Time.** If 90 days elapse from the date of an Owner's rejection of an offer from a Tenant, Tenant Organization or a Qualified Organization, and the Owner has not provided an offer of sale as described in Section [Right of First Refusal], the Owner shall comply anew with this Section [Right of First Offer].

G. **Time to Secure Financing.**

1. **Single Family Home with a one Tenant Household.** The following procedures apply to a purchase of a Single Family Home with only one Tenant Household.
 - a. The Owner shall afford the Tenant or Qualified Organization 30 days after the date of the entering into contract to secure financing.
 - b. If, within 30 days after the date of contracting, the Tenant or Qualified Organization presents the Owner with the written decision of a lending institution or agency that states that the institution or agency estimates that a decision with respect to financing or financial assistance will be made within 45 days after the date of contracting, the Owner shall afford the Tenant or Qualified Organization an extension of time consistent with the written estimate.
 - c. If the Tenant or Qualified Organization do not secure financing and close the transaction within the timeframes described in subsections [Time to Secure Financing and Time to Close] and any extensions thereof, the Owner may immediately proceed to offer the Rental Housing Accommodation for sale to, and to solicit offers of purchase from prospective Third Party Purchasers other than the Tenant or Qualified Organization.
2. **2-unit property and Single Family Home with multiple Tenant Households.** The following procedures apply to a purchase of a Rental Housing Accommodation with 2 units or a Single Family Home with multiple Tenant Households.

- a. The Owner shall afford the Tenant Organization or Qualified Organization 90 days after the date of entering into contract to secure financing.
- b. If, within 90 days after the date of contracting, the Tenant Organization or Qualified Organization presents the Owner with the written decision of a lending institution or agency that states that the institution or agency estimates that a decision with respect to financing or financial assistance will be made within 120 days after the date of contracting, the Owner shall afford the Tenant Organization or Qualified Organization an extension of time consistent with the written estimate.
- c. If the Tenant Organization or Qualified Organization do not secure financing and close the transaction within the timeframes described in subsections [Time to Secure Financing and Time to Close] and any extensions thereof, the Owner may immediately proceed to offer the Rental Housing Accommodation for sale to, and to solicit offers of purchase from prospective Third-Party Purchasers other than the Tenant Organization or Qualified Organization.

3. **3 or more unit properties.** The following procedures apply to purchases of Rental Housing Accommodations with 3 or more units.

- a. The Owner shall afford the Tenant Organization or Qualified Organization 120 days after the date of entering into contract to secure financing.
- b. If, within 120 days after the date of contracting, the Tenant Organization or Qualified Organization presents the Owner with the written decision of a lending institution or agency that states that the institution or agency estimates that a decision with respect to financing or financial assistance will be made within 160 days after the date of contracting, the Owner shall afford the Tenant Organization or Qualified Organization an extension of time consistent with the written estimate.
- c. If the Tenant Organization or Qualified Organization do not secure financing and close the deal within the timeframes described in subsections [Time to Secure Financing and Time to Close] and any extensions thereof, the Owner may immediately proceed to offer the Rental Housing Accommodation for sale to, and to solicit offers of purchase from prospective Third-Party Purchasers other than the Tenant Organization or Qualified Organization.

H. **Time to Close.** In addition to the time periods in subsection [Time to Secure Financing], the Owner shall afford each Tenant, Tenant Organization, or Qualified Organization with an additional 14 days to close. So long as the Tenant, Tenant

Organization, or Qualified Organization is diligently pursuing the close, the Owner shall afford them a reasonable extension beyond this 14-day period to close.

13.89.150 Right of First Refusal

A. General Construction. This Section [Right of First Refusal] shall be construed to confer a Right of First Refusal only upon each Tenant, Tenant Organization, and Qualified Organization that exercised the Right of First Offer pursuant to Section [Right of First Offer].

B. Offer of sale to Tenant, Tenant Organizations, and Qualified Organizations. Before an Owner of a Rental Housing Accommodation may sell a Rental Housing Accommodation, the Owner shall give each Tenant, Tenant Organization, or Qualified Organization that previously made an offer to purchase that Rental Housing Accommodation pursuant to Section [Right of First Offer], an opportunity to purchase the Rental Housing Accommodation at a price and terms that represent a Bona Fide Offer of Sale.

1. The Owner's offer of sale shall include, at minimum:
 - a. The asking price and terms of the sale. The terms and conditions shall be consistent with the applicable timeframes described in Sections [Time to Accept Offer, Time to Secure Financing, and Time to Close];
 - b. A statement as to whether a contract with a Third-party Purchaser exists for the sale of the Rental Housing Accommodation, and if so, a copy of such contract; and
 - c. A statement in English, Chinese, and Spanish stating that if the Tenant requires the offer of sale in a language other than English, they may contact the City and request the offer of sale in their language and/or the assistance of an interpreter.
2. If a Tenant or Tenant Organization is receiving the offer of sale, the Owner shall deliver the items in subsection [Offer of sale, subsection a] to each Tenant or Tenant Organization by providing a written copy of the offer of sale by certified mail.
3. If a Qualified Organization is receiving the offer of sale, the Owner shall deliver the items in subsection [Offer of sale, subsection a] to each Qualified Organization that previously made an offer to purchase the Rental Housing Accommodation. The Owner shall submit an offer of sale to each such Qualified Organization on the same day, and to the extent possible, at the same time, by e-mail.
4. If the Owner has a contract with a Third-Party Purchaser for the sale of the Rental Housing Accommodation, the Owner shall deliver all of the items in

subsection [Offer of sale, part a] to each Tenant, Tenant Organization or Qualified Organization within 2 days of entering into contract with the Third-Party Purchaser.

5. The Owner shall also provide the City with a written copy of the offer of sale and a statement certifying that the items in subsection [Offer of sale, subsection a] were delivered to each Tenant, Tenant Organization, or Qualified Organization.

C. Bona Fide Offer of Sale.

1. For purposes of this section, a “Bona Fide Offer of Sale” means an offer of sale for a Rental Housing Accommodation that is either:
 - a. For a price and other material terms at least as favorable to a Tenant, Tenant Organization or Qualified Organization as those that the Owner has offered, accepted, or is considering offering or accepting, from a Third Party Purchaser in an arm’s length third-party contract; or
 - b. In the absence of an arm’s length third-party contract, an offer of sale containing a sales price less than or equal to a price and other material terms comparable to that at which a willing seller and a willing buyer would sell and purchase the Rental Housing Accommodation, or an appraised value.

D. Time to Accept Offer.

1. **Rental Housing Accommodation with one Tenant Household.** The following procedures apply to a Rental Housing Accommodation with only one Tenant Household.
 - a. Upon receipt of the offer of sale from the Owner, a Tenant or Qualified Organization shall have 10 days to accept the offer of sale, provided, however, that the deadline to accept any offer of sale shall be extended to allow the Tenant or Qualified Organization to exercise their Right to an Appraisal pursuant to Section [Right to an Appraisal], if they believe that the offer of sale is not a Bona Fide Offer of Sale.
2. **Rental Housing Accommodation with multiple Tenant Households.** The following procedures apply to a Rental Housing Accommodation with multiple Tenant Households.
 - a. Upon receipt of the offer of sale from the Owner, a Tenant Organization shall have 30 days to accept the offer of sale.
 - b. Upon receipt of the offer of sale from the Owner, a Qualified Organization shall have 14 days to accept the offer of sale.
 - c. The deadline to accept any offer of sale shall be extended to allow the Tenant or Qualified Organization to exercise their Right to an

Appraisal pursuant to Section [Right to an Appraisal], if they believe that the offer of sale is not a Bona Fide Offer of Sale.

3. If, during these time periods, any Qualified Organization that has received such offer of sale decides to accept the Owner's offer of sale, that Qualified Organization shall notify the Owner and every other Qualified Organization of that decision by e-mail. After a Qualified Organization notifies the Owner of its decision to accept the Owner's offer of sale (that is, before any other Qualified Organization so noticed the Owner), that Qualified Organization shall be deemed to have accepted the offer of sale, and no other Qualified Organization may accept the Owner's offer of sale, whether or not the time periods in this subsection have elapsed.

E. Time to Secure Financing and Close. If a Tenant, Tenant Organization, or Qualified Organization accept an Owner's offer of sale in accordance with this Section [Right of First Refusal], the Owner shall afford such Tenant, Tenant Organization, or Qualified Organization time to secure financing and close, consistent with Sections [Time to Secure Financing and Time to Close].

F. Rejection of Offer. If each Tenant, Tenant Organization, and Qualified Organization that received an offer of sale consistent with this Section [Right of First Refusal] rejects that offer of sale or fails to respond within the timelines described in this Section, the Owner may immediately proceed with the sale of the Rental Housing Accommodation to a Third-Party Purchaser consistent with the price and material terms of that offer of sale.

13.89.160 Third-Party Rights

The right of a third party to purchase a Rental Housing Accommodation is conditional upon the exercise of Tenant, Tenant Organization, and Qualified Organization rights under this Chapter. The time periods for submitting and accepting an offer, securing financing, and closing under this Chapter are minimum periods, and the Owner may afford any Tenant, Tenant Organization, and Qualified Organization a reasonable extension of such period, without liability under a third party contract. Third Party Purchasers are presumed to act with full knowledge of the rights of Tenants, Tenant Organizations, and Qualified Organizations and public policy under this Chapter.

13.89.170 Right to Appraisal

- A. This Section shall apply whenever an offer of sale is made to a Tenant, Tenant Organization, or Qualified Organizations as required by this Chapter and the offer is made in the absence of an arm's-length third-party contract.
- B. **Request for Appraisal.** The Tenant, Tenant Organization, or Qualified Organization that receives an Owner's offer of sale may challenge that offer of sale as not being a Bona Fide Offer of Sale, and request an appraisal to determine the fair market value of the Rental Housing Accommodation. The party

requesting the appraisal shall be deemed the “petitioner” for purposes of this subsection. The petitioner shall deliver the written request for an appraisal to the City and the Owner by hand or by certified mail within 3 days of receiving the offer of sale.

- C. **Time for Appraisal.** Beginning with the date of receipt of a written request for an appraisal, and for each day thereafter until the petitioner receives the appraisal, the time periods described in Section [Time to Accept Offer] shall be extended by an additional day up to ten (10) business days.
- D. **Selection of Appraiser.** The petitioner shall select an appraiser from a list of independent, qualified appraisers, that the City shall maintain. City approved appraisers shall hold an active appraiser license issued by the California Bureau of Real Estate Appraiser and shall be able to conduct an objective, independent property valuation, performed according to professional industry standards. All appraisers shall undergo training organized by the City before they are approved and added to the City’s list.
- E. **Cost of Appraisal.** The petitioner, Owner, and the City, shall each be responsible for one-third of the total cost of the appraisal.
- F. **Appraisal Procedures and Standards.** The Owner shall give the appraiser full, unfettered access to the property. The Owner shall respond within 3 days to any request for information from the appraiser. The petitioner may give the appraiser information relevant to the valuation of the property. The appraisal shall be completed expeditiously according to standard industry timeframes. An appraised value shall only be based on rights an owner has as a matter-of-right as of the date of the alleged Bona Fide Offer of Sale, including any existing right an Owner may have to convert the property to another use. Within these restrictions, an appraised value may take into consideration the highest and best use of the property.
- G. **Validity of Appraisal.** The determination of the appraised value of the Rental Housing Accommodation, in accordance with this Section, shall become the sales price of the Rental Housing Accommodation in the Bona Fide Offer of Sale, unless:
 - a. The Owner and the petitioner agree upon a different sales price of the Rental Housing Accommodation; or
 - b. The Owner elects to withdraw the offer of sale altogether within 14 days of receipt of the appraisal.
 - i. The Owner shall withdraw the Offer of Sale by delivering a written notice by hand or by certified mail to the City and to the petitioner.
 - ii. Upon withdrawal, the Owner shall reimburse the petitioner and the City for their share of the cost of the appraisal within 14 days of delivery of written notice of withdrawal.
 - iii. An Owner who withdraws an offer of sale in accordance with this subsection shall be precluded from proceeding to sell the Rental Housing Accommodation to a Third-Party Purchaser without

complying with this Chapter anew and honoring the First Right of Purchase of Tenants and Qualified Organizations.

- c. The petitioner elects to withdraw the offer of sale altogether within 14 days of receipt of the appraisal.
 - i. The petitioner shall withdraw the Offer of Sale by delivering a written notice by hand or by certified mail to the City and to the Owner.
 - ii. Upon withdrawal, the petitioner shall reimburse the Owner and the City for their share of the cost of the appraisal within 14 days of delivery of written notice of withdrawal.

13.89.180 Contract Negotiation

A. Bargaining in good faith. The Owner and any Tenant, Tenant Organization, and/or Qualified Organization shall bargain in good faith regarding the terms of any Offer for Sale. Any one of the following constitutes prima facie evidence of bargaining without good faith:

- 1. The failure of an Owner to offer a Tenant, Tenant Organization, or Qualified Organization a price and other material terms at least as favorable as that offered to a Third Party Purchaser.
- 2. Any requirement by an Owner that a Tenant, Tenant Organization, or Qualified Organization waive any right under this Chapter.
- 3. The intentional failure of an Owner, Tenant, Tenant Organization, or Qualified Organization to comply with the provisions of this Chapter.

B. Reduced price. If the Owner sells or contracts to sell the Rental Housing Accommodation to a Third-Party Purchaser for a price less than the price offered to the Tenant, Tenant Organization, or Qualified Organization in the offer of sale, or for other terms, which would constitute bargaining without good faith, the Owner shall comply anew with all requirements of this Chapter, as applicable.

C. Termination of rights. The intentional failure of any Tenant, Tenant Organization, or Qualified Organization to comply with the provisions of this Chapter shall result in the termination of their rights under this Chapter.

13.89.190 No Selling of Rights

- A. A Tenant, Tenant Organization, or Qualified Organization shall not sell any rights under this Chapter.
- B. An Owner shall not coerce a Tenant or Tenant Organization to waive their rights under this Chapter.

13.89.200 Tenant Protections

- A. No Tenant in the Rental Housing Accommodation, including those Tenants who do not exercise rights to purchase under this Chapter, may be evicted by the TOPA Buyer, except for good cause in compliance with the City's Rent Stabilization and Eviction for Good Cause Ordinance and applicable state law.
- B. Should the maximum allowable rent provision of the City's Rent Stabilization and Eviction for Good Cause Ordinance not apply, TOPA Buyers shall adjust the rent annually to allow an increase of no more than the increase in the CPI plus a reasonable, pro rata share of capital improvements for common areas or agreed to capital improvements for the unit in accordance with Administrative Regulations and subject to Section [Price Stabilization re: rent restrictions]. These rent increase limits shall only apply to units that can be controlled in compliance with Costa-Hawkins Rental Housing Act.
- C. TOPA Buyers shall not refuse to provide Rental Housing Accommodations to any person based on the source of funds used to pay for the Rental Housing Accommodations, including but not limited to any funds provided by Berkeley Housing Authority Section 8 vouchers or any other subsidy program established by the Federal, State or County and the City of Berkeley, the City's Shelter Plus Care Program certificates or any future rent subsidy from the City or other governmental entity made available to extremely low to moderate low income households for vacant units in the purchased Rental Housing Accommodation, and shall comply with sections 13.31.010 and 13.31.020.

13.89.210 Price Stabilization

- A. Rental Housing Accommodation purchased by a TOPA Buyer under this Chapter shall be subject to permanent affordability restrictions as set forth in this Section and Administrative Regulations created with the intent of fulfilling the purpose of this Chapter.
- B. "Permanent affordability" means that future rents and future sales prices of the Rental Housing Accommodation, or separate ownership interests in the Rental Housing Accommodation, shall be made affordable to households with targeted income levels.
- C. Term. Subject to Administrative Regulations, permanent affordability standards shall restrict the use of the Rental Housing Accommodation to require that permanent affordability restrictions remain in force for 99 years and with an option to renew at year 100. This subsection is not to be construed to apply only to community land trusts.
- D. In exchange for the rights conferred under this Chapter, each TOPA Buyer agrees to maintain the permanent affordability of the Rental Housing Accommodation. No TOPA Buyer shall be entitled to contract under this Chapter without executing an agreement with the City to limit the future appreciation of the Rental Housing Accommodation and

only sell, or rent, to income-eligible households in accordance with this Section [Price Stabilization] and relevant standards and exemptions created by the City through Administrative Regulations. Under this agreement, each TOPA Buyer shall represent to the City that they agree to be bound by the permanent affordability requirements under this Section.. The TOPA Buyer shall deliver this agreement to the City no later than the deadline for submitting an offer provided under Section [Right of First Offer].

E. For a Tenant or Tenant Organization purchasing a Rental Housing Accommodation, permanent affordability standards created by the City shall:

1. Restrict the resale price of the Rental Housing Accommodation, or separate ownership interests in the Rental Housing Accommodation, by limiting the annual market appreciation of the Rental Housing Accommodation, or separate ownership interest, to an increase of no more than 25 percent of the appreciated value as determined by the difference between an appraisal made at the time of purchase and the appraisal made at the time of sale. The City may create standards to limit the annual market appreciation at less than 25 percent through Administrative Regulation;
2. Ensure that a unit in which a Tenant determines to remain a renter following a purchase under this Chapter shall be maintained as a unit subject to the requirements of Section [Tenant Protections - rent control mandate], unless the City determines a valid exemption or alternative standard should apply for such unit assisted by the City or other public subsidy program which is subject to separate permanent affordability requirements; and
3. At minimum, make the restricted resale price of the Rental Housing Accommodation, or ownership interests in the Rental Housing Accommodation, available only to households with income at or below the average AMIs of the initial TOPA Buyers as of the initial purchase date of the Rental Housing Accommodation, as verified and recorded by the City as of the initial purchase date.

F. For Qualified Organizations purchasing the Rental Housing Accommodation, permanent affordability standards created by the City shall:

1. Restrict the resale price of the Rental Housing Accommodation, or separate ownership interests in the Rental Housing Accommodation, by limiting the annual market appreciation of the Rental Housing Accommodation, or separate ownership interest, to an increase of no more than the percentage change in the regional CPI or AMI plus credits for capital improvements, at a minimum, but in no event more than 25 percent of the appreciated value as determined by the difference between an appraisal made at the time of purchase and the appraisal made at the time of sale;

2. Ensure that a unit in which a Tenant determines to remain a renter following a purchase under this Chapter shall be maintained as a unit subject to the requirements of Section [Tenant Protections - rent control mandate], unless the City determines a valid exemption or alternative standard should apply for such unit assisted by the City or other public subsidy program which is subject to separate permanent affordability requirement; and
3. Prioritize making vacant or vacated units in the Rental Housing Accommodation available to Households with income at or below 30 percent, 50 percent, and 80 percent of AMI.

G. Mechanism. Permanent affordability restrictions shall materialize as at least one of the following:

1. A restrictive covenant placed on the recorded title deed to the Rental Housing Accommodation that runs with the land and is enforceable by the City against the TOPA Buyer and its successors, and one of the following:
 - a. Other affordability restrictions in land leases or other recorded documents not specifically listed in this subsection, so long as the City determines that such restrictions are enforceable and likely to be enforced such as a recorded mortgage promissory note and/or regulatory agreements with the City where City subsidies are involved.
2. A community land trust lease, which is a 99-year renewable land lease with affordability and owner-occupancy restrictions.
3. A Limited Equity Housing Cooperative.

H. Required Recordings and Filings.

1. All covenants created in accordance with this Section [Price Stabilization] shall be recorded before or simultaneously with the close of escrow in the office of the county recorder where the Rental Housing Accommodation is located and shall contain a legal description of the Rental Housing Accommodation, indexed to the name of the TOPA Buyer as grantee.
2. Each TOPA Buyer of the Rental Housing Accommodation will be required to file a document annually with the City in which the TOPA Buyer affirmatively states the rents and share price for each unit in the Rental Housing Accommodation. The City may engage a third party monitoring agent to monitor the compliance of this subsection [annual certification], pursuant to Administrative Regulations.

I. Exemption from the City's Affordable Housing Mitigation Fee.

Qualified Organizations and Tenant Organizations shall not be subject to the payment of the City's affordable housing mitigation fee pursuant to the

Condominium Conversion Ordinance, Chapter 21.28, if converting units in the Rental Housing Accommodation to limited equity condominiums for the purpose of providing permanently affordable housing opportunities subject to and in compliance with the requirements of this Section [Price Stabilization] and Administrative Regulations.

13.89.220 Incentives

- A. Access to Buyers.** The City shall endeavor to maintain and publicize the list of Qualified Organizations described in Section XXX in a manner that, to the maximum extent feasible, promotes the existence of the Qualified Organizations as a readily accessible pool of potential buyers for Covered Properties. The City shall, to the maximum extent permitted by law and otherwise feasible, publicize the existence of this list in a manner intended to facilitate voluntary sales to Qualified Organizations in a manner that avoids or minimizes the need for a broker, other search costs, or other transactions.
- B. Partial City Transfer-Tax Exemption.** As set forth in Section XXX of the XXXX Municipal Code, the increased tax rate imposed by subsections XXX Section XXX shall not apply with respect to any deed, instrument or writing that affects a transfer under Section XXX of this Chapter, as Section XXX exists as of the effective date of the Ordinance.
- C. Potential Federal Tax Benefits.** Any Qualified Organization that purchases a Rental Housing Accommodation under the right of first offer set forth in Section XXX shall, to the maximum extent permitted by law and otherwise feasible, be obliged to work with the Owner in good faith to facilitate an exchange of real property of the kind described in 26 U.S.C. § 1031, for the purpose of facilitating the Owner's realization of any federal tax benefits available under that section of the Internal Revenue Code.
- D. Information to Owners.** The City shall produce an information sheet describing the benefits of an Owner's decision to accept a Tenants' or Qualified Organization's offer of purchase made in connection with the first right to purchase forth in Sections [Right of First Offer] and [Right of First Refusal]. The information sheet shall further explain that, even if a Owner does not accept a Tenants' or Qualified Organizations' offer to purchase a Rental Housing Accommodation pursuant to the right of first offer set forth in Section [Right of First Offer], the Rental Housing Accommodation will still be subject to the right of first refusal set forth in Section [Right of First Refusal]. The information sheet shall contain a field in which the Owner may acknowledge, in writing, that the Owner (or the Owner's authorized representative) has read and understood the information sheet. A Tenant, Tenant Organization, or Qualified Organization that makes an offer to purchase a Rental Housing Accommodation under the right of first offer set forth in Section XXX shall include a copy of, or link to, this information sheet with that offer of Purchase, but any failure to comply with this

Section XXX shall have no effect on a Qualified Organization's exercise of the right of first offer set forth in Section XXX.

13.89.230 Enforcement

A. Powers and Duties of the City.

1. The City is authorized to take all appropriate action, including but not limited to the actions specified in Section [Authority], to implement and enforce this Chapter.

B. Implementation

1. The City Manager shall promulgate rules and regulations consistent with this Chapter.
2. The City shall adopt regulations to implement a petition and hearing procedure for administering the enforcement of this Chapter.
3. The City shall establish and make available standard documents to assist Owners, Tenants, Tenant Organizations, and Qualified Organizations in complying with the requirements of this Chapter through an online portal, provided that use of such documents does not necessarily establish compliance.
4. **Owner Certification and Disclosures.** Every Owner of a residential property in the City shall, within 15 days of the sale of the residential property, submit to the City a signed declaration, under penalty of perjury, affirming that the sale of that residential property complied with the requirements of this Chapter. Such declaration shall include the address of the relevant residential property and the name of each new Owner of the Rental Housing Accommodation. The City shall publish all such addresses on its website. Failure to file a declaration required by this subsection [Owner Certification] shall result in the penalty described in subsection [Civil Penalties].

C. Enforcement

1. **Civil Action.** Any party may seek enforcement of any right or provision under this Chapter through a civil action filed with a court of competent jurisdiction and, upon prevailing, shall be entitled to remedies, including those described in Section [Penalties and Remedies].
2. **Penalties and Remedies.**
 - a. **Civil Penalties.** An Owner who willfully or knowingly violates any provision of this Chapter shall be subject to a cumulative civil penalty imposed by the

City in the amount of up to [\$1,000] per day, per Tenant-occupied unit in a Rental Housing Accommodation, for each day from the date the violation began until the requirements of this Chapter are satisfied, payable to [the Housing Trust Fund established by the City].

- b. **Legal Remedies.** Remedies in civil action brought under this Section [Enforcement] shall include the following, which may be imposed cumulatively:
- i. Damages in an amount sufficient to remedy the harm to the plaintiff;
 - ii. In the event that an Owner sells a Rental Housing Accommodation without complying with the requirements of this Chapter, and if the Owner's violation of this Chapter was knowing or willful, mandatory civil penalties in an amount proportional to the culpability of the Owner and the value of the Rental Housing Accommodation. There shall be a rebuttable presumption that this amount is equal to 10 percent of the sale price of the Rental Housing Accommodation for a willful or knowing violation of this Chapter, 20 percent of the sale price for a second willful or knowing violation, and 30 percent of the sale price for each subsequent willful or knowing violation. Civil penalties assessed under this subsection [Owner's knowing and willful violation] shall be payable to the Housing Trust Fund established by the City; and
 - iii. Reasonable attorneys' fees.
- b. **Equitable Remedies.** In addition to any other remedy or enforcement measure that a Tenant, Tenant Organization, Qualified Organization, or the City may seek under subsection [Legal Remedies], any court of competent jurisdiction may enjoin any Sale or other action of an Owner that would be made in violation of this Chapter.

13.89.240 Statutory Construction.

The purpose of this Chapter is to prevent the displacement of lower-income Tenants from the City and to preserve affordable housing by providing an opportunity for Tenants to own or remain renters in the properties in which Tenants reside as provided in this Chapter. If a court finds ambiguity and there is any reasonable interpretation of this Chapter that favors the rights of the Tenant then the court should resolve ambiguity toward the end of strengthening the legal rights of the Tenant or Tenant Organization to the maximum extent permissible under law.

13.89.250 Administration and Reports

- A. The City Manager shall report annually on the status of the Tenant Opportunity to Purchase Act Program to the City Council or to such City Council Committee as the City Council may designate. Such reports shall include, but shall not be limited to the following:
 - 1. Statistics on the number and types of sales of tenant occupied properties
 - 2. Statistics on the number of Tenants and Qualified Organizations that invoke action under this chapter.
 - 3. Number and types of units covered by this Chapter.
 - 4. Any other information the City Council or Committee may request.

- B. The City shall make available translation services in languages other than English, where requested in advance by a Tenant, Tenant Organization, Qualified Organization, Owner, or member of the public as it relates to TOPA, to interpret and translate documents and procedures as needed.

13.89.260 Severability

If any word, phrase, clause, sentence, subsection, section, or other portion of this Chapter, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason by a decision of a court of competent jurisdiction, then such word, phrase, clause, sentence, subsection, section, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this Chapter, and all applications thereof, not having been declared void, unconstitutional or invalid, shall remain in full force and effect. The City Council hereby declares that it would have passed this Chapter, and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or words had been declared invalid or unconstitutional.

Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

BERKELEY				
Address	Details	Market Time	Asking Price	Sale Price
1500 Ward St, Berkeley, CA 94703	8 bd, 4 ba	472 days	\$1,354,000 (-9.1%)	
1616 Prince st	5 units	111 Days	\$1,500,000	
1257 Francisco St, Berkeley, CA 94702	6 units	118 days	\$3,325,000 (-5%)	
2326 Mckinley Ave, Berkeley, CA 94703	4 units	226 days	\$2,650,000 (-8.6%)	
1901 9th St, Berkeley, CA 94710	2 units	57 days	\$995,000 (-10%)	
1947 Virginia St	3 units	28 days	\$1,300,000	\$1,460,000
1235 Carrison St	4 units	52 days	\$999,000	\$999,000
2919 Fulton st	4 Units	112 days	\$1,695,000	\$1,550,000
2330 Grant st	4 units	45 days	\$1,225,000	\$1,320,000
906 Channing Way	4 units	30 days	\$1,500,000	\$1,710,000
1610 Russell St	10 Units	38 days	\$2,440,000	\$2,500,000
1235 Carrison st	4 units	45 days	\$999,000	\$999,000
1308 Hopkins st	5 units	89 days	\$1,795, 000	\$1,900,000
2875 California st.	8 units	61 days	\$2,100,000	\$2,178,000
2919 Fulton st.	4 Units	106 days	\$1,695,000	\$1,550,000
1627 Posen Ave	3 Units	76 days	\$1,385,000	\$1,660,000

Oakland				
Address	Details	Market Time	Asking Price	Sale Price
663 Apgar st	4 units	40 days	1,400,000	1,295,000
411 Lusk st	2 units	300 days	749,000	650,000
211 monte vista	4 units	53 days	1,500,000	1,594,000
3942 Wilda ave	4 units	53 days	1,500,000	1,594,000
295 Mather st	3 units	55 days	1,295,000	1,286,000
1808 90th ave	4 units	250 days	729,000	899,000
1524 11th ave	4 units	112 days	1,380,000	1,310,000

All data consolidated from Zillow during January 2020

BERKELEY PROPERTIES AND TOPA APPLICABILITY

BERKELEY PROPERTY TYPE & NUMBER		# OF PROPERTY TYPE W/ TOPA RIGHTS	
Housing Type	Total Number	<u>Previous Investor Applicability Standard:</u> Owner w/3+ rental units	<u>Proposed Applicability Standard:</u> All rental properties; exempt owner-occupied SF homes, including those with ADUs
SF/Townhouse	17,131	323	3,906
Condo	2,286	362	1,246
Duplex/2 units	1,869	247	1,869
Triplex/Duplex w SF/3 units	725	429	725
Fourplex/Triplex w SF/4 units	683	679	683
2-4 SF homes	681	82	681
2-4 units w/rooming house	44	12	44
5+ homes/SF converted to 5+ units	144	144	144
Multi 5+ units	1,174	1,174	1,174
TOTAL	24,737	3452	10,472



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ATTACHMENT 4

DC Apartment buildings and TOPA

As of March 2018, at least 40% of DC's residential units (6.5% of its residential buildings) fell under TOPA; this included 7,510 apartment buildings with 120,619 units. The total number of residential housing units in the city at that time was 297,531 units, 103,250 of which were owner occupied and an unknown number of single-family homes, condominiums and cooperatives that were rented.¹

From 2002-2018, at least 3,500 units were preserved through TOPA.² The city of DC does not have comprehensive TOPA data from before 2002. As of 2019, 4,400 Limited Equity Cooperative (LEC) units existed across 99 buildings; many of these LECs were created through TOPA.³

DC multifamily sales data from 2014-2015 is helpful in understanding the number of TOPA sales that happen every two years.⁴ During that time period, 131 sales of multi-family buildings took place. 32% of these sales (42 buildings) went through the TOPA process. Another 14 sales transacted outside of TOPA but were offered directly to the tenants. Therefore, every two years it is likely that at least 0.6-0.7% of the existing DC rental stock is going through the TOPA process or being purchased by tenants.

More recent data from the DC Department of Housing and Community Development (DHCD) highlights that larger multifamily buildings are the TOPA transactions most often supported with subsidy from DC's Housing Production Trust Fund. DHCD closed funding for 13 TOPA projects of 832 units in FY17 and 9 TOPA projects of 449 units in FY18.⁵ In FY19, DHCD funded acquisitions for 15 TOPA projects, 2 of which were sold to tenants creating an LEC.⁶

¹ *Stock of the District's Housing Stock*. Taylor, Yes Sayin. D.C. Policy Center. March 2018. https://www.dcpolicycenter.org/wp-content/uploads/2018/03/DC-Policy-Center-Housing-Report.final_March25.pdf

² *DC's First Right Purchase Program Helps to Preserve Affordable Housing*. Reed, Jenny. DC Fiscal Policy Institute. September 2013. https://www.dcfpi.org/wp-content/uploads/2013/09/9-24-13-First_Right_Purchase_Paper-Final.pdf

DC Multifamily Market Statistics - Multifamily Sales 2014-2015. Greysteel. 2016. <https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Greysteel-%20D.C.%20Multifamily%20Market%20Statistics.pdf>

Building a Local Housing Preservation Ecosystem. DC Department of Housing and Community Development. November 2018. <http://oakclt.org/wp-content/uploads/2018/12/Oakland-TOPA-Final.pdf>

³ *Final Report*. DC Limited Equity Cooperative Task Force. October 2019. https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/page_content/attachments/Final%20LEC%20Recommendations_10.21.19.pdf

⁴ *DC Multifamily Market Statistics - Multifamily Sales 2014-2015*. Greysteel. 2016. <https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Greysteel-%20D.C.%20Multifamily%20Market%20Statistics.pdf>. This data doesn't include single-family or condo sales that went through the TOPA process.

⁵ DC DHCD Performance Oversight Hearing responses to DC Council. February 2019. <https://dccouncil.us/wp-content/uploads/2019/02/dhcd19.pdf>

⁶ DC DHCD Performance Oversight Hearing responses to DC Council. February 2020. <https://dccouncil.us/wp-content/uploads/2020/02/dhcd.pdf>

Criticisms of DC TOPA

Criticism 1: DC TOPA promotes tenant capitalism instead of combating displacement and preserving affordable housing.

Response:

Berkeley's TOPA ordinance is distinguishable from DC TOPA in these three ways:

- 1) Tenants cannot sell their rights.
- 2) Tenants can only assign their rights to Qualified Organizations (QOs) that the city vets. These QOs are affordable housing developers and must meet a list of criteria outlined in the ordinance, such as strict commitments to maintaining the property as affordable, tenant engagement, and other relevant experience.
- 3) All housing purchased through TOPA, whether by tenants or QOs, will have some form of permanent affordability restrictions to ensure affordability for future owners/renters.

Also, despite tenants in DC being able to sell their TOPA rights and receive buyouts from third parties, DC TOPA has still helped preserve thousands of units of housing. Since 2002, at least 3,500 units have been purchased through TOPA, most with public subsidy. The total number of units purchased/preserved through TOPA since its passage in 1980 is obviously much larger, but accurate data was not recorded until 2002. In 2002, DC established its Housing Production Trust Fund, which now has an annual allocation of \$116 million.

Criticism 2: DC TOPA attracts bad actors that hold up owners for money and add time to the sales process. This is why DC got rid of TOPA for Single Family Accommodations (SFAs).

Response:

DC TOPA covered SFAs for 39 years. In 2019, the TOPA law was amended to exempt all SFAs. Unfortunately, a couple of bad actors had convinced several tenants living in owner-occupied Single Family Homes to sell their TOPA rights and then these bad actors held up owners for additional money.

Berkeley's ordinance considered all of this. This is why Berkeley's ordinance does not allow tenants to sell their rights, and therefore prevents bad actors from being able to enter the TOPA process. In addition, Berkeley's TOPA ordinance requires tenants to work with a supportive partner after they have expressed interest in purchasing. Supportive partners will help tenants understand their TOPA rights, how to make corporate decisions, as well as the possible financial costs and support for the transaction.

Finally, Berkeley's housing stock is comprised primarily of small sites and many SFAs, which are not appropriate for most large-scale affordable housing subsidies. TOPA presents a great opportunity to bring these rental properties under permanent affordability and provide much-needed protections to tenants in SFAs who currently have little to no protections. Berkeley's TOPA ordinance also has an exemption for owner-occupied SFAs and owner-occupied SFAs with a secondary dwelling unit if either unit is owner-occupied.

