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CONSENT CALENDAR March 23, 2021

To: Honorable Mayor and Members of the City Council

From: Councilmember Ben Bartlett (Author), Mayor Jesse Arreguin (Co-

Sponsor), Councilmember Terry Taplin (Co-Sponsor)

Subject: Establish a Parking Benefits District (PBD) in the Adeline Corridor and Fiscal

Year 2022 Budget Referral

RECOMMENDATION

Refer to the City Manager to establish a Parking Benefits District (PBD) in the Adeline Corridor to finance and support neighborhood improvements--such as landscaping, lighting, cleaning, pedestrian and transit infrastructure, and more--in South Berkeley and refer to the Fiscal Year 2022 budget process \$50,000 for city staff to hire and manage a consultant to assist in the formation and establishment of the PBD.

CURRENT SITUATION

Outlined in the Lorin Business Association's vision for South Berkeley and the Adeline Corridor draft plan is a business improvement district (BID). A BID uses fees from businesses and/or property owners to support physical improvements, special events, public safety, street cleanliness/maintenance, and programming. The Lorin Business Association has already spent five years advocating for a BID in South Berkeley but such a district has yet to be established in this community. Thus, the City can take a critical step in supporting innovative revitalization activities in South Berkeley by establishing a Parking Benefits District (PBD) to help the City improve the Adeline Corridor. In addition, the parking revenue generated within the PBD should fund designated neighborhood improvements.

BACKGROUND

Parking benefits districts (PBDs) are defined geographic areas, typically along commercial corridors, in which revenue generated from on-street and off-street parking facilities within the district is returned to the district to finance neighborhood improvements. A PBD ties the economic benefits of parking directly to improving the quality of life in the immediate area.

PBDs specifically require local parking revenue to stay local, while financing neighborhood improvements. PBDs allow local merchants, organizations, property owners, residents and visitors to clearly see that the monies collected are being spent for the benefit of their district, on projects that they have chosen. In turn, they become willing to support, and often advocate on behalf of the needs of the residents and patrons who utilize the parking.

To improve our commercial districts and expand investments in our neighborhoods, the Council should adopt this item creating a South Berkeley PBD with the specific requirement that parking revenue generated in the district is used for neighborhood improvements. Funds from a PBD could be used in critically important ways, such as

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¹ https://www.cityofberkeley.info/council3/adeline/

hiring full-time staff to manage the following activities: landscaping and streetscape screening, street cleaning, transit and pedestrian infrastructure, street furniture, marketing of local businesses, management activities, and visitor and security ambassadors.

The request for a PBD is an innovative approach to a real problem in South Berkeley. Constituents have faced many generations of neglect in this neighborhood. A PBD brings equity, a leg up for our commercial district to develop in a cohesive, community oriented way. It also gives our neighborhood an opportunity to work together on issues of mutual interest to South Berkeley, while receiving the resources necessary to improve the quality of life of its constituents.

A successful PBD in South Berkeley would also incorporate a number of other key elements that the Council should also consider:

- Creation of a governing and oversight body to develop an approved program of revenue expenditures, subject to final approval by City Council. This body could take one of several potential forms, such as: An appointed or volunteer advisory board, which could include residents, property owners, businesses and other organizations operating within South Berkeley, residents and city staff;
- Implementation of parking meters and pricing structures that facilitate demandbased pricing;
- Adoption of a defined list of PBD revenue expenditures;
- Development of a coordinated public relations plan, which would use wayfinding,
- signage, and public outreach to explain the role of demand-based pricing and articulate how parking revenue is being utilized to benefit South Berkeley;
- Ongoing evaluation and management of PBD policies and expenditures; and
- City reporting on the funds generated.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

A PBD is a well established concept used in municipalities around the United States. In California, Pasadena and Newport Beach have used the PBD to support revitalization needs. Parking management is an issue often overlooked in a neighborhood's development plan. While it may seem like a secondary concern in the quest for economic development, parking management directly impacts accessibility to businesses, customer willingness to travel to certain areas, and the quality of life experienced by residents. Studies have shown that a smart, proactive parking policy can revitalize a neighborhood. South Berkeley is a prime neighborhood for this type of engagement.

CONSULTATION OVERVIEW

The District 3 Office consulted with leaders of the Lorin Business Association. Their advocacy has informed this recommendation.

RATIONALE FOR RECOMMENDATION

The Council should promote equity by establishing a Parking Benefits District (PBD) in the Adeline Corridor to finance and support neighborhood improvements in South Berkeley. In comparison to the ways the City has invested in other districts, South Berkeley has often been neglected. The Lorin Business Association has long advocated for the establishment of a traditional business improvement district, but such a district has yet to be established in this community. The Council now has the opportunity to support the South Berkeley commercial district and improve the quality of life for its constituents by establishing a PBD and dedicating parking revenue funding in the PBD to neighborhood improvements, such as landscaping, lighting, cleaning, pedestrian and transit infrastructure, and other things that City residents benefit from.

FISCAL IMPACTS

Rather than accruing to the City, if the PBD is established, all or a portion of revenue generated from on-street and off-parking facilities will be utilized to finance neighborhood improvements, thereby improving the quality of life in the business district and surrounding area. In order to form the PBD, a one-time allocation of resources, estimated at \$50,000 is required and being referred to the FY 2022 budget process. Additional fiscal impacts, if any, to the City will be analyzed in depth should City Council approve the referral along with the requested budget allocation when the FY 2022 budget is adopted.

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