

**BERKELEY CITY COUNCIL LAND USE, HOUSING, & ECONOMIC
DEVELOPMENT COMMITTEE
SPECIAL MEETING MINUTES**

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**Thursday, April 25, 2019
10:30 AM**

2180 Milvia Street, 6th Floor - Redwood Room

Committee Members:

Mayor Jesse Arreguin, and Councilmembers Sophie Hahn and Lori Droste

AGENDA

Roll Call: 10:31 a.m.

Present: Droste, Hahn, Arreguin

Public Comment on Non-Agenda Matters: 4 speakers.

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. Minutes for Approval - March 21, 2019

Action: M/S/C (Droste/Hahn) to approve minutes as presented.

Vote: All Ayes.

Committee Action Items

Following review and discussion of the items listed below, the Committee may continue an item to a future committee meeting, or refer the item to the City Council.

Committee Action Items

2. **Analysis of Site Capacity for Housing Development at the West Berkeley Service Center, 1900 6th Street**

From: Mayor Arreguin and Councilmembers Kesarwani, Wengraf, and Bartlett

Referred: January 7, 2019

Due: May 27, 2019

Recommendation: 1) Short-Term Referral to the City Manager to conduct an analysis of potential site capacity looking at site context and yield under three scenarios: existing zoning conditions in the MUR; a potential maximum height of six stories under the MUR zoning, and a potential maximum height of six stories and reclassification as C-W. Staff will present the findings of this analysis to the City Council as an Information Item.

2) Direct the City Manager to return to City Council at the same meeting when the site capacity analysis is presented with an Action Item to: issue an RFI for the development of the West Berkeley Service Center site (formerly the West Berkeley Senior Center) into a senior housing and services project consistent with Age Friendly Berkeley recommendations, maximizing the number of affordable units; and refer to the Planning Commission potential modifications to the underlying MUR zoning for the West Berkeley Service Center site, 1900 6th Street.

Financial Implications: Staff time

Contact: Jesse Arreguin, Mayor, 981-7100

Action: 2 speakers. M/S/C (Droste/Hahn) to recommend that the report submitted to the Land Use, Housing & Economic Development Committee on January 7, 2019 and further amended to include additional language in the Recommendation section be submitted to the City Council with a Positive Recommendation.

Vote: All Ayes.

Committee Action Items

3. **Update on North Berkeley BART Zoning and Future Development**

From: Mayor Arreguin

Referred: April 3, 2019

Due: October 8, 2019

Recommendation: The intent of this Information item is to give the Land Use, Housing & Economic Development Policy Committee a status update on, and opportunity to discuss, the visioning process for North Berkeley BART Zoning and Future Development to date and next steps prior to the May 9th Special Council Meeting.

Financial Implications: Staff time.

Contact: Jesse Arreguin, Mayor, 981-7100

Action: 8 speakers. Questions asked and discussion held. Item continued to next meeting – May 2, 2019 in preparation of City Council Special Meeting of May 9, 2019 at 6 p.m. at Longfellow Middle School, 1500 Derby Street, Berkeley.

4. **Measure O Affordable Housing Bond Planning**

From: City Manager

Contact: Kelly Wallace, Housing & Community Services Division, 981-5400

Action: 6 speakers. Questions asked and discussion held. Item continued to next meeting – May 2, 2019 with invitation to Measure O Bond Oversight Committee Chair and Members to attend and speak to the Land Use, Housing and Economic Development Policy Committee.

Committee Action Items

5. **Open Doors Initiative: First Time Homebuyer Program** (*Selected for May 16, 2019 Action Item Agenda*)

From: Councilmembers Bartlett and Robinson, and Mayor Arreguin

Referred: February 11, 2019

Due: July 1, 2019

Recommendation: That the City Council direct the Planning Commission to design a regulatory mechanism (Open Doors Initiative) to incentivize the creation of affordable starter homes for Berkeley city employees and persons of moderate income. Also recommend that the City Council direct Housing and Economic Development to analyze the financial barriers to access for low-income homeowners, and to develop a financial program of low-interest loans tied to outreach and education to ensure low-income homeowners can participate and benefit from this program. The Open Doors Initiative is intended to provide assistance to homeowners in R1 and R1A zones to renovate their properties and become multi-family condominiums (the “Missing Middle”). To qualify for zoning approval, families must agree to deed restrictions which limit the sale of the newly-created condominiums to Employees of the City of Berkeley and/or first time moderate income first time home buyers.

Increasing the supply of one bedroom and studio condominiums also allow community members, previously shut out of the middle class, the opportunity to own a home while simultaneously enabling older homeowners to downsize and efficiently utilize their equity. The deed restrictions provided a path to homeownership for moderate income persons; first responders to be on hand in the event of a crisis; and for workers to avoid long commutes by owning homes in the city they serve. The Open Doors initiative serves the policy goals of economic inclusion, community resilience, and environmental sustainability.

Financial Implications: To be determined by an impact study.

Contact: Ben Bartlett, Councilmember, District 3, 981-7130

Action: 2 speakers. Questions asked and discussion held. Item continued to next meeting – May 2, 2019.

Unscheduled Items

These items are not scheduled for discussion or action at this meeting. The Committee may schedule these items to the Action Calendar of a future Committee meeting.

Unscheduled Items

6. **Berkeley Qualified Opportunity Fund**

From: Councilmember Bartlett

Referred: March 19, 2019

Due: September 23, 2019

Recommendation: On March 19, 2019 City Council referred this item to the Land Use, Housing, and Economic Development Committee with the request to consider the following items:

- Refer to the Budget Process to conduct an equity assessment and community process to discuss opportunity zones, particularly in South Berkeley.
- Engage the Office of Economic Development in the community process.
- Set up standards that reflect the City's goals for the opportunity zones.
- Set priorities for public projects that the City would like to have completed in the opportunity zones.

Financial Implications: See report.

Contact: Ben Bartlett, Councilmember, District 3, 981-7130

Action: Questions asked and discussion held. Item continued to the next meeting – May 2, 2019, Committee Action Items.

7. **Referral: Fee on New Non-Residential Development to Contribute to the Revolving Loan Fund**

From: Councilmember Robinson

Referred: March 18, 2019

Due: September 22, 2019

Recommendation: Refer to the City Manager to develop a new fee on non-residential development to contribute to the City of Berkeley's Revolving Loan Fund (RLF) for small business financing.

Financial Implications: See report

Contact: Rigel Robinson, Councilmember, District 7, 981-7170

Action: Item continued to the next meeting – May 2, 2019, Unscheduled Items.

Unscheduled Items

8. **Local Construction Workforce Development Policy**

From: Councilmember Bartlett and Mayor Arreguin (*Selected for May 16, 2019 Action Item Agenda*)

Referred: April 8, 2019

Due: October 7, 2019

Recommendation: Policy Recommendation: That the City Council refer to the Planning Commission to address the shortage of qualified local construction workers; worker retention, and elevated labor costs through the creation of a construction workforce development policy. This local workforce development policy will encourage housing and nonresidential development applicants to require contractors to utilize apprentices from state-approved, joint labor-management training programs, and to offer employees employer-paid health insurance plans. The policy will help stabilize regional construction markets; and enhance productivity of the construction workforce Berkeley needs to meet its General Plan's build-out goals. Program: The City should require contractor prequalification for General Plan Area projects of 30,000 square feet or more.

Apprenticeship: Each general contractor and subcontractor (at every tier for the project) will sign a statement stipulating that it participates in a Joint Apprenticeship Program approved by the State of California, Division of Apprenticeship Standards. For each apprenticeable craft a contractor or subcontractor employs on its workforce, the contractor will maintain the ratio of apprentices as required by California Labor Code section 1777.5 which apprentices are enrolled and participating in a Joint Apprenticeship Program approved by the State of California, Division of Apprenticeship Standards.

Health Care Coverage: Each general contractor or subcontractor (at every tier for the project) will sign a statement stipulating to and providing documented proof that the contractor pays at least 75 percent of the cost of the premiums for health insurance at the silver level (as set forth by Covered California) for all its construction craft employees and the employees' dependents and that this coverage has been maintained for 180 consecutive days prior to the submission of the pre-qualification documents (a copy of the Declaration of Insurance Coverage showing the dates of continuous coverage or proof that the Contractor contributes to an Employee Benefit Plan shall qualify) OR documentary proof that such medical coverage has been offered to employees within 180 days prior to the submission of pre-qualification documents. Any change in coverage must be immediately provided to the City of Berkeley.

Financial Implications: See report.

Contact: Ben Bartlett, Councilmember, District 3, 981-7130

Action: Item continued to the next meeting - May 16, 2019, Committee Action Items.

Unscheduled Items

9. **Referral to City Manager to Return to Council with an Amnesty Program for Legalizing Unpermitted Dwelling Units**
From: Councilmembers Wengraf, Harrison, and Hahn, and Mayor Arreguin
Referred: April 8, 2019
Due: October 7, 2019
Recommendation: That the City of Berkeley create and launch an Amnesty Program to incentivize the legalization of unpermitted dwelling units in order to improve the health/safety and preserve and possibly increase the supply of units available. A set of simple and clearly defined standards and a well-defined path for meeting those standards should be established in order to achieve the greatest success.
Financial Implications: See report
Contact: Susan Wengraf, Councilmember, District 6, 981-7160

Item continued to the next meeting.

10. **Prioritizing Affordable Housing for Homeless**
From: Mayor Arreguin
Referred: April 15, 2019
Due: October 7, 2019
Recommendation: Refer to the Housing Advisory Commission to develop an ordinance to set aside 20% of affordable housing units for individuals experiencing homelessness, with preference given to BUSD students.
Financial Implications: Staff time
Contact: Jesse Arreguin, Mayor, 981-7100

Item continued to the next meeting.

Adjournment

Action: M/S/C (Droste /Hahn) to adjourn the meeting.
Vote: All Ayes.

Adjourned at 1:20 p.m.

Communications

Communications submitted to City Council Policy Committees are on file in the City Clerk Department at 2180 Milvia Street, 1st Floor, Berkeley, CA.

I hereby certify that this is the true and correct record of the Land Use, Housing and Economic Development Committee meeting held on April 25, 2019.

Deon Sailes, Assistant City Clerk