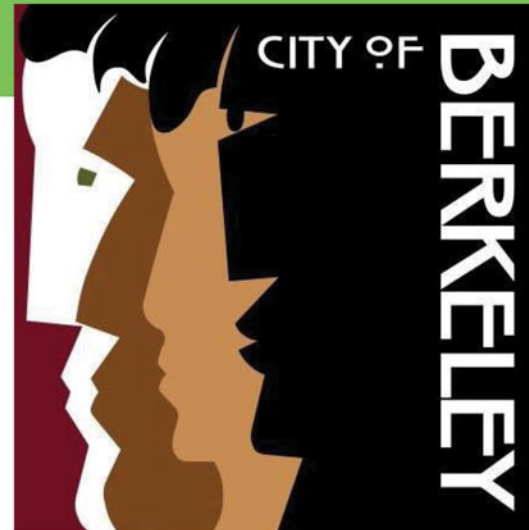


Vision 2050 Program Plan, Results of Scientific Survey, and Direction on Revenue Measure(s)

May 31, 2022



What's Completed So Far?

| | |
|-------------------|---|
| October 2021 | Scientific Survey #1 of 500 Berkeley voters |
| November | Begin 25+ meetings with Commissions and community organizations |
| January 2022 | 1000+ responses to online public survey |
| January | City Council Work Session |
| March | Website and informational mailer |
| March 30-April 23 | Public meetings |
| April 26 | Bond Capacity Study results |
| April 28-May 3 | Scientific Survey #2 of 500 Berkeley voters |
| May 10 | Strategic Asset Management Plan |



What's Completed So Far? (cont.)

- 5/2: Released for public comment
- 5/31: Revised and submitted to City Council for input



What's tonight? What's next?

- **Tonight**
 - Discuss results of scientific survey
 - Provide direction on whether to place measure(s); if so, type and amount
 - Provide input on *Vision 2050 Program Plan*
- [June 26 Work Session, if needed]
- **July 12:** Action to place measure(s)
- **July 26:** Adopt *Vision 2050 Program Plan*
- **August 12:** Last day to file measures with County



Revenue Measure Options

**Option #1:
Single Measure,
\$600M GO Bond**

\$600 Million General Obligation Bond

\$150 Million - Affordable housing for low-income and homeless residents

\$250 Million - Street repair, traffic and pedestrian safety

\$125 Million - Climate change, sea level rise, wildfire prevention

\$75 Million - Improvements to public buildings and general infrastructure

**Option #2:
Two Measures,
\$300M GO Bond
and Parcel Tax
(30 cents/sq ft)**

\$300 Million General Obligation Bond

\$150M – Climate change, sea level rise, wildfire prevention, infrastructure

\$150M – Affordable housing for low-income and homeless residents

Parcel Tax (30 cents per sq. ft., \$28M annually) – Street repair and traffic safety

**Option #3:
Something
different**

Something smaller, only one of these measures, separate measures for affordable housing and infrastructure, delay consideration, or something else



Revenue Measure Options

| Funding Mechanisms | | |
|--------------------|--|--|
| TYPE | GO Bond | Parcel Tax |
| TAX BASIS | Assessed Value (AV) | Building square footage |
| USE OF FUNDS | Capital only | Capital + Maintenance |
| TAX PROGRESSIVITY | Progressive | Progressive |
| EXEMPTIONS | None | Low income/senior |
| PROS | Relative tax burden decreases as total AV increases | Fixed payments with cost of living adjustments Funds capital and mtce |
| CONS | Cannot pay for mtce. or operations Does not adjust for future costs | Increases tax burden if building sq. ft. increases |



Possible Results of Options #1 or #2

- Improve streets to good paving condition with an average Paving Condition Index of 70 or more
- Implement 75%+ of adopted traffic safety plans (bike/ped) and achieve Berkeley's vision of a low-stress bike network
- Complete selected sea level rise projects, and begin to implement undergrounding of evacuation routes and the stormwater/green infrastructure plan
- Assist in advancing the city's park and public realm projects, e.g., Waterfront and Civic Center Renovation
- Address 13-26% of Berkeley's affordable housing need (RHNA) through the addition of 500-1,000 new affordable housing units



Tax Impact

| | Option #1 \$600M GO Bond | Option #2 \$300M GO Bond + Parcel Tax |
|--|--------------------------------|--|
| Annual Tax Rate (\$100,000 A.V.) | Avg \$51 Max \$91 | Avg Bond \$27 30 cents per sq. ft. |
| Annual Tax (Avg Home: \$647,972; 1,900 sq ft) | Avg \$332 Max \$589 | Avg Bond = \$166 + <u>Parcel = \$570</u> Total = \$736 |



Scientific Survey #2

- Lake Research Partners designed and administered this survey, which was conducted by live telephone interview and text-to-online.
- The survey reached a total of 500 likely November 2022 election voters from April 28-May 3, 2022.
- The margin of error for the full sample is +/-4.4%.



Scientific Survey #2

The highest priority for Berkeley voters is increasing affordable housing for low-income and homeless residents. Other priorities include repairing deteriorating streets and sidewalks, and undergrounding utilities to help reduce the risk of wildfires.

Most important needs in City of Berkeley

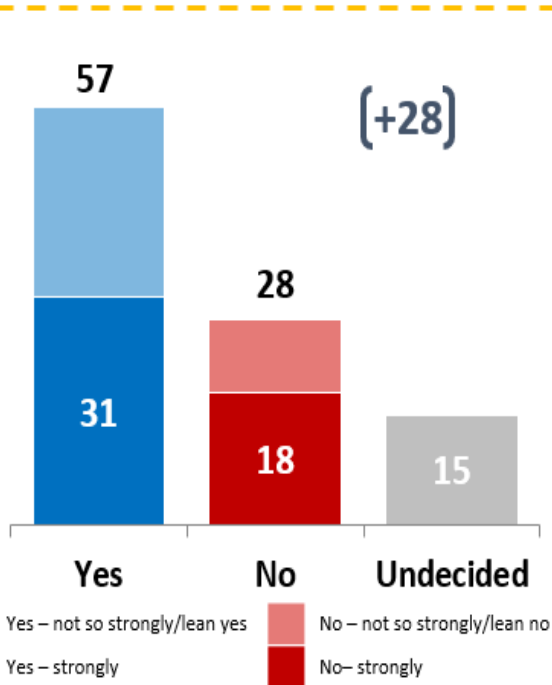


Scientific Survey #2

Option #2 is closest to reaching the 2/3 Yes threshold, with fewer No votes than the \$600M GO bond measure. The 30-cent parcel tax measure is the most popular of these three.

Option #1

\$600M GO Bond

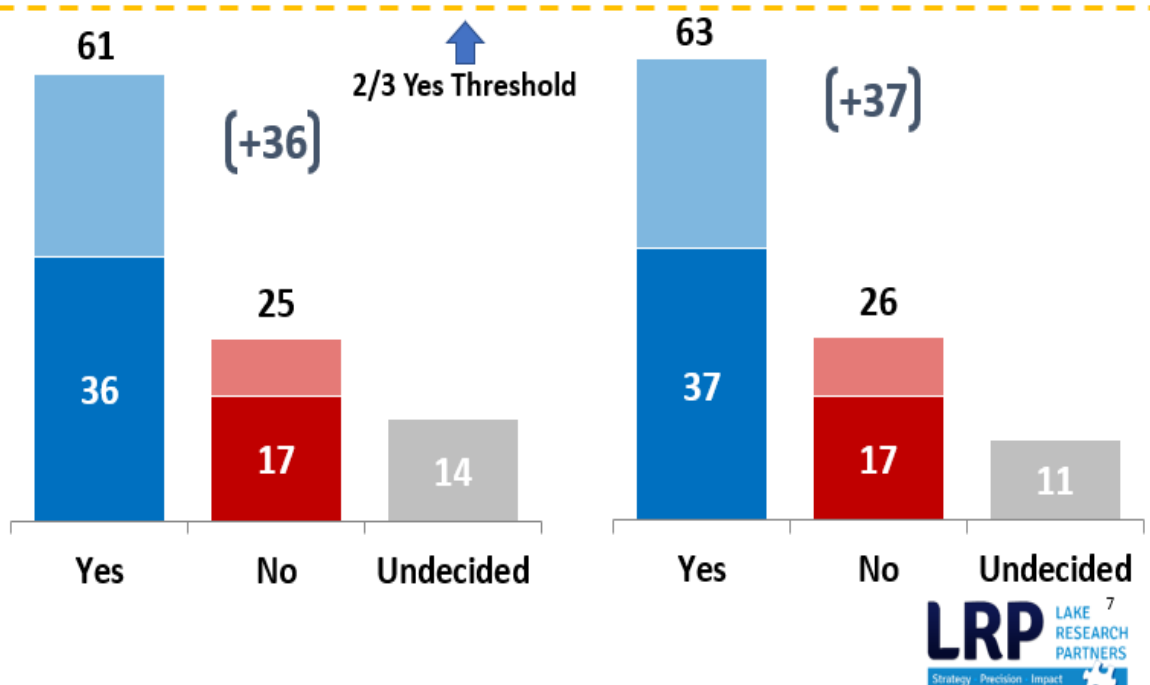


Option #2

\$300M GO Bond

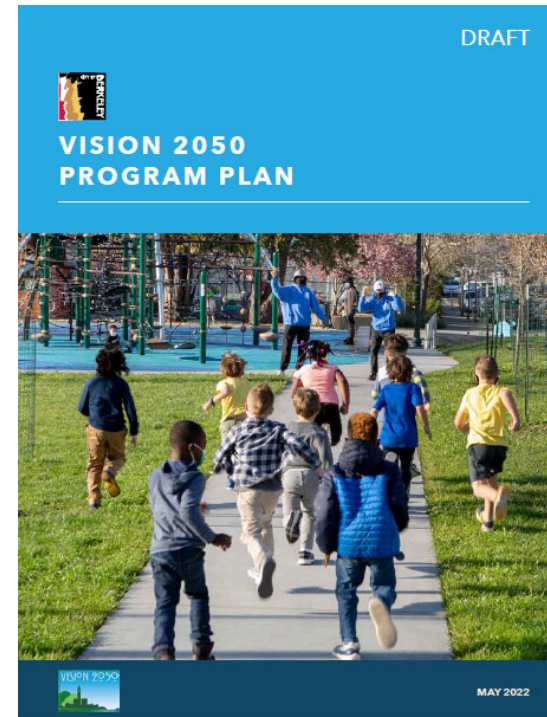
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30-Cent Parcel Tax



Vision 2050 Program Plan

- A unique process to lay out a 30-year plan of expected outcomes, work priorities, funding and accountability
- The Plan has these elements:
 - ✓ Expected outcomes
 - ✓ Methodology for prioritizing work
 - ✓ Funding plan
 - ✓ Performance monitoring
 - ✓ New focus on on-going maintenance
 - ✓ Organizing for project delivery
 - ✓ Approach on tax impacts
 - ✓ Revenue measure options and tax impact
- Seeking City Council's input on the *Program Plan*



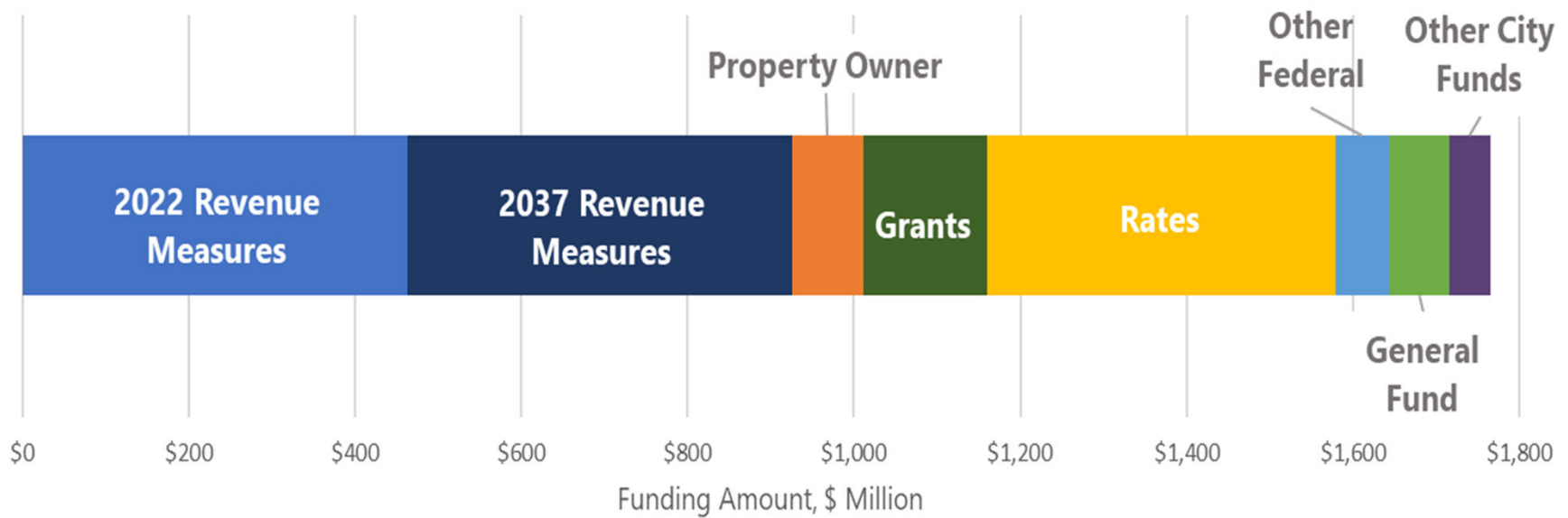
Vision 2050 Program Plan



Program Plan's Figure 7: Outcomes



Vision 2050 Program Plan



Program Plan's Figure 11: Funding Sources



Vision 2050 Program Plan

**TABLE 3
SUMMARY OF PRIORITY SCORING**

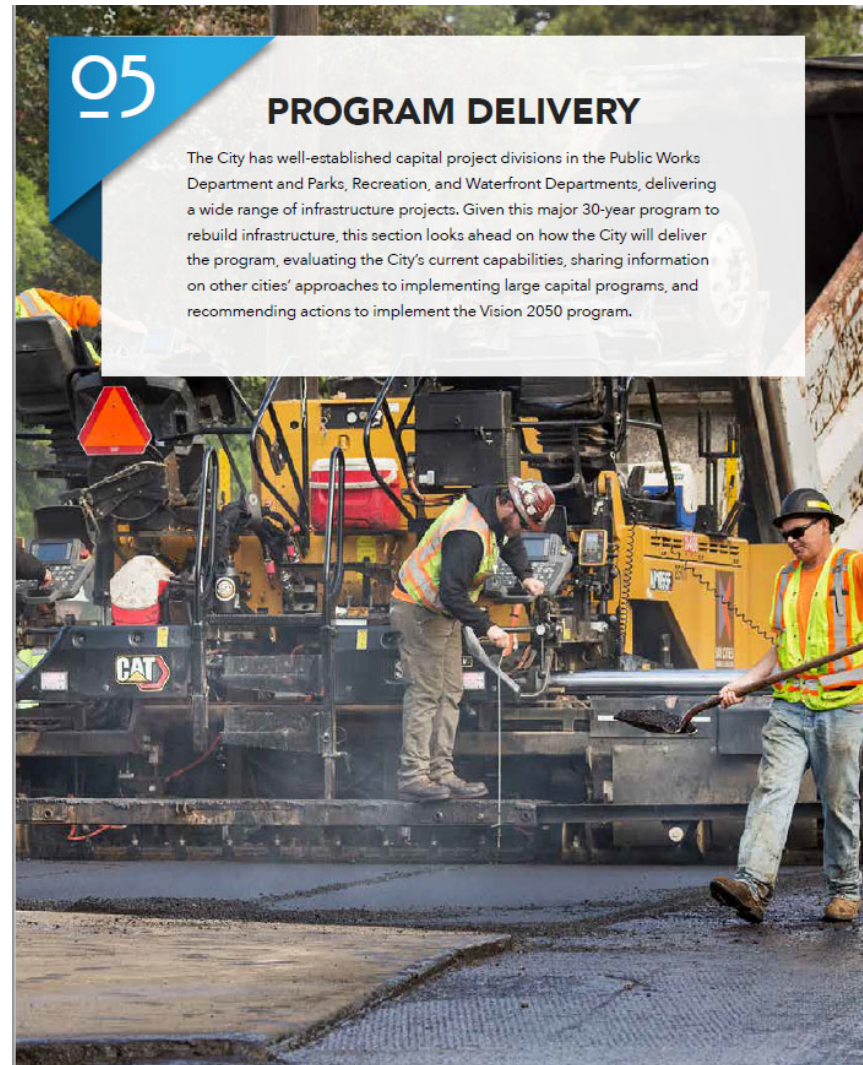
| Priority | Asset Category by Score |
|----------|---|
| 1 | Streets |
| | Bicycle and Pedestrian Plan projects |
| | Sidewalks |
| 2 | Undergrounding |
| | Stormwater |
| | Parks |
| | Trees |
| | Waterfront |
| 3 | Traffic Controls, Streetlights, and Parking |
| | Transit projects |
| | Civic center |
| | City buildings |
| | Transfer station |
| | Sewer |

- Based on Institute for Sustainable Infrastructure’s criteria
- Based on public input to date
- Recognizes some asset categories don’t need more revenue (sewer); others need more time for planning, public process, or engineering
- General guidelines, not binding



Vision 2050 Program Plan

- Building on experience with Measure T1
- Review of capital delivery in Berkeley, Oakland, Sunnyvale, and San Diego
- Vision 2050 Team housed at first in Public Works
- 2/3 of street investments into paving, 1/3 into traffic safety



05

PROGRAM DELIVERY

The City has well-established capital project divisions in the Public Works Department and Parks, Recreation, and Waterfront Departments, delivering a wide range of infrastructure projects. Given this major 30-year program to rebuild infrastructure, this section looks ahead on how the City will deliver the program, evaluating the City's current capabilities, sharing information on other cities' approaches to implementing large capital programs, and recommending actions to implement the Vision 2050 program.



Seeking City Council's Direction

- Move forward with measure(s)? Amounts?
- Priorities represented in measure itself via funding buckets and/or in *Vision 2050 Program Plan*?
 - Commit to non-revenue measure contributions of +\$8M annually to paving maintenance to ensure no deterioration?
 - Commit to floor for General Fund infrastructure investment?
- If GO bond, include 1% dedication to public art, an annual General Fund allocation to public art in lieu of the revenue measure dedication, or something else?
- If parcel tax, should it include an exemption for very low income property owners? Should it include an end date?



Questions and Discussion

