



March 24, 2025

Dear Mayor Ishii and Berkeley City Council Members,

You're doing great work in advancing the Middle Housing Ordinance. These changes will help Berkeley build more homes citywide. Now we call on you to be bold and make it even better, resulting in more housing for more people by **removing the density caps**. More housing is good, and the voters agree; now it's time to follow through on that commitment.

With mounting land costs, interest rates, construction and other costs, it is increasingly clear that while we can keep promoting duplexes and triplexes, they are frequently not going to become financially viable ("pencil"). Multiple professional studies have recently shown this in detailed project scenarios. To make more development pencil, we must move faster to four, six, eight, ten units or more on small lots.^{1 2 3}

The city is already ensuring new buildings are not too bulky for some residents' tastes with other controls such as setbacks. But if someone can use their creativity to build more homes in the same envelope, why is the city saying the answer should be no?

If lots are limited to three to six units as under the current draft⁴, the economic incentive will be to make them large and unaffordable. The City will likely see projects submitted well below maximum densities, as the City already sees in R-2 and R-4 zones. The city of Sacramento has already removed density caps in its middle housing ordinance for the same reasons we cite above; Cambridge has gone even farther by allowing six-story residential buildings citywide.

The Council should err on the side of ambition when adopting the Middle Housing Ordinance. It's better to start with a policy that leads to many new applications that serve as the basis for further analysis and fine-tuning than one that leads to no applications and leaves everyone scratching their heads.

Perhaps the density caps made sense in last year's political context. But the pro-housing consensus is stronger now than then. We can go farther. We can make our values reality. We can make Berkeley affordable for everyone.

Sincerely,

John Minot-Schwartz (Co-Executive), and
the 2,000+ members of East Bay for Everyone

Sarah Bell, chapter lead
East Bay YIMBY

References

1

<https://www.urban.org/urban-wire/small-apartment-buildings-can-help-address-housing-shortages-high-land-costs-and>

2

<https://www.lewis.ucla.edu/research/building-small-assessing-feasibility-of-5-to-10-unit-projects-in-california/> This study, commissioned by the City and County of San Francisco, found that a fully market-rate, 5-unit project on a typical single-family lot would not pencil either in San Francisco or in Los Angeles – even with a \$50,000 subsidy per unit. Berkeley's land and construction costs lie in between Los Angeles and San Francisco.

3

<https://turnercenter.berkeley.edu/research-and-policy/making-missing-middle-pencil-the-math-behind-small-scale-housing-development-2024/>

⁴ See minutes for the July 23, 2024 Regular Council Meeting. Density caps range from 40 DU/A in the R-1 district to 60 DU/A in the R-2A zone. Although they describe this density as resulting in 5-7 units, that assumes a lot size of 5,000 square feet, and there are a large number of smaller single-family lots in Berkeley that, being more affordable to builders, should be more hospitable to small-scale development. <https://berkeleyca.gov/sites/default/files/documents/2024-09-10%20Item%2005%20Minutes%20for%20Approval.pdf>