

# Kriss Worthington

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> ACTION CALENDAR March 25, 2014

To: Honorable Mayor and Members of the City Council From: Kriss Worthington, District 7, Berkeley City Council

Subject: City Manager Referral: Approve a Deferred Payment Plan for Outstanding

Fees on Construction of Sequoia Apartment Building at 2441 Haste Street

#### **RECOMMENDATION**

Approve a deferred payment plan by which the owner of the Sequoia Apartment Building at 2441 Haste St. can pay the remaining building permit fees owed to the City of Berkeley right before obtaining a Certificate of Occupancy.

#### **BACKGROUND**

The Sequoia Building at 2441 Haste Street is at a prime intersection of Telegraph Avenue. It is very important for the City to support the vitality of Telegraph Avenue by supporting the owner of the Sequoia Building to quickly complete construction.

On July 25, 2013, the Zoning Adjustments Board packet included the following information about the Sequoia Building: "the site contained a five-story, mixed-use building constructed in 1916. The building contained three ground-floor restaurants with apartments above. On November 18, 2011, a five-alarm fire severely damaged the building leaving the building uninhabitable as the roof and several floors had collapsed. The damage was so extensive that the building had to be demolished later that month. The Fire Incident Investigation Report concluded that the fire was an accident."

The City has the power to defer permitting fees. The owner indicated that they already paid over \$100,000 in fees to the City for the replacement building. Our proposal is to collect the remaining fees, the deferred amount, before the building receives its Certificate of Occupancy.

### **ENVIRONMENTAL SUSTAINABILITY**

The reconstruction of the Sequoia Apartment Building provides housing close to campus for students. With its proximity to school, it will promote walking and/or cycling to school. As the reconstruction will also include restaurants, this will promote access to local, healthy, affordable, and culturally appropriate food. Since the restaurant will be in close proximity to the school and other residential apartments, it will promote walking and/or cycling, reducing automobile usage. The reconstruction of a mixed-use building promotes and provides resources regarding opportunities for businesses to demonstrate environmental leadership.

## **FINANCIAL IMPLICATIONS**

Delayed receipt of approximately \$100,000 to \$150,000 additional permit fees. All fees will be paid because this is a deferral not a waiver.

### **CONTACT**

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