



Kate Harrison
Councilmember District 4

Consent Item
July 28, 2020

To: Honorable Mayor and Members of the City Council
From: Councilmember Harrison and Councilmember Hahn
Subject: Resolution in Support of 1921 Walnut Street

RECOMMENDATION

Adopt A Resolution In Support of The Preservation of 1921 Walnut Street, Currently Under The Threat of Being Purchased and Demolished by the University of California at Berkeley.

FISCAL IMPACT OF RECOMMENDATION

None

CURRENT SITUATION AND ITS EFFECTS

UC Berkeley is currently in contract talks to buy and demolish the property at 1921 Walnut street to build The Gateway Student Housing Project to house up to 810 students. Previously the university had planned to build around the property at 1921 Walnut but have since changed their plan and would like to purchase it for demolition.

UC Berkeley would be required to provide tenants with “fair and reasonable relocation payment” but many tenants have valid fears that that relocation will force them out of Berkeley.

Organizations that have spoken out against the purchase and redevelopment of the property include the Berkeley Tenant’s Union, Eviction Defense Center, and student organizations at UC Berkeley that understand the need for affordable student housing but do not want it to come at the cost of evicting people from their homes, which are existing affordable housing.

The resolution calls onb UC Berkeley to respect the tenants living in 1921 Walnut, some of which have been living in the building for over 20 years, and to build the gateway in way that preserves 1921 Walnut Street.

BACKGROUND

ENVIRONMENTAL SUSTAINABILITY

No impact

RATIONALE FOR RECOMMENDATION

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Councilmember Kate Harrison

Attachments:

- 1: Resolution
2. Letter from Mayor Arreguín

WHEREAS, 1921 Walnut Street in Berkeley is an eight-unit rent-controlled property that is a good, affordable home for people living in our downtown, allowing people to live close to work, the University of California, transit, and all that the downtown has to offer,

WHEREAS, many of the tenants have called this building their home for many years,

WHEREAS, the Regents of the University of California have expressed their intent to purchase 1921 Walnut Street and redevelop the property into housing that will not include the former rent-controlled units,

WHEREAS, the City of Berkeley values rent control, has had rent control since 1980, and that a core value of the City, as expressed numerous times by its voters is the preservation of affordable housing and the protection of its tenants,

WHEREAS, The University of California is a state entity, unencumbered by local land use regulations and some statewide legislation,

WHEREAS, the histories of the University of California and the City of Berkeley are inextricably linked and the community they have built together continues to influence the world,

WHEREAS, the University of California is a valued member of our community and has responsibilities to that community outside of simple legal obligation,

WHEREAS the Berkeley Rent Stabilization Board has given an identical charge to the University of California in a letter dated June 8, 2020,

NOW THEREFORE BE IT RESOLVED that the council of the City of Berkeley calls on the Regents of the University of California to preserve the property at 1921 Walnut and the local rent control status of its tenants or, in the alternative, that should the property be removed from the protection of the local rent control ordinance either via sale demolition of other means that the regents commit to replacing these eight units on a one-to-one basis with comparable affordable units. In addition, should the tenants at Walnut St. be displaced from their homes we urge that they be relocated into units of comparable size and rent. Finally, while the Regents are generally exempt from local land use regulations and some statewide legislation, we urge that the regents honor all applicable local and state laws that pertain to the tenancy rights of these citizens.



Office of the Mayor

Jesse Arreguin
Mayor

June 22, 2020

Chancellor Carol Christ
University of California at Berkeley
200 California Hall, # 1500
Berkeley, CA 94720-1500

Re: Purchase of 1921 Walnut St., Berkeley, California/Preservation of Affordable Housing

Dear Chancellor Christ,

I would like to thank your staff for briefing me on the Anchor House project last month. As suggested in our June 12, 2018 letter to you¹, the City Council suggested that the University/Walnut/Oxford site (“Gateway” site) be developed for student housing. The Council found this and three other locations as “consensus supported sites for new student housing in the short term”. We concluded that these opportunity sites could generate enough student housing to fulfill the remaining 1,500 beds approved under the current 2020 LRDP.

The “Gateway” site is a perfect location for a substantial amount of student housing and pedestrian serving retail. I appreciate the street level improvements and integration of spaces within the building for public use. This project is literally an anchor to the City and University and will help revitalize our Downtown and fulfill the goals of our Downtown Area Plan.

While I am supportive of the overall project, I am writing to raise my concerns over the potential acquisition, demolition and displacement of residents at 1921 Walnut Street. Over the past few months, I have been contacted by tenants at 1921 Walnut Street, an existing rent-controlled building, raising questions about the proposed acquisition of their building and the applicability of local and state laws around rent control and demolitions.

I am in receipt of the April 20, 2020 letter from Michelle De Guzman, Director, Real Estate Acquisitions and Development for the University, sent to the tenants of 1921 Walnut Street, an existing eight-unit building which is subject to the rent and eviction controls under the Berkeley Rent Stabilization Ordinance, BMC Chapter 13.76, and the Berkeley Demolition Ordinance, BMC Chapter 23C.08. The letter detailed that the property was to be purchased by the Regents and the University would demolish it and ultimately displace its tenants.

¹ Letter to Chancellor Carol Christ from Berkeley City Council, “UC Berkeley Master Leasing of Student Housing”, June 12, 2018, https://www.cityofberkeley.info/.../2018-06-12_Item_25_UC_Berkeley_Master_Leasing_of_Student.aspx

The City of Berkeley has had a rent control ordinance since 1980 to protect tenants from arbitrary rent increases and evictions and preserve the economic and cultural diversity of the Berkeley community. This ordinance has been reaffirmed and strengthened by the voters over the years. One of its core principals is preserving existing affordable housing and protecting tenants from displacement. Since 1984, the City of Berkeley Zoning Ordinance, in its Demolition provisions (BMC Chapter 23C.08) has contained restrictions on the demolition of controlled rental units. Existing Berkeley law requires that the demolition of any rental units constructed before 1980 be replaced with a deed-restricted affordable unit for each unit demolished or payment of an in-lieu fee to the Housing Trust Fund. The premise behind this ordinance is that the loss of naturally occurring affordable housing must be mitigated with either a below market-rate unit or funding to build permanently affordable housing.

If the University acquires 1921 Walnut Street, under its state constitutional exemption it does not appear to be subject to these local regulations regarding rent and demolition controls.

As Mayor of Berkeley, I am very concerned that in the process of creating new homes the University would eliminate existing affordable housing and displace current tenants. Some of the existing tenants at 1921 Walnut have resided there for at least 10 years and are very anxious over their impending eviction. While I understand the University's desire to maximize the footprint in order to increase the number of units, I believe UC Berkeley can exclude this site from its development plans and still achieve a substantial number of housing units, given project height at 16 stories.

I join the Berkeley Rent Stabilization Board in calling on UC Berkeley, the project donor/developer and the Regents to not acquire this property and ensure its preservation as rent-controlled housing. If the University decides to proceed in purchasing the property and therefore remove the property from the protections of the local rent control ordinance, the University of California should voluntarily commit to the requirements of Berkeley's Demolition Ordinance and replace each of the eight demolished units with a deed restricted affordable unit in the project for perpetuity, or payment of an in-lieu fee to the City of Berkeley Housing Trust Fund. In addition, should the tenants at 1921 Walnut Street be displaced from their homes I urge that they be relocated into units of comparable size and rents, and provided relocation assistance comparable to that required under the City of Berkeley Relocation Ordinance.

Finally, while UC Berkeley is generally exempt from local land use regulations, I urge the University to honor all applicable local and state laws that pertain to the tenancy rights of these citizens and local demolition controls, consistent with the voter approved Measure N, "The Public Agency Accountability Measure", November 1988².

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<https://www.cityofberkeley.info/recordsonline/api/Document/AV7V8DjB%C3%89BaRNvFa2%C3%89nr0XSsOMv7R8w6Q6%C3%81Y%C3%81fgjioz7gGf2PcasVw6SqzyL3ujEk6%C3%89BitUojYUtUmooMtl6JkY%3D/>

Sincerely,

Jesse Arreguin
Mayor, City of Berkeley

C.c.
Chair John Perez and Regents of the University of California
UC President Janet Napolitano
Berkeley City Councilmembers
Commissioners, Berkeley Rent Stabilization Board
Michelle De Guzman, Director, Real Estate Acquisitions and Development
Tenants at 1921 Walnut Street

