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Office of the City Manager

PUBLIC HEARING
December 1, 2026

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Eleanor Hollander, Economic Development Manager

Subject: Renewal of the Solano Avenue BID for Calendar Year 2027

RECOMMENDATION

Conduct a public hearing and, upon conclusion, adopt a Resolution confirming the Annual Report and Budget for the Solano Avenue Business Improvement District (hereafter, "Solano BID Advisory Board" or "the BID") for 2026-2027 and, if no majority protest exists, levy annual assessments in the District for calendar year 2027 to finance services and improvements and authorize a fiscal agency contract for receipt and expenditure of District funds.

FISCAL IMPACTS OF RECOMMENDATION

Projected BID revenue of approximately $25,000 will be deposited into the Solano Avenue BID Fund, revenue budget code 783-21-208-251-0000-000-000-412110 and expensed from budget code 783-21-208-251-0000-000-446-636110. The BID constitutes an independent funding source that must be targeted to commercial revitalization efforts that are recommended by the Solano BID Advisory Board. The work of the Solano BID enhances the economic development of Solano Avenue and its business climate over the long term, and therefore the BID contributes towards improving City revenues through increased sales and property taxes.

CURRENT SITUATION AND ITS EFFECTS

Under the State of California Parking and Business Improvement Area law of 1989 (California Streets and Highways Code Section 36500 et. seq.) that authorized the establishment of the Solano Avenue BID, the City Council must hold a public hearing before levying assessments for 2027. The renewal process was initiated on November 17, 2026, when Council approved by Resolution No. 72,523–N.S. (See Attachment 1, Exhibit 1A) and set the public hearing date for December 1, 2026. The City Clerk noticed businesses in the Solano Avenue BID area by publishing the draft of Resolution No. 72,523–N.S. in a newspaper of general circulation. If no majority protest is received at the public hearing, at its conclusion the City Council may confirm the district's annual report and budget and levy assessments for calendar year 2027.

BACKGROUND

Since its revival in May 2012, the Solano BID Advisory Board has used Solano BID revenues to finance three programs: 1) a tree watering contract to ensure the health of

48 young street trees on Solano; 2) installing a program of 40 hanging planter baskets on light poles; and 3) sponsorship of events that attract customers to the district and improvements that enhance the pedestrian experience. In 2026, the BID program focused on sponsoring activities and improvements intended to market and promote the Solano Avenue business district. BID expenditures are made through an established fiscal agency contract with Telegraph Property and Business Management Corporation (Telegraph PBMC).

ENVIRONMENTAL SUSTAINABILITY

By maintaining and enhancing the district, the Solano BID creates shopping opportunities for residents and visitors alike while encouraging alternative forms of transportation. Because the District is well served by public transportation and biking infrastructure, these services indirectly support environmental sustainability goals of encouraging alternative transportation modes.

RATIONALE FOR RECOMMENDATION

State law requires that the City Council annually renew the Solano BID by conducting a public hearing on the proposed renewed assessment for the coming year.

ALTERNATIVE ACTIONS CONSIDERED

No alternative actions were considered.

CONTACT PERSON

Vincent McCoy, Office of Economic Development, (510) 981-7043.

Attachments

1: Resolution
    Exhibit 1A: Resolution No. 72,523–N.S. with incorporated Annual Report, Budget, District Map, and Assessment Table
2: Public Hearing Notice

RESOLUTION NO. ##,###-N.S.

CONFIRMING THE ANNUAL REPORT AND BUDGET FOR THE SOLANO AVENUE BUSINESS IMPROVEMENT DISTRICT (BID), LEVYING AN ANNUAL ASSESSMENT FOR THE SOLANO AVENUE BID FOR 2027, AND AUTHORIZING A CONTRACT OR CONTRACT AMENDMENTS WITH A SUITABLE NON-PROFIT TO SERVE AS FISCAL AGENT FOR RECEIPT AND EXPENDITURE OF SOLANO AVENUE BID FUNDS.

WHEREAS, the Solano Avenue Business Improvement District (BID) Advisory Board recommended an Annual Report to the Berkeley City Council that outlined the activities of the District proposed for the year 2027, including a budget for said activities, as required by California Streets and Highways Code Section 36533 and Berkeley Municipal Code Section 7.97.080; and

WHEREAS, on November 17, 2026, the City Council by Resolution No. 72,523–N.S. (attached as Exhibit 1A) approved the Annual Report and proposed budget of the Solano Avenue BID for 2026-27 and declared its intent to levy an assessment in the District to finance the proposed activities for the calendar year 2027; and

WHEREAS, Resolution No. 72,523–N.S.. also scheduled a public hearing for December 1, 2026, to consider levying said assessment and gave notice that interested parties could attend and be heard on the issue, for and against; and

WHEREAS, the City Clerk has notified potential assessees of the public hearing by publishing the draft Resolution of Intention in a newspaper of general circulation; and

WHEREAS, the public hearing has now been held and there has not been protests by business owners who collectively pay 50 percent or more of the assessment proposed to be levied.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that protests are over-ruled and the Annual Report of the Solano Avenue BID is confirmed, thereby levying an annual assessment for the Solano Avenue BID for calendar year 2027.

BE IT FURTHER RESOLVED that the Council authorizes the City Manager to enter into a contract or contract amendments with a suitable non-profit, the Telegraph Property and Business Management Corporation (TPBMC), to receive and spend funds for purposes approved in the Annual Report and Budget and as directed by the Solano Avenue BID Advisory Board.

Exhibit 1A: Resolution No. 72,523–N.S. (November 17, 2026), including the 2026-27 Annual Report and Budget, District Map, and Assessment Table

Exhibit 1A

RESOLUTION NO. 72,523-N.S.

APPROVING THE ANNUAL REPORT AND PROPOSED BUDGET OF THE SOLANO AVENUE BUSINESS IMPROVEMENT DISTRICT FOR 2026-2027; DECLARING COUNCIL'S INTENTION TO LEVY AN ASSESSMENT IN THE DISTRICT FOR 2027; AND DIRECTING THE CITY CLERK TO SCHEDULE A PUBLIC HEARING FOR DECEMBER 1, 2026 TO CONSIDER LEVYING A RENEWED ASSESSMENT FOR 2027.

WHEREAS, the Parking and Business Improvement Area Law of 1989 (California Streets and Highway Code section 36500 et seq.) authorizes cities to establish parking and business improvement areas for the purpose of imposing assessments on businesses for certain purposes; and

WHEREAS, on December 9, 2003 the Berkeley City Council established such an area known as the Solano Avenue Business Improvement District (the "District"); and

WHEREAS, the City Council established a Solano Avenue Business Improvement District Advisory Board (Advisory Board) to act in compliance with State law to oversee the activities of the District; and

WHEREAS, the Advisory Board has submitted an Annual Report to the Berkeley City Council that outlines the activities of the District proposed for 2027 as required by the California Streets and Highways Code Section 36533; and

WHEREAS, the Annual Report is clear and complete and found to comply with the interests of Solano Avenue assessees; and

WHEREAS, the annual process for levying assessments in Business Improvement Districts requires that cities adopt a Resolution of Intent that declares their intent to levy such an assessment and then set a date for a public hearing where interested parties may be heard on the issue.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley as follows:

Section 1. The City Council hereby approves the Solano Avenue Business Improvement District Annual Report 2026 and Budget for the year 2027 (Exhibit A) as submitted to the City Clerk by the Solano Avenue Business Improvement District Advisory Board.

Section 2. Pursuant to the provisions of Section 36500 et seq. of the California Streets and Highways Code (the "Act"), the City Council declares its intent to levy an annual assessment for the parking and business improvement area known as the Solano Avenue Business Improvement District.

Section 3. The boundaries of the District are set forth in Exhibit A1 to the Annual Report and budget which is attached hereto and incorporated herein by reference.

Section 4. The improvements and activities proposed for the District are as described in the Report and budget (Exhibit A) and appended hereto.

Council intends that these funds be used for designated activities and improvements in the Solano Avenue commercial area. Council explicitly intends that funds generated through this BID shall not be used to pay for activities routinely paid for by the City.

Section 5. The City Council intends to levy assessments on businesses located within the boundaries of the District shown Exhibit A1 and according to the business classifications and rates set forth in Exhibit A2 which is attached hereto and incorporated herein by reference.

Section 6. A public hearing shall be held before the City Council on December 1, 2026. Following the hearing the Council will consider adoption of a resolution levying an assessment as recommended by the Solano Avenue Business Improvement Advisory Board. At this hearing the Council will hear all interested persons for or against the levying of such an assessment.

Formal protests against the levying of the District assessment must be made in writing. All written and oral protests should contain the following certification: "I certify that I am the owner of the business listed below, and that the business is located or operates within the boundaries of the Solano Avenue Business Improvement District." Protests should also contain the following information: business name (printed), business address (printed), City Business License Tax Registration number, name of protester (printed), signature of protester, date of protest and the reason(s) the protester is against the levying of the District assessment. Protests will not be considered valid unless signed and submitted by the owner of a business located within the boundaries of the proposed District. Written protests shall be filed with the City Clerk, First Floor, City Hall, at 2180 Milvia Street, Berkeley, California, 94704, at or before 3 pm on December 1, 2026 and shall contain a description of the business sufficient to identify the business, and if the person so protesting is not listed on City records as the owner of the business, the protest shall be accompanied by written evidence that the person subscripting the protest is the owner of the business. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made. If written protests are received from the owners of businesses in the District which will pay fifty percent (50%) or more of the assessment proposed to be levied, no further proceedings to levy the assessment shall be taken for a period of one year from the date of the finding of a majority protest by the City Council. If the majority protest is only against the furnishing of a specified type or types of improvements or activities within the District, those types of improvements or activities shall be eliminated.

Section 7. The City Clerk is directed to give notice of said public hearing by publishing the draft Resolution of Intention in a newspaper of general circulation seven days prior to the public hearing.

Exhibits
A: Report for the Solano Avenue Business Improvement District 2026 & Budget 2027
A1: Map of the Solano BID
A2: Assessment Rates

Exhibit A

Report for the Solano Avenue Business Improvement District for 2026 and Budget for 2027

Background

The first version of the Solano Business Improvement District (BID) operated from 2002-2007, with administration of the BID headed by the Solano Avenue Association (SAA). In 2012, the Council appointed the Solano BID Advisory Board to administer the Solano Avenue BID, to fund physical improvements to the street and dedicate marketing and promotion efforts towards the businesses on the portion of Solano Avenue that lies in Berkeley. This Annual report and budget update the most recent year of operational programs of the Solano BID.

Landscape Program

In 2013, the Solano BID financed a tree watering program for young street trees along upper Solano Avenue. In 2016, per the City of Berkeley arborist, the trees were mature enough to not require additional water services. In early 2016, the board voted to enhance Solano's landscape by installing 41 hanging planter baskets on light poles distributed throughout the district, utilizing the Downtown Berkeley Association's (DBA) services. The DBA watered and maintained the baskets though the end of calendar year 2018. From 2019 to 2021, rainwater alone supported the baskets, and in 2022 the Solano BID entered into a contract with The Peralta Services Corporation to supplement other efforts to clean, weed, and level the tree wells through the district, and to develop an ongoing watering and maintenance system for the hanging flower baskets. Peralta's services began in July of 2022 and, per Peralta, the latest contract is renewed on a quarterly basis with regularly scheduled landscaping in tree wells, including cleaning of porous pavement on a weekly basis. Additional services have been considered and further options and changes will be discussed in the context of the 2027 Work Plan.

Marketing and Promotion of Solano

Marketing and promotion of Solano Avenue constitutes a second priority of the Solano BID. The commission has engaged with Solano Avenue Association for the purpose of increased marketing to member businesses, improved online presence, and higher visibility during events, minor and major, along Solano Avenue. Since 2018, the board approved funding for a new vendor for Christmas decorations under the direction of the SAA, with BID reimbursement to the SAA, which covered more poles and provided greater decoration coordination opportunities with neighboring Albany, all at a lower cost than previous seasons. The BID used the same vendor and process last season and plans to study and perhaps change the decorations for the 2026 season. This partnership underscores the leverage the BID obtains in working with the SAA to provide support for BID priorities for the Berkeley portion of Solano Avenue. In the remainder of 2026, the Advisory Board may again decide to participate in the development of holiday campaigns and activities (e.g., supporting the SAA in producing holiday events). The BID continues using its website directory for the district (www.uppersolano.com) and an advertising budget. The ads run in the Berkeley Times,

Berkeleyside and Edible East Bay and direct the public to the Upper Solano directory. The details of the 2027 Work Plan, are to be developed over the remainder of the year and include engaging with the City of Berkeley regarding traffic safety improvements, increased marketing of the Berkeley portion of Solano Avenue, and improvement programs to deploy merchant fees effectively and equitably.

Commissioner Recruitment

The board is challenged by having two (out of 9 possible) members. The current members have expressed that they are both ready to leave their positions. Ongoing recruitment is a focus for the remainder of 2026 and 2027. Merchant owners are often busy operating, and sometimes expanding, their businesses. The Advisory Board reminds merchants that they can assign a proxy, from inside or outside their organization, to represent them on the Board. City of Berkeley residence is not required for Board membership. To date, there are no candidates for seats on the board.

Solano BID Administration

The Solano BID has contracted with a fiscal agent, the Telegraph Property and Business Management Corporation (Telegraph PBMC), which charges a 5% fiscal agent fee on new BID revenue annually. For example, the anticipated new Solano BID revenue for 2027 is $30,000 so the fiscal agent fee is estimated to be $1,500.

FINANCIAL STATUS OF THE SOLANO BID, AUGUST 2026	
Solano BID Balance, as of 8/31/2026	$35,455
Accounts Receivable - Remaining Carryover	$25,400
Less fall and winter payments remaining for Solano Ave Assn Contract, for 2026-27 holiday-related events	-$10,000
Less payments for holiday decor installation, removal and storage, Nov. 2026 to Jan 2027	-$5,471
Allocated Expenditures	-$15,400
Unallocated as of 8/31/2026	**$29,984**

BUDGET FOR THE SOLANO BID FOR 2027 (Calendar Year)	
Estimated new revenue 2027	$29,984
Carryover from 2026 (estimated)	$6,000
Estimated SAA Events Payments	-$15,000
Estimated Holiday Decorations Payments	-$5,600
Estimated Peralta Svcs Corp sidewalk Cleaning/tree well maintenance	-$6,200
Less fiscal agent fee to Telegraph PBMC (5%) - of estimated new revenue	-$1,500
Total additional available for expenditure in 2027	**$7,684**

RECOMMENDATIONS

The Advisory Board recommends that Council:

- Approve the 2026 Annual Report and 2027 Budget.
- Make no changes in the boundaries of the Solano Business Improvement District in the two Benefit Zones, A & B, as shown in Exhibit A1.
- Make no changes in the method and basis for merchant assessments, as shown in Exhibit A2.
- Carry over to 2027 the estimated surplus revenues from 2026, as stated in the 2027 Budget.

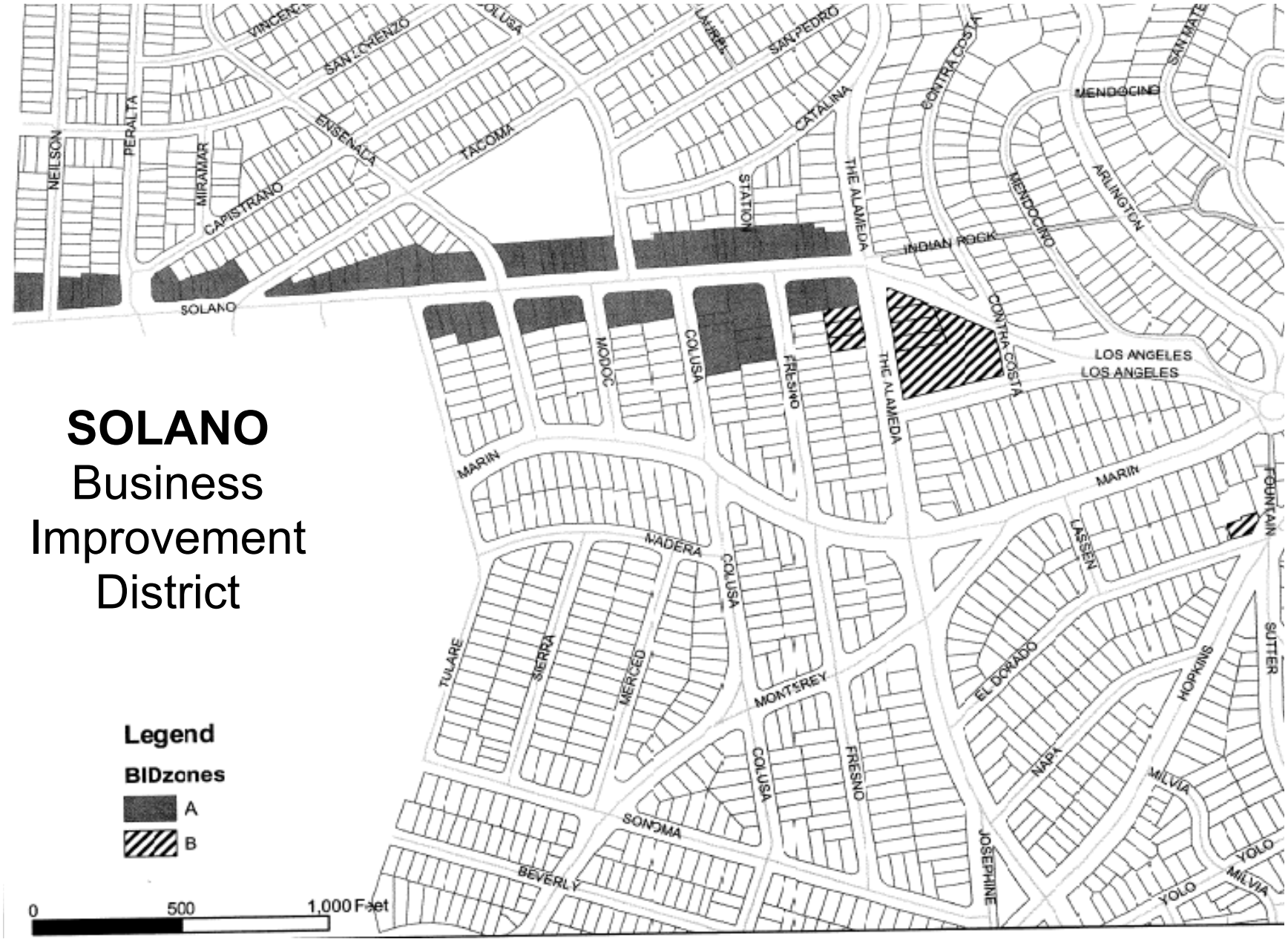

SOLANO
Business
Improvement
District
Legend
BIDzones
A
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500
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SAN LORENZO
SAN PEDRO
CATALINA
CONTRA COSTA
MENDOCINO
SAN MATEO
PERALTA
NEILSON
MIRAMAR
CAPISTRANO
ENSENADA
TACOMA
STATION
THE ALAMEDA
INDIAN ROCK
ARLINGTON
SOLANO
MODOC
COLUSA
FRESNO
LOS ANGELES
MARIN
MADERA
LASSEN
FOUNTAIN
TULARE
SIERRA
MERCED
MONTEREY
EL DORADO
HOPKINS
SUTTER
NAPA
MILVIA
SONOMA
BEVERLY
JOSEPHINE
YOLO

Exhibit A2

Berkeley Solano Avenue Business Improvement District Annual Assessment Formula

		Annual Assessments	
Type of Business		***Zone A***	***Zone B***
a. Retailers and Restaurants	1-5 employees	$200	$125
	6-9 employees	$300	$175
	10+ employees	$400	$225
b. Service Businesses		$175	$100
c. Professional Services		$100	$65
d. Financial Institutions		$500	$500

NOTICE OF PUBLIC HEARING
BERKELEY CITY COUNCIL

RENEWAL OF THE SOLANO AVENUE BUSINESS IMPROVEMENT DISTRICT AND LEVYING OF ASSESSMENT FOR 2027

The Solano Avenue Business Improvement District (BID) Advisory Board is proposing that the Berkeley City Council confirm the Annual Report of the Solano Avenue BID for 2026 and levy an assessment for 2027.

The hearing will be held on December 1, 2026 at 6:00 p.m. at the Berkeley City Council Meeting held at the BUSD SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702.

A copy of the agenda material for this hearing will be available on the City's website at www.berkeleyca.gov as of **November 19, 2026.**

For further information, please contact Vincent McCoy, Office of Economic Development, at (510) 981-7043.

Written comments should be mailed directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or emailed to council@berkeleyca.gov in order to ensure delivery to all Councilmembers and inclusion in the agenda packet.

Communications to the Berkeley City Council are public record and will become part of the City's electronic records, which are accessible through the City's website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk at 981-6900 or clerk@berkeleyca.gov for further information.

Published: Draft Resolution of Intention, November 20, 2026 – The Berkeley Voice
As required by Streets and Highways Code Section 36534.

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I hereby certify that the Notice for this Public Hearing of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City's website, on November 19, 2026.

Mark Numainville, City Clerk
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