

Chapter 2
IMPACT OF THE UNIVERSITY OF CALIFORNIA'S
BERKELEY CAMPUS ON THE COMMUNITY
Amy Hu

Introduction

The University of California, Berkeley, the largest landholder in the City of Berkeley, has, since its establishment in 1868, played a major role in the physical, social, cultural, and economic development of Berkeley. Like most major institutions, its impact on the surrounding community has been both positive and negative. Although the University pays no property tax, it remains a major factor in the economic well-being of the City, contributing both to city trade and to the Berkeley labor force.

Physical growth of the University during the past twenty years, however, has brought a myriad of University/City conflicts. Foremost among them is the tax-exempt status of the University, which creates a burden for Berkeley taxpayers. Other areas of concern include traffic congestion, campus expansion into the City, and the severe housing shortage. Community objection has also arisen over the fact that University libraries and recreational facilities are not open to the general public as are City facilities (BPD, 1977).

This study seeks to address the various ways in which the continued development of the University affects the City of Berkeley. Possible solutions to the issues of University tax-exemption, off-campus development (specifically student housing), and traffic congestion will be considered and evaluated. However, due to space limitations, this paper attempts to provide only a brief glimpse of these current University/City issues.

Selected Past University Studies

The basis for this paper is a general study by Ira Fink and Edward Meyers (1974), which examines the various problems associated with the presence of a large institution in a community: housing, traffic and parking, institutional expansion, impacts on population, economic impact, political consequences, and taxation. Two past studies, one written by Barthell (1949) and the other by Harvey (1958), document the overall economic impact of the University on the City of Berkeley. The latest in-depth study providing statistics on the expenditures of students, faculty, and staff, the University itself, and of visitors was done by Ira Fink in 1967 (Ira Fink, personal communication, 1984). An extensive study by Sedway/Cooke (1983) provides proposals, feasibility studies, and recommendations for future University development on the West side of campus.

Although the above-mentioned works provide the foundation for much of this paper, additional information was obtained from the Berkeley City Hall, Berkeley Chamber of Commerce, UC Berkeley Campus Planning Department, University Accounting Office, and the University Housing Office. Articles from UC's Daily Californian provided information on recent community-campus issues. The Environmental Design and Institute of Governmental Studies libraries on the UC campus also provided much useful background material related to the City of Berkeley and to the University.

Historical Background

During the discovery of gold in California around 1848, four missionaries set out from New York to work in California. One of these early trail-blazers, the Reverend Samuel Hopkins Willey, wrote to educators connected with Yale and Harvard for suggestions regarding the founding of a college in California (Ferrier, 1930). However, it was not until the arrival of the Reverend Henry Durant that a college, the Contra Costa Academy, was finally opened on June 6, 1853 in an unused dance hall, the Washington Pavilion, at the corner of Fifth and Broadway in Oakland (Pettitt, 1973).

The Contra Costa Academy was incorporated as the College of California in 1855, but the Board of Trustees, deciding that the then-wild town of Oakland was not an appropriate setting for a university, sent scouts to look for a more appropriate setting. The Berkeley site on Strawberry Creek was finally selected "because of its abundant water supply, its mild climate, the absence of severe winds, the rolling landscape abundantly covered with Oak, Sycamore, and Bay trees, and the superb views toward the Golden Gate and the Sausalito mountains" (UCB, 1951, p. II-2).

The Trustees of the College of California, agreeing to establish a University to include "a College of Mines, a College of Agriculture, and an Academical College", donated their 160-acre site to the State. In 1868 the University of California was chartered (UCB, 1951).

Campus Development - Issues and Considerations

From a historical perspective, the years 1868 to 1984 saw a tremendous growth in the physical development of the University. In recent years this campus expansion has caused much community concern and raised many issues--tax-exemption, housing, and traffic--which the remainder of this paper seeks to address.

Campus Expansion

The University has grown considerably from its original 160 acres. An additional 160 acres of land south of Bancroft Way were purchased under the "College Homestead Plan" shortly after the first 160 acres were obtained (UCB, 1951). By 1976 the University owned 4,279 acres, 1,250 acres of which encompassed the central campus, the Lawrence Berkeley Laboratory, Strawberry Canyon, and the Upper Hill Areas (UCB, 1976) (see Figure 1). The remaining 3,029 acres included outlying properties in

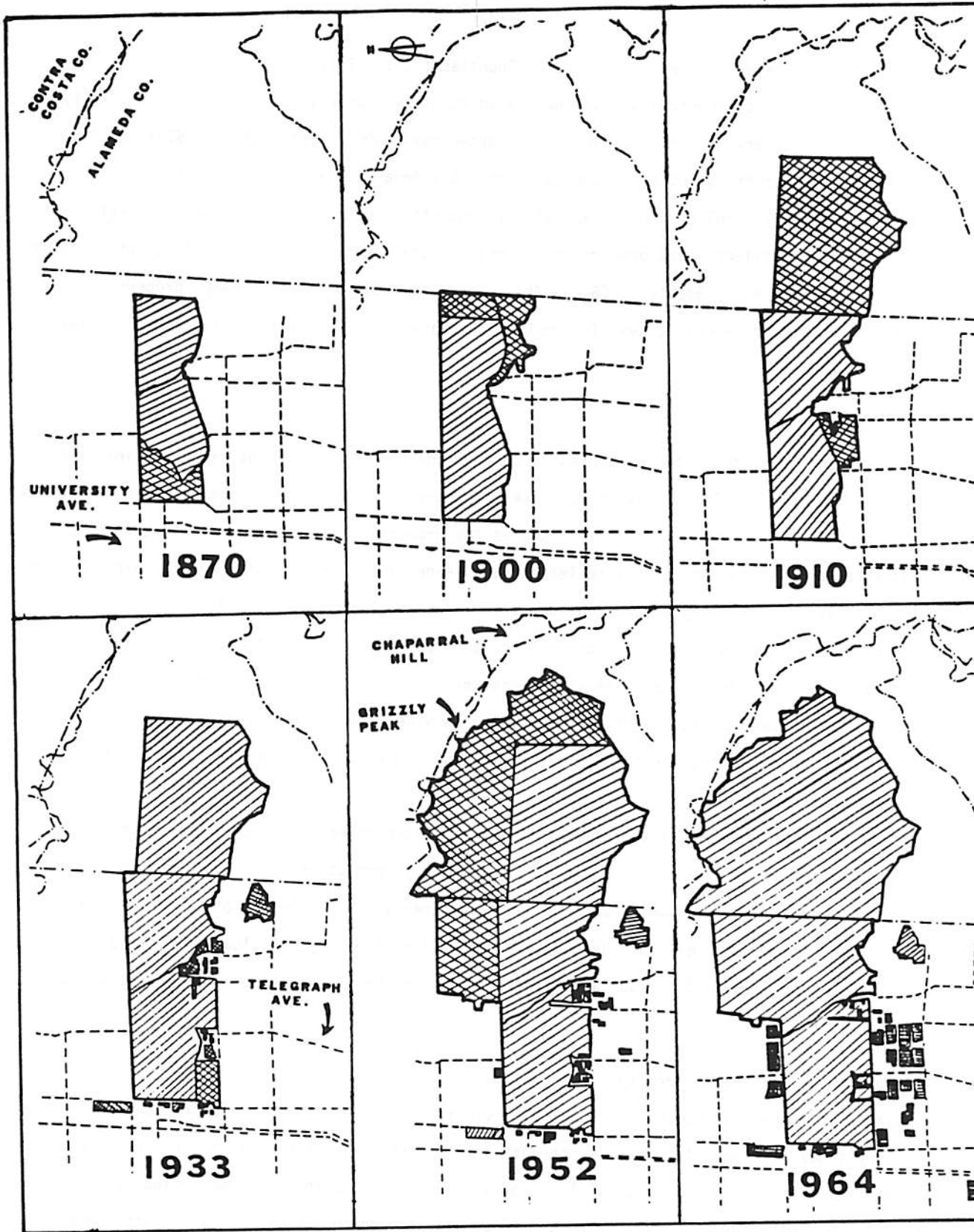


FIGURE 1. Growth of University of California, Berkeley Campus

Adapted from University of California, Berkeley, Facilities Management (Architects & Engineers), 1958.

Contra Costa, Monterey, Placer, and Humboldt Counties (UCB, 1976).

In addition to the Central Campus and the adjacent hill areas, current (1984) University-owned properties in the Berkeley environs include Dwight-Derby, 2000 Carleton Street, 6701 San Pablo Avenue, Oxford Tract, Bancroft/Durant site, LaLoma/Ridge site, Anna Head and People's Park blocks, and the Etcheverry and Public Policy blocks, as well as properties in Albany and northwest Berkeley (Gill Tract and Albany Village), and properties in Contra Costa County: Richmond Field Station, Russell Tree Farm, and the Blake Estate) (UCB, 1984b). These numerous University-owned properties, especially those in the City of Berkeley, have led the City to raise questions of the University's tax-exempt status.

Tax-exemption

In recent years the City has expressed concern that additional campus expansion into the environs will take land off the City's tax rolls. The City, moreover, has opposed the acquisition or leasing of additional property by the University unless the property remains on the City's tax rolls, and it also has encouraged the University to lease space needed for administrative and research activity in privately-owned existing and new buildings in the central area (BPD, 1977).

The City's concern about the increasing cost of public services without an addition to the tax revenues is well-founded. The University's presence adds to the costs of three main City services: fire protection, police protection, and ambulance service (BPD, 1977). Indirect costs to the City also include accommodating the high levels of traffic generated by students, faculty, staff, and others related to the University.

The tax-free position of the University remains a controversial issue. Proponents of University tax-exemption feel that UC does not differ significantly from other state agencies and state universities throughout the country which also do not pay property taxes. On the other hand, opponents argue that UC should make payments for the services rendered by the City. Evaluation of this University tax-exemption issue should include a consideration of the University's contribution to the City's economy.

Economic Impact of the University

Because increasing demands for public services are not being met by a corresponding increase in Berkeley's tax revenues, the City is attempting to minimize the diversion of land from the tax rolls by tax-exempt institutions (BPD, 1977). Suggested solutions to this problem include compensation to the City for lost property taxes or return of surplus properties to private tax-paying ownership (BPD, 1977). Other community members, however, take the position that the revenue the University brings to the City offsets any revenue lost through tax-exemption.

The University brings to Berkeley the City's largest single payroll (Harvey, 1958). In 1980, 5,049 full-time administrative and 3,293 part-time administrative employees worked at UC. An additional

3,490 persons were employed at the Lawrence Berkeley Laboratory (Berkeley Chamber of Commerce, 1983). In 1983-84 UC academic employees, including faculty, totalled 7,600 (Roberta Aasen, personal communication, 1983). During 1983-84 the University's total fund expenditures amounted to \$447,573,000, which included \$260,087,000 for salaries and wages (UCB, 1984a). Unfortunately, no data are available documenting the number of UC employees (administrative and faculty) currently residing in Berkeley.

Student expenditures also play a sizable role in the economy. In 1980 University enrollment was approximately 29% of the City's total population (see Table 1). In 1984 about 77.2% of the single students and 31.7% of the married students resided in Berkeley (UCB, 1984c). Although no data are available indicating specifically how much the students residing in Berkeley spend in Berkeley, projections indicate that the total student budgets for the academic year 1984-85 will range from \$4,142 to \$11,377 for undergraduates and from \$4,204 to \$11,437 for graduate students (UCB, 1984d). Presumably, students residing in Berkeley will spend much of their budgets in Berkeley.

A complete assessment of the economic impact of the University is beyond the scope and resources of this paper, which only attempts to give a rough indication of the size of UC's contribution to the City. Such an indication, however brief, is often necessary when future campus development and space needs are addressed.

Year	Population of Berkeley	University Enrollment	
		Student population	Percent of city population
1880	1,985 ^a	246	12.4
1890	5,101	401	7.9
1900	13,214	1,988	15.0
1910	40,434	2,866	7.1
1920	56,036	8,555	15.3
1930	82,109	9,778	11.9
1940	85,547	15,447	18.1
1950 ^b	113,805	21,903	19.2
1960	111,268	18,728 ^c	16.8
1970	114,091	27,701 ^d	24.3
1980	103,134	30,883 ^e	29.9
1984	----	31,008 ^f	--

^aBarthell (1949) gives the population as 1,787.
^bThe first time students were enumerated at their college residences instead of at their home addresses.
^cSurvey for Spring semester
^dSurvey for Spring quarter
^eSurvey for Fall quarter
^fTotal enrollment for fall 1984

Sources: Berkeley Planning Department, 1971, 1981;
City Auditor's Office, 1981-82; Harvey, 1958;
Barthell, 1949; UCB, 1984a.

Table 1. University Enrollment as a Percent of City Population

Student Housing

The University has expressed the need for space off the main campus for student housing, UC administrative functions, and University support systems, since the central campus is reserved primarily for academic functions (Sedway/Cooke, 1983). Currently under consideration for such development are a few University-owned sites along the west side of campus (Sedway/Cooke, 1983). A large increase in student enrollment during the past 25 years (see Table 1) has made the development of student housing one of the University's top priorities.

The private sector provided almost all housing for students for the first 75 years of the University's existence (UCB, 1981). New University-affiliated residence halls and student family housing were not constructed until after World War II. During the social upheavals of the late 1960's and early 1970's, however, the Regents ordered a total moratorium on housing construction because supply had exceeded demand (UCB, 1981). Now, of the 31,008 currently enrolled students (Fall 1984), only 9,300 are provided with University-sponsored, owned, or operated housing. Every year about 22,000 students must turn to the private sector to search for housing (Smolin, 1984).

Since 1972 the City of Berkeley has been suffering from an official housing crisis (less than 3 percent vacancy rate), and in 1984 the vacancy rate had fallen below 1 percent (Miner, 1984). Rent control laws, strict City zoning laws, high costs of construction, and rising mortgage interest rates are a few of the factors contributing to the housing shortage. Among those competing for the limited housing are students, young professionals, the elderly, the disabled, single-parent households, and low-income families.

Some members of the community have expressed concern that the University continues to over-enroll students without providing housing for them. In the past eight years UC has added housing for 1,147 students, but these gains have been negated by enrollment increases to a current level 3,000 students higher than in 1976 (O'Toole, 1985).

Possible Housing Solutions

Suggested solutions to the problem of University housing development include: (1) lowering UC enrollment to 27,500; (2) increasing the density in existing dorms; (3) building apartments or suites on existing University-owned land; (4) acquiring a limited number of apartments in Berkeley and possibly in nearby surrounding communities; (5) joint private/University "mixed use" development projects on University property; and (6) commercial or industrial development of some outlying University lands to generate a housing subsidy cash flow (UCB, 1985).

Lowering UC enrollment to 27,500 would not only ease the demand for student housing, but it would also lessen the current strain on campus facilities. The current popularity of the Berkeley campus, as well as the loss of student fees accompanying such an enrollment reduction, might make this alternative difficult to implement.

Increasing the density in existing dorms is a plausible method of adding student housing. UC is expected to convert 300 double rooms into triple rooms in existing residence halls in the Fall of 1985. Lack of student privacy remains a major concern.

The building of additional student housing in Berkeley faces many obstacles, the most important of which is funding. Traditionally, University housing has been financed through the sale of low-yield, tax-free, forty-year revenue bonds to the private market (UCB, 1981). Any new housing must be built with student rents; revenues obtained from student room and board rates pay for debt service payments on the bonds (UCB, 1985).

Mixed development projects by private developers may be viable if rents can be held at a level competitive with the private market and if operating costs do not include property tax (UCB, 1975). However, fear of Berkeley's rent control and the high costs for financing, land, and construction may discourage private development. Moreover, even if it were financially feasible to build on existing University lands, other constraints exist, which will be mentioned later.

The building of UC housing outside of Berkeley, particularly on the other side of the hills and to the north in Albany, El Cerrito, and Richmond, would still entail high building costs as well as land acquisition costs. The tax-exemption issue would merely be moved from Berkeley to another city. The inconvenient location is yet another constraint.

Two case studies will illustrate the obstacles facing construction on existing University-owned lands.

Case Study 1: LaLoma/Ridge/Highland Site

The 1.8 acre LaLoma/Ridge site located between Ridge, Highland, Hearst, and LaLoma has been cited as a possible area for student housing. Apartments with 200-300 beds for upper division and/or graduate students have been proposed (UCB, 1985). Several obstacles exist. If University housing were to be constructed, 96 surface parking spaces, four small private apartments buildings, and one former fraternity house would have to be removed (UCB, 1981). High construction costs resulting from the steepness of the site would be another major obstacle.

About 2/3 of the ownership of the site is with the University, whereas the remainder is in various private ownerships (UCB, 1975). Any large-scale development would increase the present high level of congestion in the area. Although access to the University is excellent, the site provides relatively poor access to public transportation and shopping areas.

Case Study 2: Bancroft/Durant/Fulton Site

The 2.8 acre, University-owned Bancroft site located east of Fulton Street between Bancroft and Durant has been cited as another possible area for the construction of student housing. Apartments with 400-500 beds for upper-division and/or graduate students have been proposed (UCB, 1985). The advantage

of this site for student housing is its close proximity to the central business district, where access to shopping and transportation is good.

Some major obstacles exist. Construction of student housing would require the relocation of 206 UC staff parking spaces and a major recreational facility. The proposed development arrangement assumes private development and management on land leased on a long-term basis from the University at no cost, which is financially unfeasible for a private developer without substantial subsidy (Sedway/Cooke, 1983). Thus, the above two case studies indicate that financing and high construction costs remain major deterrents in any new student housing development.

Traffic

The City has expressed concern over the traffic congestion resulting from students, faculty, and other University-related personnel. Traffic destined for the campus especially has congested the neighborhoods in southwest Berkeley (BPD, 1977). Possible solutions to this problem include: (1) greater use of public transportation; (2) modification of specific roadways (i.e., reconfiguring curbs, widening sidewalks, and eliminating some street parking); (3) building underground and/or high-rise parking structures; and (4) giving priority to short-term parking over long-term parking to encourage transit use by employees and students and thereby reducing traffic congestion and the preemption of downtown and campus lands by parking (Sedway/Cooke, 1983).

Encouraging greater use of public transportation may be difficult to implement unless car access to the campus/downtown area is reduced in favor of transit and shuttle buses or incentives are offered to those who use public transportation or car pool.

Specific roadway modifications, such as reconfiguring curbs and sidewalks along Shattuck Avenue between Center Street and University Avenue to permit two free-moving lanes in each direction, may be feasible, but additional models need to be simulated. The building of highrise or underground parking structures would not only entail high construction costs and land acquisition, but would also be cause for community concern about the potential visual impact of such structures.

Giving priority to short-term parking over long-term parking seems like the most feasible solution for the immediate future. Initially, this may cause some inconvenience, but it would not entail any construction costs. Thus, planning for future University/City parking should consider cost-effectiveness, convenience and potential visual impact.

Conclusion/Recommendations

Although it is unlikely that the ongoing conflict between the University and the City will ever be completely resolved, cooperative efforts and joint planning can minimize the strife. At present, a limit on University enrollment to 27,500 seems to be a positive step toward easing Berkeley's housing crisis and traffic congestion, as well as the over-use of campus facilities.

Regarding off-campus development, UC should build more intensively on existing lands before acquiring more land and taking it off the City's tax rolls. Since funding is a major constraint on any future development, UC should consider joint private/University "mixed" development projects. Such "mixed" development projects. Such "mixed" development ventures may facilitate the building of much-needed student housing.

The traffic congestion in the downtown/campus environs will probably never be eliminated unless drastic measures are taken to prevent car access into the area or unless widespread use of public transportation is encouraged. For the near future, implementing short-term parking over long-term parking is advisable both for downtown and the campus area. The provision of incentives for the use of public transportation is also recommended. Modifying roadways (i.e., reconfiguring curbs and sidewalks) may also be a viable solution, but such schemes need further study.

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