



SOUTHSIDE NEIGHBORHOOD CONSORTIUM

July 9, 2021

Honorable Mayor and City Council
City of Berkeley
2180 Milvia Street
Berkeley, CA 94704

RE: Closed Session Regarding Settlement with UC Berkeley for July 13th, 2021

Dear Honorable Mayor and City Council:

Requested Actions

On behalf of the over 1,500 members of the Southside Neighborhood Consortium (“SNC”)’s constituent neighborhood organizations which together advocate for over 24,000 southside residents, the SNC respectfully asks the Berkeley City Council to do the following with respect to any proposed settlement agreement between the City of Berkeley and the University of California, Berkeley:

- To authorize and order the immediate release of the proposed settlement to the public prior to the closed session on June 13, 2021.
- Give the public 14 days to review the proposed settlement and present comments at a public hearing prior to a Council vote to approve or disapprove.

Justification

Open Process. We know and appreciate that Councilmembers are committed to a fair, open, and transparent decision-making process with opportunities for meaningful public input in all the matters that come before the Council. A 14-day public review period is a reasonable time given the complexity of issues regarding the LRDP’s potential impacts.

Mitigation of Impacts. There is a lot at stake. Our community’s diversity and commitment to equity. Production of adequate student housing. Preservation of affordable, rent-controlled housing. Community open space. Cherished historic buildings. Safe streets for pedestrians and cyclists. Protection against wildfires. The City’s fiscal sustainability. Berkeleyans deserve the opportunity to see and

comment upon how these and other impacts are addressed and mitigated in the agreement.

Housing Production. UCB must provide adequate student housing on campus and not continue to push demand into the community where new students displace low-income renters, people of color, and/or long-term residents. This is a matter of equity and preserving cultural and economic diversity. UCB's recent enrollment growth to date has accelerated gentrification and displacement throughout the City. Residents need to see what kind of binding commitment (not an "endeavor to" empty promise) UCB has made in the agreement to provide additional housing and how enrollment growth is linked to housing production. Further, the City can ask for a student housing program without displacement of rent-controlled units such as is occurring at 1921 Walnut Street. Only with such an enforceable linkage, will the City be guaranteed more student housing beyond what proposed by UCB's in the near-term.

Carbon Neutrality. We need UCB to make a binding commitment to carbon neutrality by 2050. At 8.1 million square feet, UCB's development, without such commitment, will undo all the efforts by the City to achieve carbon neutrality. Even if this is not a requirement under CEQA, the City can ask for this as part of the settlement agreement. There is no restriction in what the City can ask for. We need to see what commitments are made in the settlement agreement.

Reimbursement for City Services. Approximately 63% of 778 residents surveyed by the SNC support UC paying the city \$16 to 20 million a year to defray the over \$20 million it costs the City to provide city services to UC. Only 4% of respondents thought UCB should pay \$5 million or less. Berkeley's taxpaying renters, homeowners, and businesses deserve the opportunity to review and see the level of commitment UCB has made to ensure the City's fiscal sustainability is assured under the agreement.

Model Settlement Agreements. There are three excellent model settlements to use as a baseline to evaluate what City staff have negotiated for terms related to enrollment, housing, and traffic mitigation: County of Santa Barbara/City of Goleta and UC Santa Barbara, City of Davis/Yolo County and UC Davis, City of Santa Cruz/Santa Cruz County and UC Santa Cruz. On the following pages, we present the key terms in these successfully negotiated agreements.

The key takeaway's from these agreements are:

- An enrollment cap or baseline
- A specific housing obligation
- Legally enforceable linkages to housing production and traffic reduction
- Monetary and non-monetary penalties
- Limits on off-campus residential acquisition and/or master leasing

One additional key concept to point out is that two of the three agreements have housing impact fund ("HIF") payments for housing taken off the private market. These funds could be directed to expand the City's programs to protect tenants.

UC Agreement not to Appeal Court Rulings. In much of the litigation with UCB, the City is one of two or more plaintiffs. If the City settles with UCB, the City's agreement should obligate UCB to not appeal judgements made in these cases after the City withdraws. This will give the neighborhood plaintiffs leverage and compel UCB to enter settlement discussions with these other third-party plaintiffs. There should be adequate review time for other plaintiffs to review the settlement considering this point.

County of Santa Barbara/City of Goleta UC Santa Barbara 2010 LRDP			
Housing Settlement Terms		Transportation & Traffic Settlement Terms	
Enrollment Cap	25,000 total students	Peak Hour Trip Limitation	5,940 p.m. peak hour trips generated by UCSB
Student Housing Obligation	5,000 net new student beds	Schedule of Transportation Improvements	\$8.9M in projects
Enrollment/Housing Linkage	No enrollment growth above 20,000-student threshold unless housing obligation is met	Option to Fee Out	UCSB can make one-time payment equal to average of County and City fees (\$17,175) per trip in excess of threshold.
Off campus housing	Conversion or acquisition of existing housing owned by 3 rd parties does not count towards meeting housing obligation	Penalty if trips not reduced or trip fee not paid	Reduce enrollment in following Fall semester
Housing Impact Fee	\$280 annual Housing Impact Fund payment (2010 dollars) for every bed off-campus that results in property tax loss to City.		
Faculty and staff housing	1,874 net new units phased with employment growth		
Reporting	Annual housing report		

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County of Yolo/City of Davis UC Davis 2018 LRDP			
Housing Settlement Terms		Transportation & Traffic Settlement Terms	
Enrollment Baseline	33,825 total students	Schedule of Transportation Improvements	\$2.3M in projects
Student Housing Obligation	Housing for 100% of students in excess of baseline		
Housing production milestones (beds)	Fall 2019 10,500 Fall 2021 12,500 Fall 2023 15,000		
Penalty for not producing housing	\$500 per bed not delivered payable every two years.		
Library and school use fees	In-lieu payment of all library and school parcel taxes and fees for on-campus faculty and staff housing		
Master-leased student housing	Waiver of property taxes for existing master leased housing; no new master leases under 2015 LRDP; elimination of existing master leases by 2021.		
Reporting	Annual housing report jointly authored by City and University		

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City of Santa Cruz/ County of Santa Cruz UC Santa Cruz 2005 LRDP			
Housing Settlement Terms		Transportation & Traffic Settlement Terms	
Enrollment Baseline	15,000 total students	Average Daily Trip (“ADT”) baseline	30,000 ADT
Student Housing Obligation	For enrollment up to 15,000, UCSC to provide 7,125 beds. Housing for 67% of students in excess of baseline	Monetary penalty if threshold exceeded	UCSC to pay 3x City Traffic impact fee (\$1,098 in 2008) per trip
Off-campus housing	Up to 225 beds may be counted towards meeting housing obligation.	Non-monetary penalty if threshold exceeded	Mandatory reduction in enrollment and/or on-campus workforce
Additional off-campus housing	Beds in excess of 225 must be in projects in compliance with City zoning and approved by City	Transportation improvements	Agreement calls for UCSC to pay various percentages of the City’s costs for a list of improvement projects
Housing Impact Fee	\$199 annual Housing Impact Fund payment (2008 dollars) for every bed off-campus that results in property tax loss to City.	Water Settlement Terms	
Advance Notice of Off-Campus Housing Acquisition	UCSC will consult with the City, and after consultation, will provide the City with written notification of any intent to purchase property in the City	Impact fee	For every 85,000 gallons over baseline, UCSC to pay City’s adopted water impact fee (\$6,530 in 2008)
Off-campus code enforcement	UCSC to pay 50% of cost of code enforcement program for zoning violations attributable to deficient landlord oversight of rental housing		
Reporting	Annual housing report		

We know that the Council does not wish to impede UC's ability to produce student housing, and the SNC is on record supporting additional student housing on or close to campus. But we firmly believe that the City will realize a superior housing outcome (e.g., significantly more student housing) if enforceable linkages are negotiated between UCB's enrollment and on-campus workforce growth and its housing production.

Don't settle for anything less than what the County of Santa Barbara, City of Goleta, City of Davis, Yolo County, City of Santa Cruz, and Santa Cruz County got.

If the City Council simply approves an agreement that is primarily a modest increase in UCB's reimbursement for city services (e.g., anything \$5 million or less) without enforceable housing, traffic and other mitigations, it will effectively abandon thousands of residents in impacted neighborhoods, leaving private citizens and organizations to bear the expense of litigating a fair outcome.

We need to have the City's back. We are counting on you.

Southside Neighborhood Consortium:

Joan Barnett, President, Dwight Hillside Neighborhood Association

George Beier, President, Willard Neighborhood Association

Phil Bokovoy, President, Save Berkeley's Neighborhoods

Lesley Emmington, President, Make UC A Good Neighbor

Dean Metzger, President, Claremont Elmwood Neighborhood Association

Andrew Johnson, President, Bateman Neighborhood Association

David Shiver, Stuart Street/Willard

Michael Kelly, President, Panoramic Hill Association

Lisa Bruce, President, Berkeley Together

Dean Metzger, President, Berkeley Neighborhoods Council