ACTION CALENDAR

June 2, 2020

(Continued from May 26, 2020)

To: Members of the City Council

From: Mayor Jesse Arreguín (Author), Councilmembers Kate Harrison (Author) and Rigel Robinson (Author)

Subject: Establishing a COVID-19 Business Damage Mitigation Fund

RECOMMENDATION

Refer to the City Manager to establish a COVID-19 Business Damage Mitigation Fund in an amount up to \$100,000 to provide one-time grants to small businesses who experience property damage due to vandalism and other problematic behavior during this COVID-19 local State of Emergency

BACKGROUND

The local Shelter in Place order, which initially went into effect on March 17, prohibits in-person dining and retail activity. This has created a significant decrease in revenues to local businesses which has resulted in layoffs and in some extreme cases permanent closures. Additionally, many of our commercial districts are empty throughout the day, which means that those businesses that are still in operation see limited foot traffic, leaving employees vulnerable to aggressive behavior. Based on preliminary figures from the Berkeley Police Department, crime in most areas during the year to date has gone down compared to this time last year. However, one notable exception to this is a 10.4% increase in thefts. Specifically, petty theft (a loss less than \$950) is up 7.4% and grand theft (a loss of more than \$950) is up by 56.4% - a spike attributed in part to a rise in catalytic converter thefts. While these preliminary numbers have not been fully vetted, they are believed to be solid indicators of the crime situation in Berkeley.

During this COVID-19 emergency, City staff have received numerous complaints from local businesses regarding problematic and violent behavior, including assault of employees and property damage. As a result of increased criminal activity, the Berkeley Police Department have deployed overtime shifts in Telegraph and the Downtown to increase police patrols to respond more quickly to calls for service and to increase police presence to deter crime. While the deployment of the Downtown Task Force has provided additional presence and support for businesses, crime is still occurring. Businesses have specifically requested that the City establish a Damage Mitigation Fund to provide one-time funding for repairs to local businesses occurring as a result of vandalism and other problematic behavior during this COVID-19 State of Emergency.

FINANCIAL IMPLICATIONS

Up to \$100,000.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental impacts from the recommendation

CONTACT PERSON

Mayor Jesse Arreguín 510-981-7100

Attachments:

- 1) Letter from business associations requesting Damage Mitigation Fund
- 2) Report on vandalism from the Downtown Berkeley Association and the Telegraph Business Improvement District



May 4, 2020 - VIA EMAIL

Mayor Jesse Arreguin and City Council
City of Berkeley
2180 Milvia St., Berkeley, CA 94704

Dear Mayor and City Council,

Our merchants and property owners need help NOW with a Damage Mitigation Fund due to extraordinary adverse impacts related to the coronavirus on their businesses, employees, and livelihoods. Since the Shelter in Place order went into effect on March 16, merchants and property owners in the Downtown and Telegraph commercial districts have sustained a significant increase in property damage and deeply disturbing behaviors. Not only are we experiencing a significant increase in the homeless population (60% increase Downtown), but also a small subset of homeless and/or street population are engaging in very aggressive behaviors. Many know they will not be jailed for illegal behaviors because of the COVID related mandate from the California Judicial Council. Moreover, there is absence of students, workers, and residents in our districts, that usually have a moderating impact on behavior norms.

As per attached examples this violent behavior has included multiple broken windows, doors and fixtures; and well as spreading of feces, firing extinguishers, throwing furniture, assaulting employees, etc. Just this past Saturday a woman entered McDonalds on at University and Shattuck and went behind counter and into the kitchen touching equipment and employees and ripping out cabling and damaging point-of-sale system. Understandably their employees were terrified. Moreover, McDonalds had to shut down and bring in a decontamination company to insure the kitchen and food preparation was safe to resume operations.

In addition to this damage, most our businesses have experienced a serious decline in revenues due to the coronavirus and the Shelter in Place order. Many businesses have been forced to close, and many essential businesses and restaurants doing take-out and delivery are hanging on by a thread with sales down often 50% to 80%. And then they have to deal with wanton property damage, that is traumatizing and they cannot afford.

While we appreciate BPD's efforts for increased patrols, these courageous businesses need City support NOW to defray the cost of this property damage and clean up costs. Hence, we are requesting that the City set up a Damage Mitigation Fund for businesses and property owners in the Downtown and Telegraph commercial districts that immediately reimburses them documented property damage repair, third party cleaning expenses, and/or health or leave costs of traumatized employees, from the start of the Shelter in Place order on March 16 through as long as the order continues, or the fund is exhausted. It is the least we can do, and also the right thing to do, so they hopefully survive and we are not faced by lost businesses and vacancies in the heart of our great City.

Thank you for your timely consideration of this urgent matter.

Sincerely,

John Caner, CEO
Downtown Berkeley Association

Alex Knox, Executive Director
Telegraph Business Improvement District

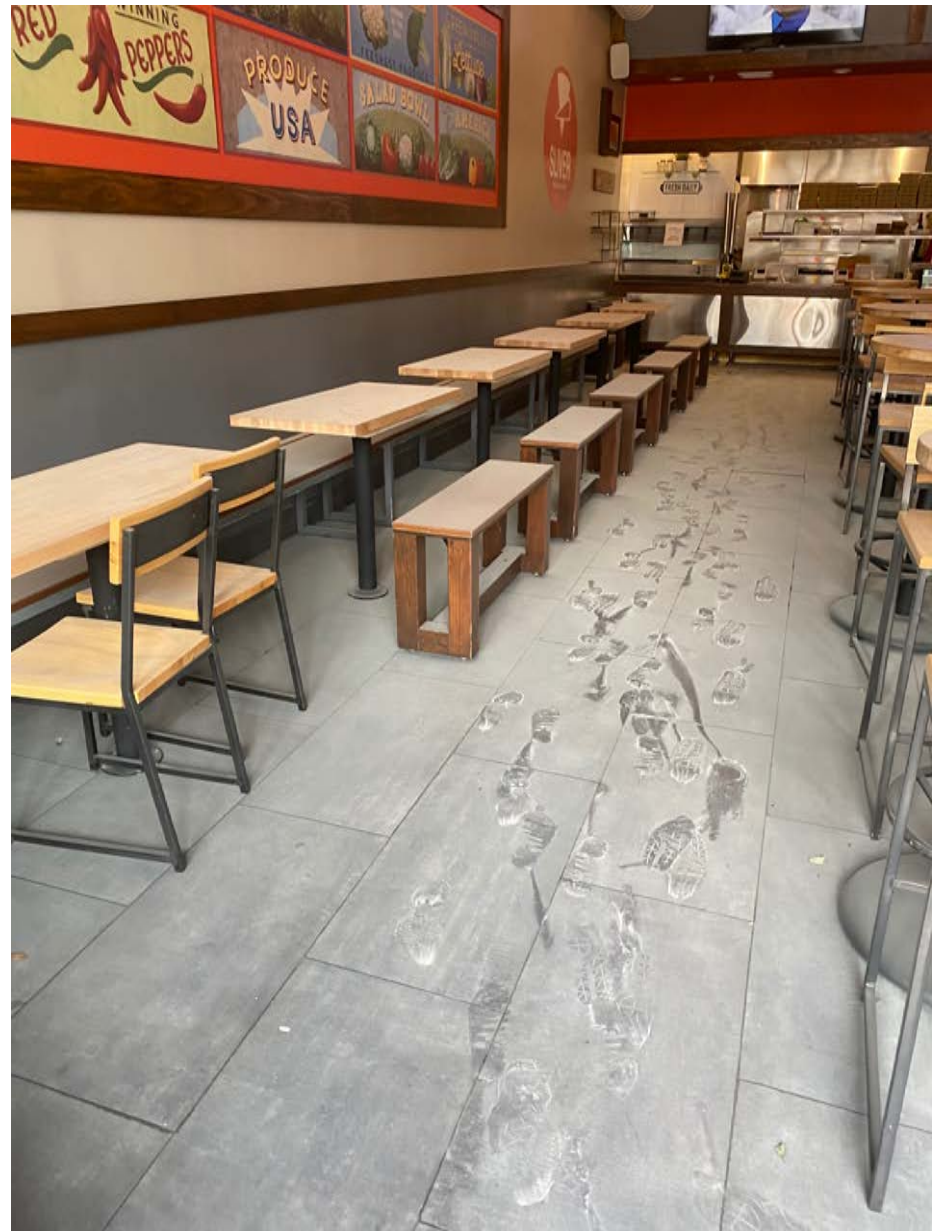
CC: City Manager Dee Williams-Ridley

Merchant Vandalism

Telegraph Business District
Downtown Business District

Updated: April 28th, 2020





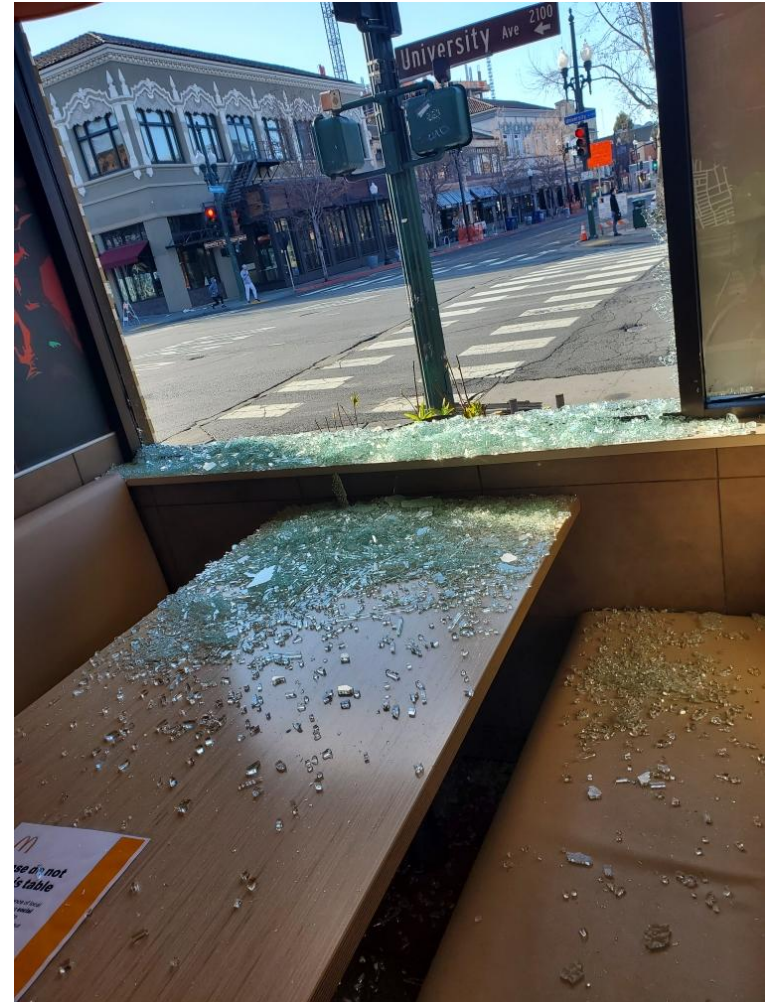
Sliver Pizzeria
2174 Shattuck Ave, Berkeley, CA 94704



Cancun Sabor Mexicano
2134 Allston Way, Berkeley, CA 94704



it starts here.
**DOWNTOWN
BERKELEY**



McDonalds 4/5
1998 Shattuck Ave, Berkeley, CA 94704



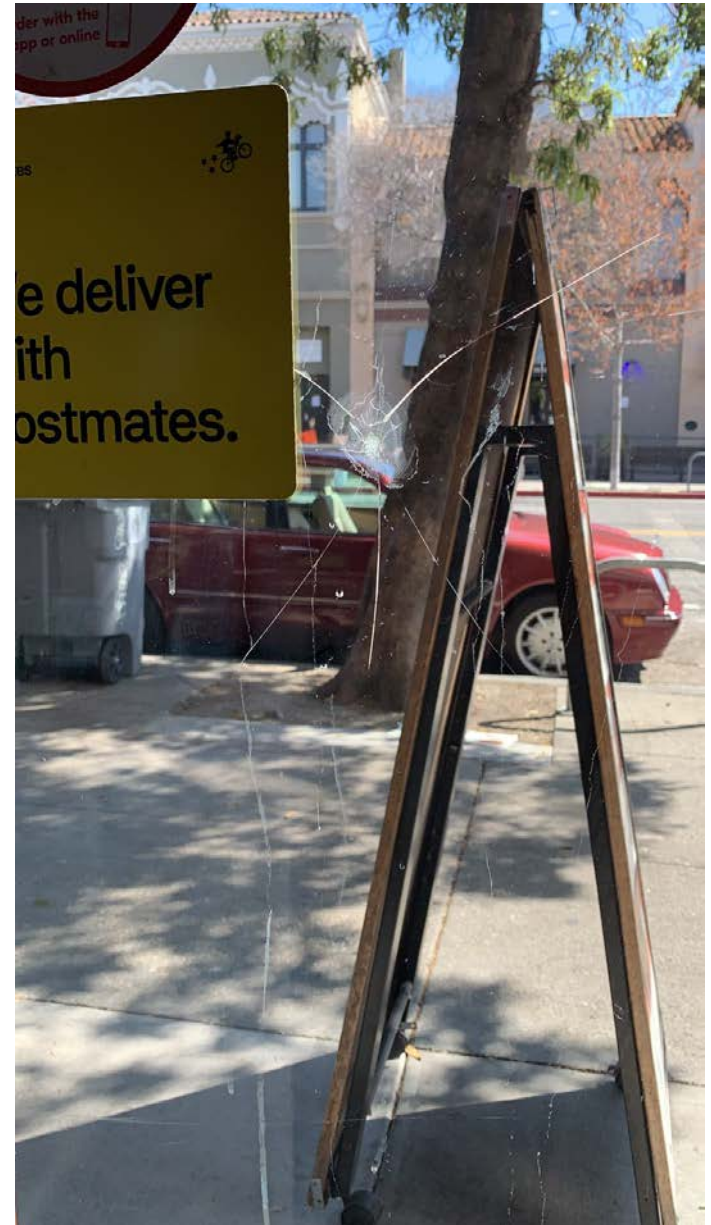
McDonalds 1/5
1998 Shattuck Ave, Berkeley, CA 94704



McDonalds 3/5
1998 Shattuck Ave, Berkeley, CA 94704



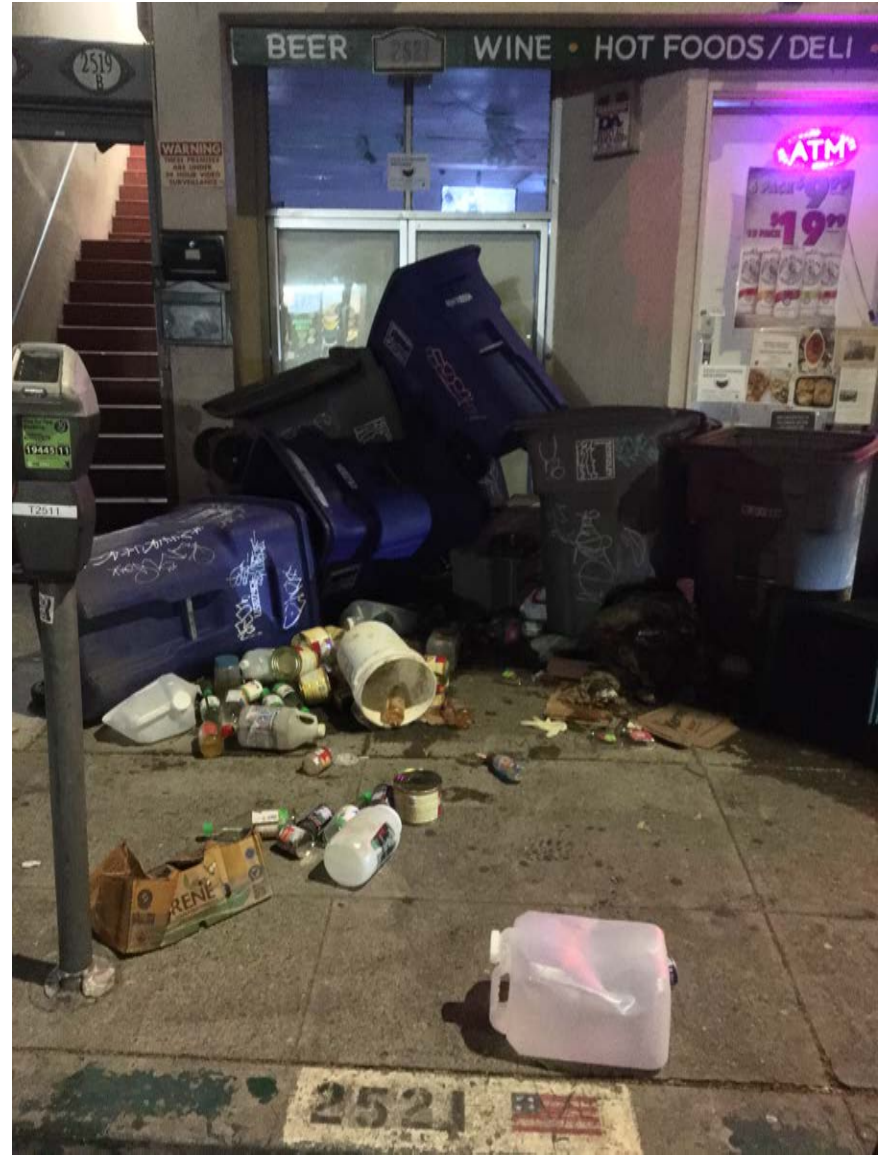
McDonalds 2/5
1998 Shattuck Ave, Berkeley, CA 94704



Barbarian Grub & Ale
2012 Shattuck Ave, Berkeley, CA 94704



Bank of America
2347 Telegraph Ave, Berkeley, CA 94704



2521 Telegraph Ave

