



Kriss Worthington

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ACTION CALENDAR
 September 29, 2015

To: Honorable Mayor and Members of the City Council
 From: Councilmember Kriss Worthington and Councilmember Max Anderson
 Subject: Housing Trust Fund Loan for 1,000,000

RECOMMENDATION

Loan \$1,000,000 to the Housing Trust Fund.

BACKGROUND

There have been numerous media reports that rental prices are highest in history. Recent statistics indicate that Berkeley has become increasingly less affordable. According to the Rent Stabilization Board, an average rent controlled one bedroom rents for \$1,400 a month. However, according to Zillow an online housing resource, the median rent for a two bed room home or apartment that is non rent controlled is \$3,526.

Affordable housing is one of the primary needs of Berkeley residents. In the past, the Berkeley City Council invested in the development of affordable housing. In various years, the City Council invested \$300,000, \$500,000 and \$1 million in to the Housing trust and referred 1 million to the 2015-2016 budget earlier this year.

Today, we continue to have an affordable housing crisis. Therefore, the City must make significant and sustained efforts to develop and maintain affordable rental units.

The Housing Trust Fund is a major resource for stimulating the development of affordable housing. By providing a loan, early capital needed can jumpstart the process of building more affordable housing.

Thus, in order for the City Council to maximize our efforts to build and preserve affordable housing, the Council must allocate money to the Housing Trust Fund. It is imperative that the City Council renew its commitment to affordable housing and help combat the crisis which exists.

FINANCIAL IMPLICATIONS:

\$1,000,000 loan.

ENVIROMENTAL SUSTAINABILITY:

Creating affordable housing reduces dependence on fossil fuels.

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