



Rashi Kesarwani
Councilmember District 1

CONSENT CALENDAR

January 18, 2022

TO: Honorable Mayor and Members of the City Council

FROM: Councilmember Rashi Kesarwani (Co-Author), Councilmember Ben Bartlett (Co-Author), Mayor Arreguin (Co-Sponsor), Councilmember Taplin (Co-Sponsor)

SUBJECT: Refer to the City Manager to Establish a Framework for Parking Benefits Districts in the Gilman and Lorin Commercial Districts

RECOMMENDATION

Refer to the City Manager to create a basic framework for establishing a Parking Benefits District (PBD) in the Gilman and Lorin Commercial Districts. This framework should include:

- A map establishing the boundaries of the Gilman District PBD. Suggested borders of the district should include: (1) on the west, the east side of Eastshore Highway from Page Street to the Albany border; (2) on the north, the Albany border from Eastshore Highway to the east side of San Pablo Avenue; (3) on the east, the east side of San Pablo Avenue from the Albany border to Gilman Street, both sides of Gilman Street from San Pablo Avenue to Kains, and the east side of San Pablo Avenue to the north side of Page Street; and (4) on the south, the west side of San Pablo Avenue from Page Street to Camelia Street, the north side of Camelia Street from San Pablo Avenue to Sixth Street; the west side of Sixth Street from Camelia to Page; the north side of Page Street from Sixth Street to Eastshore Highway. See map in Attachment 1.
- A map establishing the boundaries of the Lorin District PBD. Suggested borders of the district should include: (1) on the east, both sides of Shattuck Avenue from Carleton southward to Alcatraz Avenue; (2) on the south, the north side of Alcatraz Avenue from Shattuck Avenue to Martin Luther King Jr. Way; Martin Luther King Jr. Way southward to 62nd Street; 62nd Street to King Street; (3) on the west, King street to Russell Street; (4) on the north, Russell Street to Grant Street; Grant Street north to Carleton Street; and Carleton Street to Shattuck Avenue. See map in Attachment 1.

- Consideration of expanding the goBerkeley parking program¹ to include installation of paid parking *within a subsection* of the defined Gilman and Lorin Parking Benefit Districts *only where warranted based on parking demand using a demand-based pricing model*.
- Consideration of amending the goBerkeley program to allow net parking revenues to be reinvested within the Gilman and Lorin Parking Benefits Districts where the revenue is generated for the purpose of funding improvements, such as trash removal, sidewalk cleaning, enhanced lighting, signage, beautification like landscaping or other improvements based on input from an advisory board of stakeholders—in alignment with policy requirements of PBDs.
- Consideration of transportation-related amenities targeted to employees that may include: annual transportation passes to incentivize public transit use, annual memberships in shared electric micro-mobility programs, special employee parking permits, etc.
- A strategy for conducting outreach to Gilman and Lorin Commercial District stakeholders prior to implementation, including outreach to property and business owners and employees.

CURRENT SITUATION AND ITS EFFECTS

The Gilman District is home to an eclectic range of businesses, services and amenities that attract visitors from across the Bay Area. The Gilman District, situated in the northwest section of Berkeley, is a dynamic mix of manufacturing, light industry, office and studio space, retail and food establishments, in addition to other services and amenities. It is home to recreational sports fields, for instance, and a flourishing urban farm, Urban Adamah, that hosts various family and community programs. Over the last couple of decades new and exciting businesses have settled into this district that are highly attractive to consumers throughout the Bay Area and have helped make this area a vibrant commercial district. These include food-related production and services such as Whole Foods, Philz Coffee, Fra'Mani handcrafted foods, Boichik Bagels (opening a warehouse in 2022); wineries such as Donkey and Goat and Broc Cellars as well as breweries such as Fieldwork and Gilman Brewing Company. The Tesla Service Center and other automotive services and industries are located in the same vicinity as community non-profit collaborative art spaces such as The Potters' Studio.

Availability of parking is an issue in the Gilman District. Between the many employees and visitors, there is a large volume of stakeholders who frequent this area on a daily basis. Despite the popularity of this area, this district is hard to access via public transit. Currently only the 72 AC Transit lines (72, 72R, 72M) travel back

¹ This program uses demand-based parking management practices in which staff periodically analyze parking activity to adjust meter pricing in order to improve parking availability and turnover.

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and forth along San Pablo Avenue and the closest bike share stop is eight blocks away, at Tenth and University Ave. The closest BART stations are close to a mile and a half away. Unless people access the Gilman District by foot, bike or micro-mobility device, they are likely driving into the area. The resulting high volume of single-occupancy vehicles impacts parking and exacerbates greenhouse gas emissions. The few metered blocks in the Gilman District are clustered around the large high-volume retail establishments REI and Whole Foods, leaving the vast majority of the district without an effective means to regulate parking and ensure adequate availability. Gilman District stakeholders can park their vehicles all day for free, and many of them do. Finding a place to park in the Gilman District can be challenging because the city does not currently have a mechanism to consider expansion of the goBerkeley parking program to this area.

The Lorin District is one of the most diverse, artistic and transit accessible commercial districts in the City of Berkeley. The Lorin District is home to the South Berkeley Farmers' Market, boasts a thriving arts and antiques cluster, and is home to Shotgun Players and Berkeley Black Repertory Theater. It is also fast becoming an emerging food scene with an impressive assortment of new eating and drinking establishments. The Lorin is the southernmost gateway into the City. With direct access to Highway 24 from Adeline Street and Interstate 80 from Ashby Avenue, the district boasts an intermodal array of options for visitors including the Ashby BART and AC Transit bus lines, including Transbay bus stops with direct access to San Francisco. The Lorin Business Association includes businesses, nonprofits, artists, and property owners located along Adeline Street from Ashby Avenue to the Oakland border. The Association seeks to promote economic vitality by promotion of positive business and commercial activity, streetscape improvements and the arts. The consideration of additional paid parking in this area could encourage employees and customers to utilize alternative transportation options.

The Gilman & Lorin Business Districts have a significant number of unhoused individuals. In addition to parking challenges, both Districts struggle with a high number of unhoused individuals living on the sidewalk. Many of these encampments have also become sites of illegally dumped materials, and excessive trash and debris have attracted vermin. Hazardous materials such as human waste and used needles are frequently found at these sites. Unlike many other business districts in Berkeley, both Districts lack the structure and resources of a Business Improvement District (BID)—an entity that could provide services to benefit the commercial area and promote and maintain a cleaner environment. In short, these areas need additional resources to acquire street and landscape improvements, cleaning services, and amenities such as bike and pedestrian infrastructure to make the districts easy for everyone to access. These types of services are beyond what the City can currently provide.

Parking Benefit Districts (PBDs) are a way to boost economic vitality while addressing parking challenges. Parking Benefit Districts² spend meter revenue for public services in the metered areas. They are defined geographical areas typically located in commercial districts in which revenue generated from on-street and off-street parking facilities within the area is kept within the district to finance neighborhood improvements.³ A primary goal of PBDs is to effectively manage an area's parking supply and demand, often using demand-based pricing, making parking convenient for drivers.⁴ Reinvesting the meter revenue back into the district helps build support among community members and businesses as the economic benefits of parking can fund local improvements within the area.

A PBD is led by a Community Advisory Board. PBDs also require a community advisory board made up of local merchants, employees, organizations, property owners and other stakeholders to convene on a regular basis to make recommendations to the City Council for funding improvements. This advisory structure is another way to help build support for a shift to metered parking as local stakeholders have direct input into the types of improvements to be adopted. Establishing a PBD in the Gilman and Lorin Commercial Districts is a long-term strategy that could at once help ease the difficult parking situation district stakeholders experience daily while providing much needed resources to help fill in funding gaps that could address cleanliness, safety, and quality of life improvements, such as additional trash removal, sidewalk cleaning, enhanced lighting, beautification such as landscaping, or other improvements.⁵

Other cities have established PBDs with great success. A PBD is a well-established concept used in cities within California and throughout the United States. Pasadena was an early adopter of a PBD in 1993.⁶ According to one legal publishing service, "In its first year, the PBD saw a 100 percent increase in sales tax revenue and in two decades, Old Pasadena became a popular shopping attraction, where just 21 square blocks raised \$6.4 million for local investments in a five-year period."⁷ San Diego was soon to follow in 1997 with now six distinct PBDs,⁸ and nearby Redwood City established one in 2017.⁹ All districts have successfully used revenues for street and sidewalk cleaning as well as improvements such as:

² See Donald Shoup's Fall 2016 Access Magazine article: [Parking Benefit Districts](#)

³ See Newport Beach's [Commercial Parking Benefit District](#) flyer

⁴ Op cit. Newport Beach's [Commercial Parking Benefit District](#) flyer

⁵ See JDSupra January 2021 blog post: [Can Parking Benefit Districts Step in as Revenue Sources Dry Up?](#)

⁶ See Douglas Kolozsvari and Donald Shoup's Fall 2003 Access Magazine article: [Turning Small Change into Big Changes](#)

⁷ JDSupra January 2021 blog post, *Op. Cit.*

⁸ See Main Street America's blog post: [Parking Benefit Districts Case Study: San Diego California](#)

⁹ See Redwood City's webpage [Community Benefit Improvement District](#)

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- Infrastructure enhancements to its historic district, including vehicular and pedestrian wayfinding signs and neighborhood banners (San Diego)¹⁰
- Sidewalk operations and beautification projects including murals, shadow art stencils, umbrellas and table and seating areas (Redwood City)¹¹
- Installation of historic light fixtures and street furniture, and tree planting (Old Pasadena)¹²

Other cities outside of California have successfully adopted PBDs as well. In Austin, Texas, for instance, a PBD was established in 2005 using Environmental Protection Agency funding that was so successful that it later established several more, raising \$1.87 million for local improvement projects.¹³ Other geographically dispersed cities such as Houston, Texas¹⁴; Portland, Oregon¹⁵; and Washington, D.C.¹⁶ have similarly established PBDs as a way to revitalize a neighborhood, address parking management issues, and combat greenhouse gas emissions. It is a concept gaining traction throughout the country.

Examples of employee parking accommodations. Cities have used a variety of approaches to specifically address workers' needs. Some cities, such as Boulder, Colorado have established PBDs that use some of the revenues to assist workers while disincentivizing single-occupancy vehicle transportation into the district. Boulder's Central Area General Improvement District (CAGID) dedicates funds for the Denver-Boulder transit agency Eco-Pass Program¹⁷ providing thousands of workers free unlimited-ride transit passes annually. Boulder additionally invested \$50,000 in the BCycle Bikeshare program as another way to incentivize alternate methods of transportation for workers.¹⁸ In Houston, Texas, the Washington Avenue Parking Benefit District has created a permitting system allowing each commercial property to purchase an annual permit for parking in a designated area.¹⁹ The City of Berkeley, too, has a precedent of addressing merchant and employee parking needs as made evident in our Berkeley Municipal Code 14.72.100 - Local Business Parking Permits, which allows issuing a permit to business owners or lessees of commercial establishments located in designated commercial zoning districts within the City for use during the business activity of the establishment. Such a permitting program

¹⁰ See Main Street America's blog post, *op. cit.*

¹¹ See Redwood City's [Annual Report from the Redwood City Improvement Association, December 1, 2016 - November 30, 2017](#)

¹² Kolozsvari and Shoup, *Op. Cit.*

¹³ JDSupra blog post, *Op. Cit.*

¹⁴ See City of Houston Webpage: [Park Houston](#)

¹⁵ See City of Portland's [Meter District](#) webpage

¹⁶ See Washington, D.C. press release regarding the [Launch of New Parking Program Downtown](#)

¹⁷ See [RTD EcoPass](#)

¹⁸ See SmartcitiesDlve blog post: [Parking as an Economic Development Tool in Boulder](#)

¹⁹ See the parking website [ParkHouston](#) for details on this PBD

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could easily be incorporated within the structure of a PBD, should the stakeholder advisory group opt to do so.

Existing meters in Gilman and Lorin Districts provide revenue to our Parking Meter Fund. Pre-pandemic, normal parking operations throughout the City yielded healthy revenues in excess of expenditures and contributed to the City's Parking Enterprise Fund. These funds were intended to help cover the Center Street Garage bond debt service payment and for upgrades to the City's parking meters.²⁰ While the City paused fee collection at all meters and off-street parking facilities during the shelter-in-place order, revenue collection resumed later in 2020 and on and off-street parking revenues are again slowly beginning to climb. Currently, a limited number of blocks in the Gilman District have parking meters, with the Lorin District containing slightly more metered streets (see Attachment 1 maps). In both districts, meters are clustered around the high-volume retail and food establishments: REI and Whole Foods in the Gilman District and Berkeley Bowl in the Lorin District. Exhibit 1 shows the revenues for the meters in these two districts over the past few years.

Exhibit 1: Limited Number of Gilman and Lorin District Parking Meters Generated a Total of \$162,323 in FY 2019-20

	Total Revenue			Hourly Rate		
	FY 2019-20	FY 2020-21	FY 2021-22 (Jul-Sept 2021)	FY 2019-20	FY 2020-21	FY 2021-22
Lorin	\$94,410	\$23,025	\$7,695	\$86 (\$1.50/hr)	\$17 (\$0.50/hr)	\$24 (\$0.50/hr)
Gilman	\$67,913	\$23,771	\$10,689	\$65 (\$1.50/hr)	\$17 (\$0.50/hr)	\$31 (\$0.50/hr)
Total	\$162,323	\$46,796	\$18,384			

Source: Transportation Division, City of Berkeley

Note: During the period of March 20, 2020 through May 31, 2020 fees were not collected at any meters due to the shelter-in-place order.

The goBerkeley parking program uses demand-based management. In 2013, Berkeley began piloting the goBerkeley parking program in three commercial areas: Downtown Berkeley, the Elmwood, and Southside/Telegraph, as a way to support their economic vitality and reduce congestion and emissions. In short, this program uses demand-based parking management practices in which staff periodically analyze parking activity to adjust meter pricing in order to improve parking availability and turnover. The program targets the availability of 1-2 open parking spaces (65-85 percent occupancy) on most block faces in a given area. If this target is reached, no adjustments are made. If blocks are too full, prices are increased; if they are too empty, prices are decreased accordingly. The meter time limits reinforce parking turnover in select areas or incentivize drivers to park in areas with longer time limits.

²⁰ See Public Works Director Liam Garland's report to the Budget and Finance Policy committee: [Parking Funds-Public Works Balancing Proposal](#)

This parking program strategy reduces vehicle emissions as the need to circle an area in pursuit of parking is reduced, and improves pedestrian and bicyclist safety by reducing driver distractedness while looking for parking. The January 14, 2020 program update to the Berkeley City Council (attached) noted the success of this program and the City's intent to eventually transition all of our metered parking to this program, pursuant to robust community outreach and engagement with merchants and residents alike. This Council item recommends consideration of expanding this program to the Gilman and Lorin Districts once PBDs are established in order to help manage parking issues and fill in funding gaps for neighborhood improvements in these distinct areas.

BACKGROUND

Every year, funds from net parking revenues are set aside to fund meter replacement, help pay down the Center Street Garage general obligation bond and contribute to the General Fund for other ongoing City programs. Pre-pandemic, the Parking Meter Fund paid \$1.9M annually towards the Center Street Garage bond obligation. Also pre-pandemic, the City's FY 2019-20 projections for on-street parking fund revenues were roughly \$9.3 million, with a monthly average of \$779,285.²¹ When Covid hit, parking revenue was severely impacted. The Parking Meter Fund received a loan from the General Fund, but is still not solvent. Revenues from on-street parking are steadily climbing, although they have still not returned to their pre-pandemic level.²² Operational costs of parking meter maintenance, enforcement, and staffing are considerable, as shown in Exhibit 2, and it will take additional time before our Parking Fund is once again yielding revenues in excess of expenditures.

Exhibit 2: Parking Infrastructure Costs

Equipment	One-Time Cost	Ongoing Cost
Parking Pay Station (unit)	\$5,700 purchase, \$300 install	\$660/year connectivity fee
Single Space Meter (unit)	\$575 purchase	\$69/year connectivity
Single Space Meter post (unit)	\$300; variable installation cost by Streets Division	N/A

Source: Transportation Division, City of Berkeley

Additional costs include maintenance and staffing.

- Staff time for collections and maintenance citywide is roughly \$714,300 annually.
- Expansion to the Lorin and Gilman Districts would require 0.5 full-time equivalent (FTE) Meter Mechanic and 0.5 FTE Meter Collector.

During the March 23, 2021 City Council meeting, Councilmembers Bartlett and Kesarwani's Item Number 9: Establish a Parking Benefits District (PBD) in the

²¹ See Director Garland's November 12, 2020 report to the Budget and Finance committee, *Op. Cit.*

²² Communications with City of Berkeley Parking Services Manager, Danette Perry, Dec. 8, 2021.
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Adeline Corridor and Fiscal Year 2022 Budget Referral, Supplemental Packet 1 (see Attachment 3) was unanimously passed on consent as amended and later funded through the FY 2022 budget process. The requested funds were to support hiring a consultant to assist in the formation of a Parking Benefits District. In preparation for bringing a consultant on board, the City's Office of Economic Development staff began working with a UC Berkeley graduate student intern studying City Planning at the College of Environmental Design to develop an existing conditions report for both districts, and to research and evaluate regional Parking Benefit District policies to recommend cities' best practices that would be compatible with Berkeley's local context. This council item is another step towards establishing PBDs in Berkeley as it provides additional direction to staff specifically for the Gilman and Lorin Districts pertaining to drawing defined district boundaries, expanding the City's already established parking program, directing staff to determine the block faces for meter installation, seeking ways to minimize impacts on employees, and requesting outreach efforts with Gilman and Lorin District stakeholders. Once the PBDs' structure has been established and a consultant hired to assist creating an ordinance and begin its formation, staff can work on calculations to determine the percentage of net revenue from these districts' meters to be reinvested back into the district. One of the likely final steps in this process will be a budget referral for meter purchasing and installation and hiring additional parking enforcement staff.

FISCAL IMPACTS

Staff Time to determine block faces to be metered and recommend pricing levels specific to each district. Staff time will also be required to administratively address an expansion of the goBerkeley parking program. Lastly, staff time will be necessary to devise and conduct community stakeholder outreach within both the Gilman and Lorin Commercial Districts.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

According to Berkeley's December 6, 2018 Climate Action Plan update, transportation is the largest source of greenhouse gas emissions in the City, mostly generated from passenger vehicles. Installing meters and a demand pricing parking management system will reduce greenhouse gas emissions as it reduces the likelihood of drivers circling blocks in pursuit of parking and lessen traffic congestion. Additionally, charging drivers for use of our public right of ways can be an effective way to disincentivize driving, providing another way to reduce greenhouse gas emissions. This aligns with the City's Climate Action Plan goals.

CONTACT PERSON

Councilmember Rashi Kesarwani, District 1

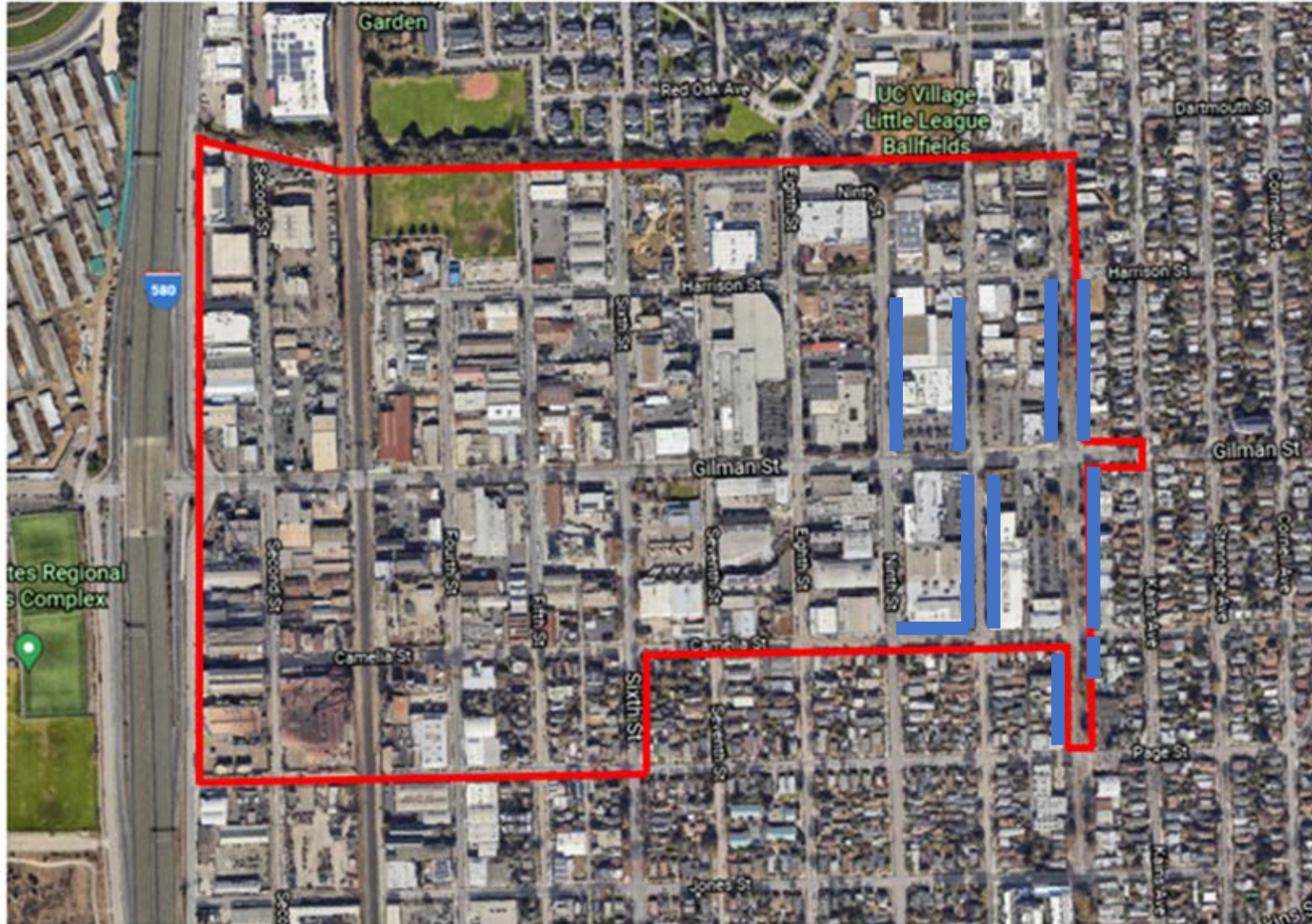
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Attachments:

1. Proposed maps of Gilman and Lorin Parking Benefit Districts
2. goBerkeley Program Update - January 14, 2020 Council Worksession
3. Item #9: Establish a Parking Benefits District (PBD) in the Adeline Corridor and Fiscal Year 2022 Budget Referral, Supplemental Packet 1, March 23, 2021 City Council Agenda

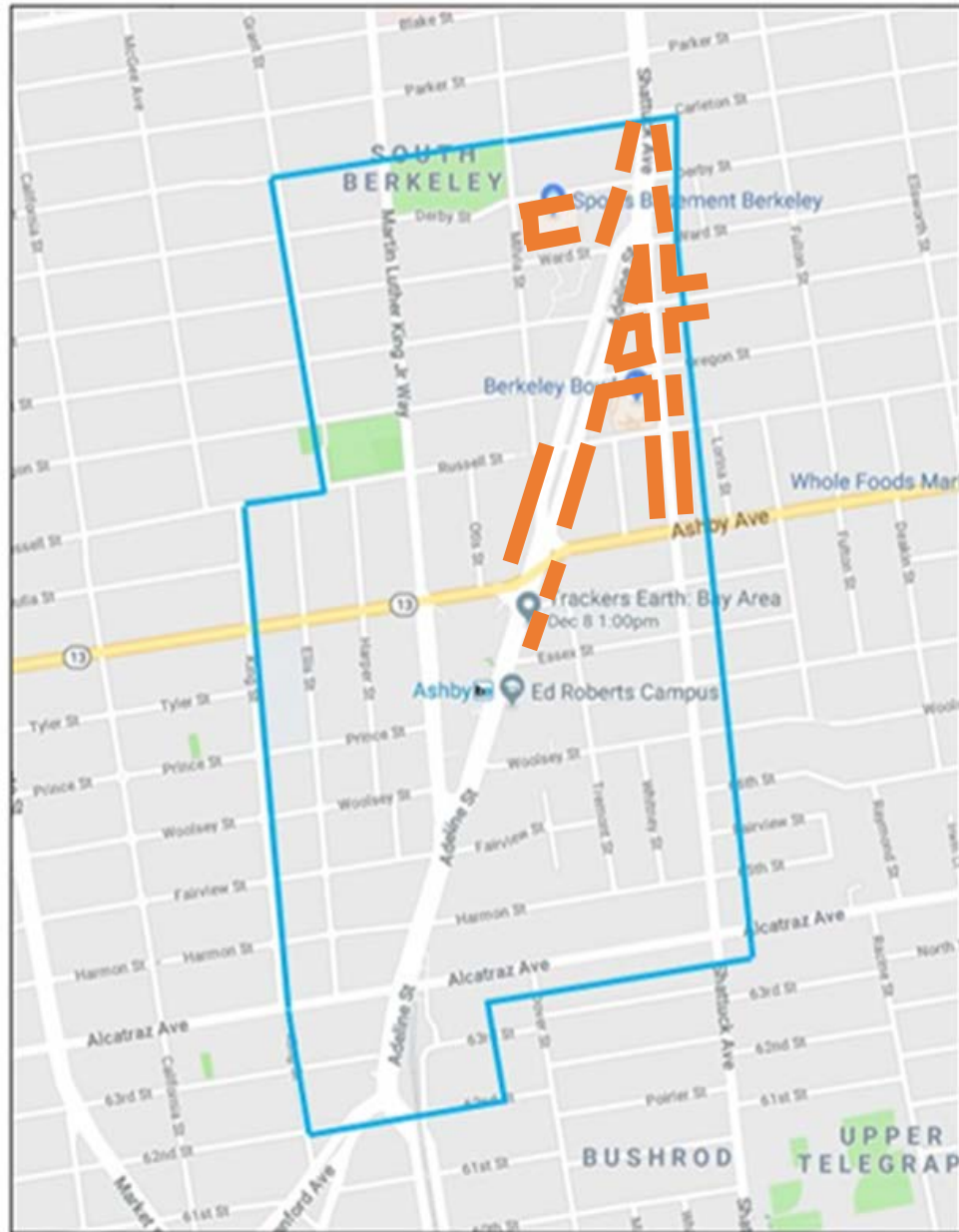
Proposed Gilman Parking Improvement District Boundary

Existing
metered
parking



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Proposed Lorin Parking Improvement District Boundary

Existing
metered
parking





Office of the City Manager

WORKSESSION
January 14, 2020

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Phillip L. Harrington, Director, Public Works
 Subject: goBerkeley Program Update – January 2020

INTRODUCTION

goBerkeley is a baseline program comprising parking management strategies and projects that support economic vitality and reduce greenhouse gas emissions in the City of Berkeley. This report provides an update on current and future goBerkeley activities and initiatives, including the grant-funded Residential Shared Parking Pilot project.

CURRENT SITUATION AND ITS EFFECTS

Operationally, goBerkeley's primary tool is demand-responsive parking pricing. Staff periodically analyze parking activity to verify that there are at least 1-2 open spaces (or 65-85% occupied) on most block faces¹ in an area. If this target is reached, then no price adjustments are needed. If blocks are too full, then prices need to be increased; if blocks are too empty, then prices need to be lowered. As a secondary tool, time limits are used to reinforce turnover in some areas or entice a shift of demand to areas with longer time limits.

As of January 2020, goBerkeley activities include initiating the grant-funded Residential Shared Parking Pilot project, expanding the existing demand-responsive parking program to other commercial districts, and evaluating evening and special event pricing to address high parking demand after 6 p.m.

goBerkeley Residential Shared Parking Pilot

The goBerkeley Residential Shared Parking Pilot (RSPP) is a grant-funded pilot project with goals of increasing parking availability, reducing greenhouse gas emissions, and improving travel and mobility in the Elmwood and Southside/Telegraph neighborhoods.² Inspired by feedback received during the initial goBerkeley pilot, the project is designed to support several groups of people currently sharing residential parking during the day, including residents, local employees, business owners, and visitors. While existing Residential Preferential Parking (RPP) restrictions may work well for residents, the two-

¹ Block face - one side of one block, e.g., the north side of Center Street between Milvia Street and Shattuck Avenue.

² February 23, 2016 Council Meeting: <http://bit.ly/2me6EHN>

hour time limits are challenging for people who need to stay longer, and some non-permitted users move their car every two hours to avoid a citation. This practice causes traffic congestion in neighborhoods, frustration and lost productivity for employees and their employers, and increased pollution from circling for parking, even in areas that have adequate parking availability.

The RSPB project is currently in its information gathering stage, with a consultant team supporting data collection, public outreach, and communication efforts.³ In fall 2019, staff held the first meeting of a Technical Advisory Committee (TAC), which provides feedback on the operational feasibility of the project. The City has also created a brand identity for the project, *goBerkeley SmartSpace*, and a project website is now available at <http://smartspace.goberkeley.info>. In January 2020, staff will convene a Community Advisory Group (CAG), providing opportunities for local neighborhood groups and other representatives to help shape and evaluate the pilot project. Staff will also use a range of public outreach tools to ensure that all voices are heard so the pilot best responds to community needs.

Broader community outreach will occur this spring. With assistance from the CAG, staff will develop a set of pilot recommendations for Council approval this summer and implementation in fall 2020.

Managing goBerkeley in Existing Areas

goBerkeley currently manages public parking resources in the Downtown Berkeley, Southside/Telegraph, Northside (Euclid/Hearst), North Shattuck, and Elmwood commercial districts, including three City-owned parking garages and two off-street parking lots. The expansion to Northside in fall 2018 was the first since the pilot program was made permanent in 2015. On January 1, 2020, the North Shattuck parking meter district joined the goBerkeley program.

The next set of price and time limit adjustments, resulting from data collected in fall 2019, will go into effect February 1, 2020.⁴

Expanding Demand-Responsive Parking Management

Staff are currently working to expand demand-responsive pricing under the goBerkeley program to the Fourth Street and University/San Pablo commercial areas. Each expansion effort includes an analysis of parking occupancy rates to determine where price adjustments may be needed, coupled with in-depth outreach to the local business community to ensure that goBerkeley policies reflect the unique needs of each district. Ultimately, staff are prepared to expand goBerkeley to all metered commercial districts in the City where merchants express interest in better parking demand management.

³ July 24, 2018 Council Meeting: <http://bit.ly/2me7og3>

October 2, 2018 Council Meeting: <http://bit.ly/2lOz4bf>

⁴ December 10, 2019 Council Meeting: <http://bit.ly/37rnogQ>

Evaluating Parking Management for Evenings and Special Events

On-street parking meters in both goBerkeley and non-goBerkeley areas operate from 9 a.m. to 6 p.m., Monday through Saturday. Parking occupancy studies for recent goBerkeley program adjustments have consistently shown that demand in Downtown Berkeley, Southside/Telegraph, and Elmwood is very high after 6 p.m., particularly on Saturdays, as restaurants, event venues, and other attractions continue to generate demand well after meters are no longer enforced. With off-street parking facilities continuing to charge for parking until midnight or later, drivers are incentivized to circle to find free parking on-street. This is the opposite of the goBerkeley model, which strategically prices public parking garages and lots lower than on-street rates to reduce circling for a spot. Recognizing the need for parking management in the evening, other cities in the Bay Area charge for on-street parking after 6 p.m., including Santa Cruz, Santa Rosa, and Walnut Creek (until 8 p.m.); and certain areas of Sacramento and San Francisco (until 10 p.m.).

Likewise, during evening special events such as UC Berkeley concerts and sporting events, parking in localized areas near event venues becomes difficult to find and may also lead to circling for a spot, which increases greenhouse gas emissions. Several cities in the region have instituted special event pricing at on-street parking meters, including Sacramento, San Francisco, and San Jose.

In 2014, staff conducted a survey to better understand evening parking needs in goBerkeley areas, and concluded that in some cases, employees were parking in front of businesses after 6 p.m. This information was shared with merchants, which generated interest in an evening metering pilot in Downtown Berkeley and the Elmwood but a pilot was not pursued at that time. However, the demand for parking after 6 p.m. in certain areas remains. Staff will evaluate the need for and merchant interest in evening and special event pricing at on-street meters and expect to bring a proposal to Council in 2020.

Finally, expanding the goBerkeley Program is a Strategic Plan Priority Project, advancing our goals to:

- Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities;
- Foster a dynamic, sustainable, and locally-based economy;
- Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment; and
- Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community.

BACKGROUND

In 2015, the City was awarded a \$950,000 grant from the Metropolitan Transportation Commission (MTC) for the goBerkeley Residential Shared Parking Pilot (Resolution No. 67,382–N.S.). The pilot will test policies to increase parking availability for residents, employees, and visitors; reduce circling for parking; and expand access to non-

motorized means of transportation within Residential Preferential Parking (RPP) areas in the Southside and Elmwood neighborhoods.

The goBerkeley program comprises a suite of strategies and initiatives designed to improve economic vitality and reduce greenhouse gas emissions. goBerkeley features improved parking availability that in turn improves pedestrian and bicyclist safety by reducing the likelihood of incidents of distracted driving as drivers search for parking. Clearer signage and longer on-street parking time limits also provide better customer service.

ENVIRONMENTAL SUSTAINABILITY

According to the State of California Legislative Analyst's Office, transportation was the largest source of greenhouse gas emissions in California in 2016, with 69% of these emissions generated by passenger vehicles.⁵ Reducing greenhouse gas emissions produced by vehicular traffic is one of the City's 2009 Climate Action Plan goals. Parking management based on user demand should ultimately improve parking availability in commercial and residential areas, and lessen traffic congestion and vehicle emissions as drivers are anticipated to spend less time searching for available parking spaces.

POSSIBLE FUTURE ACTION

Staff will manage the goBerkeley Program, including the Residential Shared Parking Pilot project, as described above and will return to Council for input, updates, and/or approval of new programs and initiatives as needed.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

Precise fiscal impacts depend on the nature and scope of future goBerkeley expansions and/or new programs. In most cases, these actions will require their own Council Reports to implement, and fiscal impacts will be presented to Council as part of these efforts. In general, however, fiscal impacts are difficult to forecast as demand-responsive parking pricing may result in increased or decreased parking rates in different areas, and parking behaviors resulting from these price adjustments may vary.

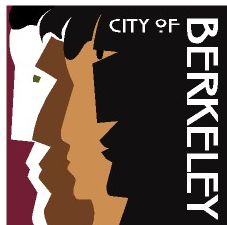
CONTACT PERSON

Farid Javandel, Transportation Manager, Public Works, 981-7061

Danette Perry, Parking Services Manager, Public Works, 981-7057

Gordon Hansen, Senior Planner, Public Works, 981-7064

⁵ Legislative Analyst's Office Report, December 21, 2018 *Assessing California's Climate Policies—Transportation*: <http://bit.ly/2kKfcFN>



Rashi Kesarwani
Councilmember District 1

REVISED AGENDA MATERIAL for Supplemental Packet 1

Meeting Date: March 23, 2021

Item Number: 9

Item Description: Establish a Parking Benefits District (PBD) in the Adeline Corridor and Fiscal Year 2022 Budget Referral

Submitted by: Councilmember Rashi Kesarwani

The item has been amended to include the Gilman District and update the Fiscal Impact to reflect the cost of consulting services for two business districts. Additional edits are included to provide more detail about the concept of a Parking Benefit District, and Councilmember Rashi Kesarwani is added as a co-author.



BEN BARTLETT
CITY COUNCILMEMBER, DISTRICT 3

CONSENT CALENDAR
March 23, 2021

To: Honorable Mayor and Members of the City Council
From: Councilmember Ben Bartlett (Author), Councilmember Rashi Kesarwani (Co-Author), & Mayor Jesse Arreguin and Councilmember Terry Taplin (co-sponsors)
Subject: Budget Referral: Establish a Parking Benefits Districts (PBD) in the Adeline Corridor and Gilman District and Refer Funding to the Fiscal Year 2022 Budget Referral Process

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RECOMMENDATION

Refer to the City Manager to establish a Parking Benefits Districts (PBDs) in the (1) Adeline Corridor and (2) Gilman District in order to finance and support neighborhood improvements--such as landscaping; enhanced lighting; security ambassadors; enhanced street sweeping and sidewalk cleaning; bike, pedestrian, micromobility, and public transit infrastructure; marketing and promotion of the commercial areas, and other potential enhancements to be determined and more--in South and West Berkeley, and

Further, refer to the Fiscal Year 2022 budget process \$50,000 \$75,000 for city staff to hire and manage a seek consulting services to assist in the formation and establishment of the PBDs.

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).¹ 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.

The Gilman District has a similar need for a mechanism to fund necessary streetscape improvements. Establishing a PBD is a financing tool in which revenue is reinvested within the business district in order to fund necessary investments that encourage placemaking and a safe, clean, and pleasant experience for workers and visitors. The Gilman District is home to an eclectic mix of businesses and non-profits, such as art galleries, wineries, breweries, biotech, office space, and an educational farm and community center, among other varied enterprises.

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

BACKGROUND

The Covid-19 pandemic and resulting Shelter-In-Place orders have had a devastating impact on the vitality of our business districts. The development of a Parking Benefit District (PBD) within a business district is a long-term strategy for establishing a dedicated source of revenue to can enhance and reinvest in a commercial area as it seeks to recover from the economic recession resulting from the pandemic.

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.²

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 and West Berkeley PBD with the specific requirement that parking revenues generated in the district is be used for neighborhood improvements. Funds from a PBD could be used in critically important ways, such as hiring full-time staff to manage the following activities: landscaping and streetscape improvementscreening, street cleaning, transit and pedestrian infrastructure, street furniture, marketing of local businesses, management activities, and visitor and security ambassadors.

Determination of how to allocate and use the funds could be managed by a Parking Advisory Committee, a group of representatives from the commercial district, that would make recommendations to City staff on how the revenues would best support the vibrancy of the business district.

In establishing the PBDs, the City should consider a separate permitting system for the benefit of employees of local businesses in order to enable access to parking within reasonable proximity to their place of employment at a fair price. In such a system, local businesses could purchase a certain number of annual permits for employees at a rate that is different from the rate charged to hourly visitors. Fee structures for employee permits versus hourly visitors could initially be determined with the help of the hired consultant.

The request for a PBD is an innovative approach to a real problem in South and West Berkeley. Constituents in both areas have faced many generations of neglect in this

² See Donald Shoup's Fall 2016 Access Magazine's article: *Parking Benefit Districts*: <https://www.accessmagazine.org/wp-content/uploads/sites/7/2016/11/access49-web-almanac.pdf>

~~neighborhood~~. A PBD brings equity, a leg up for ~~our~~ commercial districts to develop in a cohesive, community-oriented way. It also gives ~~our~~ neighborhoods an opportunity to work ~~together communally~~ on issues of mutual interest ~~to South Berkeley in each locale~~, while receiving the resources necessary to improve the quality of life ~~of its for~~ constituents. ~~The establishment of these PBDs could potentially lead to the establishment of PBDs in other areas of the City, adding to the value of this effort.~~

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

- Creation of a governing ~~and oversight body~~ Parking Advisory Committee to ~~recommend appropriate uses~~ develop an approved program of revenue ~~generated by the PBD. 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 owners~~ and other community organizations operating within South ~~and West Berkeley~~, ~~residents~~ and ~~eCity~~ staff;
- Implementation of parking meters and pricing structures that facilitate demand-based pricing, ~~with employees of local businesses potentially receiving access to permits that are provided at a different rate from the parking rate charged to hourly visitors;~~
- 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 the two districts;
- ~~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, Pasadena³ and Newport Beach⁴ have used their PBDs 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 ~~and West Berkeley is-a~~ are prime neighborhoods for this type of engagement.

³ See Donald Shoup's Fall 2003 Access Magazine article focusing on Old Pasadena: <https://www.accessmagazine.org/wp-content/uploads/sites/7/2016/02/Access-23-02-Small-Change-into-Big-Change.pdf>

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CONSULTATION OVERVIEW

The District 3 Office consulted with leaders of the Lorin Business Association. Their advocacy has informed this recommendation. The District 1 office has conducted outreach to the Gilman District.

RATIONALE FOR RECOMMENDATION

The Council should promote equity by establishing a Parking Benefits Districts (PBDs) in the Adeline Corridor and Gilman District to finance and support neighborhood improvements in South and West Berkeley. In comparison to the ways the City has invested in other districts, South and West Berkeley ~~has~~ have 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 Gilman District also is in need of additional investment. The Council now has the opportunity to support the ~~se South Berkeley~~ commercial districts and improve the quality of life for ~~its~~ their constituents by establishing a PBD in each business district and dedicating parking revenue funding in the PBD to local neighborhood improvements, such as landscaping, lighting, cleaning, security ambassadors, publicity and promotion, 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 PBDs, a one-time allocation of ~~resources, estimated at approximately \$50,000 \$75,000~~ is ~~required and being~~ referred to the FY 2022 budget process for consulting services for the following activities:

- Working with key stakeholders to help define the general parameters of the PBDs;
- Developing each respective PBD's boundaries, which revenues would be utilized, a draft budget for expenditures, a description of any new meters or other facilities that need be installed, and a timeline;
- Assigning of responsibilities to various organizations and creation of a new non-profit corporation, if needed;
- Development of a timeline with specific tasks and deadlines; and
- Writing of an Ordinance for Council consideration and presentation to the City Council.

~~Likely A~~additional costs to establish new meters or other facilities would be identified by the consultant and could potentially be covered by the resulting revenues from the PBD. ~~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.~~

ENVIRONMENTAL SUSTAINABILITY

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Providing parking for free or below the price that customers are willing to pay unnecessarily subsidizes a carbon-intensive mode of transportation. The City of Berkeley has declared a climate emergency, and it reflects the principles of environmental sustainability to impose a parking fee for the negative externality of greater greenhouse gas emissions emitted by non-electric cars compared to other modes of transportation, such as micromobility devices, public transit, biking or walking.

CONTACT PERSON

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James Chang jchang@cityofberkeley.info

Councilmember Rashi Kesarwani 510-981-7111
Beth Gerstein bgerstein@cityofberkeley.info

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BEN BARTLETT

CITY COUNCILMEMBER, DISTRICT 3

CONSENT CALENDAR

March 23, 2021

To: Honorable Mayor and Members of the City Council
From: Councilmember Ben Bartlett (Author), Councilmember Rashi Kesarwani (Co-Author), Mayor Jesse Arreguin and Councilmember Terry Taplin (co-sponsors)
Subject: Budget Referral: Establish Parking Benefit Districts in the Adeline Corridor and Gilman District and Refer Funding to the Fiscal Year 2022 Budget Process

RECOMMENDATION

Refer to the City Manager to establish Parking Benefit Districts (PBDs) in the (1) Adeline Corridor and (2) Gilman District in order to finance and support neighborhood improvements--such as landscaping; enhanced lighting; security ambassadors; enhanced street sweeping and sidewalk cleaning; bike, pedestrian, micromobility, and public transit infrastructure; marketing and promotion of the commercial areas, and other potential enhancements to be determined -- in South and West Berkeley.

Further, refer to the Fiscal Year 2022 budget process \$75,000 for city staff to seek consulting services to assist in the formation and establishment of the PBDs.

CURRENT SITUATION

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A successful PBD would also incorporate a number of other key elements that the City Manager should consider:

- Creation of a governing Parking Advisory Committee to recommend appropriate uses of revenue generated by the PBD. This body could take one of several potential forms, such as: an appointed or volunteer advisory board, which could include residents, property owners, business owners and other community organizations operating within South and West Berkeley, and City staff;
- Implementation of parking meters and pricing structures that facilitate demand-based pricing, with employees of local businesses potentially receiving access to permits that are provided at a different rate from the parking rate charged to hourly visitors;
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FISCAL IMPACTS

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